



**HUNTER HALL
EQUITY FUNDS**

**Annual Report
30 June 2017**

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DIRECTORS' REPORT

The Directors of Hunter Hall Investment Management Limited (the Responsible Entity), submit herewith the annual financial reports of the Hunter Hall Value Growth Trust (VGT), the Hunter Hall Global Equities Trust (GET), the Hunter Hall Australian Value Trust (AVT), the Hunter Hall Global Deep Green Trust (GDG), and the Hunter Hall High Conviction Equities Trust (HCT) (the Hunter Hall Equity Funds or Funds) for the year ended 30 June 2017 in accordance with ASIC Instrument 2015/843. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of the Directors of the Responsible Entity during or since the end of the financial year are:

Russel Pillemer – B.Com, CA	appointed 5 June 2017
Nick Griffiths – BA, FIA, CFA	appointed 5 June 2017
Katrina Glendinning – B.Ec, GAICD, CA	appointed 5 June 2017
David Groves Bcom., Mcom., CA, FAICD	appointed 4 May 2016 and resigned on 5 June 2017
Kevin Eley C.A. AICD, F.Fin.	appointed 7 October 2015 and resigned on 5 June 2017
Mark Forstmann B.Sc., B.A. (Comms)	resigned 8 September 2016
Wayne Hawkins B.Ec, F.Fin, FAICD	resigned 24 April 2017

Principal Activities

The principal activity of each of the Funds is the investment and management of securities in accordance with their respective investment objectives and guidelines as set out in the current Product Disclosure Statement and in accordance with the provisions of each of the Funds' Constitutions

Significant changes

Mr Peter Hall AM tendered his resignation, for personal reasons, as Chief Investment Officer (CIO) of Hunter Hall International Limited (HHL) on 27 December 2016. Mr Hall stepped down as the Chief Executive Officer (CEO) on 9 January 2017, immediately relinquishing his executive responsibilities.

On 9 January 2017, Paula Ferrao was appointed the interim CEO and James McDonald as the interim CIO.

On 1 June 2017, the shareholders of Hunter Hall Limited (HHL, the Responsible Entity's parent company), approved a merger with Pengana Holdings Pty Limited to create Pengana Capital Group Limited (ASX: PCG).

As a result of this merger the Responsible Entity is a wholly owned subsidiary of PCG.

On 6 June 2017, PCG announced the following strategic initiatives:

VGT:

The investment strategy changed effective 6 June 2017 to obtain returns greater than the MSCI All Country World Total Return Index (net, AUD) (Index) and with lower volatility than the Index, over the medium to long term.

The Management fee reduced from 1.64% to 1.35% (Including GST and RITC) and the performance fee and the reimbursable expenses was removed.

The ethical screen approach remained in its entirety.

GET:

The investment strategy changed effective 6 June 2017 to obtain returns greater than the MSCI All Country World Total Return Index (net, AUD) (Index) and with lower volatility than the Index, over the medium to long term.

The Management fee structure remained unchanged, however the performance fee was removed.

The ethical screen approach remained in its entirety.

HCT:

No changes were made.

GDG and AVT:

Please refer to "Subsequent Events" section of the Directors report for changes made after 30 June 2017.

There has been no other significant change in the activities of any of the Funds during the financial year.

DIRECTORS' REPORT (CONTINUED)

Review of Results and Operations

Results

The net income/(loss) after distributions paid & distributions for the year for each Fund:

30 June 2017	VG	GE	AV	GD	HC
Profit/(loss) before finance costs	(64,292,379)	13,692,344	(2,473,133)	(171,685)	(5,151,888)
Distribution (\$)	59,615,714	-	3,090,517	20,319	7,061,242
Distribution - Dec (cents per unit)	34.5831	-	12.6567	0.4107	5.0000
Distribution - Jun (cents per unit)	-	-	-	-	50.742
30 June 2016	VG	GE	AV	GD	HC
Profit/(loss) before finance costs	65,480,018	(11,175,574)	7,134,494	(464,638)	17,454,297
Distribution (\$)	56,443,102	-	1,386,442	358,421	4,509,815
Distribution - Dec (cents per unit)	15.6354	-	-	5.0000	-
Distribution - Jun (cents per unit)	17.4292	-	5.7255	2.3568	42.5261

Indirect Cost Ratios

For the year ended 30 June, the Indirect Cost Ratio for each Fund was:

30 June 2017	VG	GE	AV	GD	HC
Excluding performance fee (%)	1.77	1.89	1.31	1.95	1.96
Including performance fee (%)	1.77	1.89	1.31	1.95	1.96
30 June 2016	VG	GE	AV	GD	HC
Excluding performance fee (%)	1.80	1.71	1.35	2.00	2.00
Including performance fee (%)	1.80	1.71	3.16	2.00	17.03

Financial Position

The following table shows the net assets and the unit redemption price (post-distribution) of each Fund as at 30 June.

30 June 2017	VG	GE	AV	GD	HC
Net assets attributable to unitholders (\$)	371,507,974	72,221,648	24,468,716	3,564,518	29,281,369
Unit redemption price (\$)	2.8864	1.8005	1.3887	1.0132	2.9880
30 June 2016	VG	GE	AV	GD	HC
Net assets attributable to unitholders (\$)	596,713,327	93,652,894	36,485,751	4,989,264	35,890,424
Unit redemption price (\$)	3.4349	1.5632	1.4955	1.0239	3.0518

Subsequent Events

On 1 August 2017, Pengana Capital Group Limited (PCG) announced the following strategic initiatives:

AVT:

Effective 1 August 2017, the investment strategy changed to achieve over the medium to long term an investment return, including capital appreciation, dividends and interest, in excess of the risk free rate (i.e., the Reserve Bank of Australia's Cash Rate Target) plus a margin to compensate investors for the extra risk associated with investing in Australian equities (this is known as the "Australian equity risk premium"), and to ensure that a high component of the return is from income.

In the future it is proposed that the Management fee will be reduced from 1% to 0.716% (Including GST and RITC) and the performance fee will be reduced from 15% of any net return greater than the Small Ords plus 1.00%, payable half yearly, to 10.25% of any net return greater than Reserve Bank of Australia's Cash Rate Target (RBA Cash Rate), payable quarterly. The reimbursable expenses will be removed.

The fund no longer follows the ethical screen approach that was adopted by Hunter Hall.

The name of the fund will change to Pengana Australian Equities Income Fund.

DIRECTORS' REPORT (CONTINUED)

Review of Results and Operations (continued)

Subsequent Events (continued)

GDG:

The GDG has been renamed to the Pengana WHEB Sustainable Impact Fund. PCG has entered into an arrangement with WHEB Asset Management LLP (WHEB), who began managing the fund on 1 August 2017. WHEB is a specialist investment management firm located in the UK. They are a leading proponent of sustainable and responsible investing with active roles in many of the organisations promoting best practices in this field.

The new investment objective is to achieve capital growth over the medium to longer term. The Fund's investment philosophy is built around sustainable growth, quality and valuation. Major global challenges including a growing and ageing population, increasing resource scarcity, urbanisation and globalisation, are reshaping the economic landscape. WHEB focuses on companies providing solutions to these sustainability challenges via nine sustainable investment themes including:

- Environmental: cleaner energy, environmental services, resource efficiency, sustainable transport, and water management; and
- Social: education, health, safety, and well-being

High quality companies are more likely to capture growth opportunities, and WHEB integrates ESG analysis and company engagement with traditional financial analysis to enable a better understanding of the quality of a company, franchise, and overall impact. This culminates in a determination of whether a company is attractively valued, or what would represent an attractive entry point for a stock.

The Management fee has been reduced from 1.64% to 1.35% (Including GST and RITC) and the performance fee and the reimbursable expenses have been removed.

There has not been any other matter or circumstance, other than that referred to in the Financial Statements or Notes thereto, that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of each of the Funds, the results of those operations, or the state of affairs of each of the Funds in future financial years.

Future Developments

Each Fund will continue to be managed in accordance with its investment objectives and guidelines as set out in the current Product Disclosure Statement and in accordance with the provisions of the Constitution of each Fund. Future results will accordingly depend on the performance of the investments and markets to which the Funds are exposed.

Indemnification of Officers and Auditors

No insurance premiums are paid for out of the assets of the Funds in regards to insurance cover provided to either the officers of HHIML or the auditors of the Fund. So long as the officers of HHIML act in accordance with the Funds' Constitutions and the Law, the officers remain fully indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds.

The auditors of the Funds are in no way indemnified out of the assets of the Funds.

Environmental Regulation

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

Additional Disclosure

The Funds have applied the relief available in Class Order 06/441 issued by the Australian Securities and Investments Commission in the preparation of this report. This class order allows registered Schemes with a common responsible entity to include multiple financial statements in adjacent columns in a financial report.

DIRECTORS' REPORT (CONTINUED)

Scheme Information in the Financial Report

Fees paid to the Responsible Entity and its associates out of each Fund's property during the financial year are disclosed in Note 13 to the Financial Statements.

The number of interests in each Fund issued during the financial year; withdrawals from each Fund during the financial year; and the number of interests in each of the Funds at the end of the financial year are disclosed in Note 12 to the Financial Statements.

The value of each Fund's assets at the end of the financial year is disclosed in the Statement of Financial Position as 'Total Assets' and the basis of valuation is included in Note 2 to the Financial Statements.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s.307c of the Corporations Act 2001 in relation to the audit of the financial report of each Fund for the year ended 30 June 2017 is set out on page 32 and forms part of this report.

The report is signed in accordance with a resolution of the Directors of the Responsible Entity made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors of Hunter Hall Investment Management Limited



Russel Pillemer
Non-executive Director

Sydney
31 August 2017

Hunter Hall Equity Funds
Statements of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2017

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	VGT		GET		AVT		GDG		HCT	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue											
Dividend and distribution income		4,673,001	11,239,425	695,845	1,144,223	1,011,443	1,137,697	39,214	48,144	263,678	59,710
Interest income		560,967	442,996	20,540	26,096	36,915	22,184	2,880	5,342	58,878	38,601
Other income		49,446	76,849	60,559	24,850	(160)	16,462	2,898	313	4,536	241
Total revenue		5,283,414	11,759,270	776,944	1,195,169	1,048,198	1,176,343	44,992	53,799	327,092	98,552
Fair value changes											
Changes in fair value of investments	3	(60,245,076)	64,548,540	14,590,195	(10,609,467)	(3,066,868)	7,109,360	(119,350)	(400,501)	(4,630,944)	20,753,680
Total gains/(loss) on investments		(60,245,076)	64,548,540	14,590,195	(10,609,467)	(3,066,868)	7,109,360	(119,350)	(400,501)	(4,630,944)	20,753,680
Expenses											
Management fees	5a	(8,527,871)	(9,851,426)	(1,325,458)	(1,543,634)	(344,284)	(363,263)	(80,309)	(95,064)	(775,657)	(358,863)
Performance fees		-	-	-	-	-	(656,629)	-	-	-	(2,996,456)
Other operating expenses	5b	(802,846)	(976,366)	(349,337)	(217,642)	(110,179)	(131,317)	(17,018)	(22,872)	(72,379)	(42,616)
Total operating expenses		(9,330,717)	(10,827,792)	(1,674,795)	(1,761,276)	(454,463)	(1,151,209)	(97,327)	(117,936)	(848,036)	(3,397,935)
Profit/(loss) before finance costs attributable to unitholders		(64,292,379)	65,480,018	13,692,344	(11,175,574)	(2,473,133)	7,134,494	(171,685)	(464,638)	(5,151,888)	17,454,297
Finance costs attributable to unitholders											
Distributions to unitholders	4	(59,615,714)	(56,443,102)	-	-	(3,090,517)	(1,386,442)	(20,319)	(358,421)	(7,061,242)	(4,509,815)
(Increase)/decrease in net assets attributable to unitholders	11	123,908,093	(9,036,916)	(13,692,344)	11,175,574	5,563,650	(5,748,052)	192,004	823,059	12,213,130	(12,944,482)
Total finance costs		64,292,379	(65,480,018)	(13,692,344)	11,175,574	2,473,133	(7,134,494)	171,685	464,638	5,151,888	(17,454,297)
Profit for the year		-	-	-	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	-	-	-	-	-	-

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

Hunter Hall Equity Funds
Statements of Financial Position
As at 30 June 2017

STATEMENTS OF FINANCIAL POSITION

	Notes	VGT		GET		AVT		GDG		HCT	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assets											
Cash and cash equivalents	6a	17,097,430	128,899,596	6,596,697	6,708,056	10,482,611	1,758,833	434,577	1,600,398	5,065,042	4,219,513
Financial assets held at fair value	7	344,050,577	485,154,500	63,711,209	88,175,892	14,005,839	36,060,174	3,132,437	3,482,667	26,684,159	34,907,665
Trade and other receivables	8	11,968,367	6,004,174	2,229,226	352,910	26,203	184,154	3,326	140,422	1,389,497	45,769
Total assets		373,116,374	620,058,270	72,537,132	95,236,858	24,514,653	38,003,161	3,570,340	5,223,487	33,138,698	39,172,947
Liabilities											
Trade and other payables	9	1,608,400	6,549,166	315,484	1,583,964	45,937	466,624	5,822	165,315	33,993	2,250,818
Distribution payable	10	-	16,795,777	-	-	-	1,050,786	-	68,908	3,823,336	1,031,705
Total liabilities (excluding net assets attributable to unitholders)		1,608,400	23,344,943	315,484	1,583,964	45,937	1,517,410	5,822	234,223	3,857,329	3,282,523
Net assets attributable to unitholders	11	371,507,974	596,713,327	72,221,648	93,652,894	24,468,716	36,485,751	3,564,518	4,989,264	29,281,369	35,890,424

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

Hunter Hall Equity Funds
Statements of Changes in Equity
For the year ended 30 June 2017

STATEMENTS OF CHANGES IN EQUITY

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total equity at the beginning of the financial year	-	-	-	-	-	-	-	-	-	-
Profit/ (loss) for the year	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners	-	-	-	-	-	-	-	-	-	-
Total equity at the end of the financial year	-	-	-	-	-	-	-	-	-	-

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

Hunter Hall Equity Funds
Statements of Cash Flow
For the year ended 30 June 2017

STATEMENTS OF CASH FLOWS

Notes	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows from operating activities										
Investments purchased	(638,801,656)	(436,322,782)	(130,475,312)	(90,833,922)	(34,630,744)	(45,234,650)	(6,672,698)	(3,273,488)	(35,357,521)	(24,913,057)
Proceeds from investments sold	711,372,360	565,059,640	166,326,195	103,257,606	53,373,062	48,239,229	6,899,140	5,496,090	37,627,449	20,189,700
Dividends received	4,639,032	12,480,567	706,901	1,503,068	1,054,788	1,098,303	39,100	47,527	248,341	74,045
Interest received	572,164	443,204	27,000	24,584	30,584	22,288	2,909	5,148	58,363	36,228
Management, performance and entry fees paid	(8,947,435)	(9,879,090)	(1,351,875)	(1,569,878)	(354,262)	(1,018,827)	(82,600)	(96,742)	(2,970,665)	(1,733,771)
Payments to suppliers	(817,779)	(777,477)	(293,488)	(196,494)	(168,813)	(124,168)	(19,369)	(22,890)	(99,428)	(46,346)
Sundry income	49,446	76,849	60,559	24,850	(160)	16,462	2,898	313	4,536	241
Net cash flows provided by/(used in) operating activities	68,066,132	131,080,911	34,999,980	12,209,814	19,314,455	2,998,637	169,380	2,155,958	(488,925)	(6,392,960)

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Cash flows from financing activities
Proceeds from issue of units
Payments for redemption of units
Payment of distributions
Net cash flows (used in)/provided by financing activities

Net increase/(decrease) in cash and cash equivalents held
Cash and cash equivalents at beginning of year

Effect of foreign currency exchange rate changes on cash and cash equivalents
Cash and cash equivalents at end of year

32,820,363	18,650,703	3,260,651	10,032,070	3,340,485	1,609,775	303,734	475,106	16,880,663	13,607,268
(160,460,774)	(71,693,867)	(38,379,031)	(20,458,798)	(10,640,494)	(4,763,442)	(1,544,441)	(988,966)	(14,313,403)	(4,485,412)
(49,946,453)	(22,340,935)	-	-	(3,290,668)	(122,308)	(81,262)	(158,273)	(1,232,796)	-
(177,586,864)	(75,384,099)	(35,118,380)	(10,426,728)	(10,590,677)	(3,275,975)	(1,321,969)	(672,133)	1,334,464	9,121,856
(109,520,732)	55,696,812	(118,400)	1,783,086	8,723,778	(277,338)	(1,152,589)	1,483,825	845,539	2,728,896
128,899,596	71,519,669	6,708,056	4,940,134	1,758,833	2,036,170	1,600,398	118,250	4,219,513	1,490,183
(2,281,434)	1,683,115	7,041	(15,164)	-	1	(13,232)	(1,677)	(10)	434
17,097,430	128,899,596	6,596,697	6,708,056	10,482,611	1,758,833	434,577	1,600,398	5,065,042	4,219,513

6a

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

1. Financial Reporting Framework

Statement of compliance and basis of preparation

The general purpose financial statements of the Funds have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Funds are for-profit entities for the purpose of preparing the financial statements.

The financial reports have been prepared on an accruals basis and are based on historical costs, except where stated, in accordance with the requirements of each Fund's Constitution. Fund investments are revalued to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The Financial Reports are presented in Australian Dollars, which is the Funds' functional currency.

This annual report covers each Fund as an individual entity. Each Fund is a registered managed investment scheme established and domiciled in Australia.

The Funds have the same Responsible Entity, Hunter Hall Investment Management Limited and have presented their Financial Reports in a single document as permitted by ASIC Class Order 06/441.

2. Summary of Significant Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the Financial Reports:

a. Revenue and expenses

Dividend income is recognised on a receivable basis on the date shares are quoted ex-dividend.

Interest from fixed interest and discount securities is recognised as income on the basis of accumulated entitlement that would be received on the disposal of the security according to the trading practices accepted by the market for the relevant security. Interest on cash on deposit is recognised in accordance with the terms and conditions which apply to the deposit.

b. Income tax

Under current legislation each of the Funds are not subject to income tax, provided taxable income including assessable capital gains is fully distributed to unitholders.

c. Cash and cash equivalents

Cash and cash equivalents includes cash on hand and in banks.

d. Fair value of financial assets and liabilities

Recognition and initial measurement

Financial assets and liabilities are recognised when each Fund becomes a party to the contractual provisions of the instrument. For financial assets this is equivalent to the date that the Fund commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

2. Summary of Significant Accounting Policies (continued)

d. Fair value of financial assets and liabilities (continued)

Recognition and initial measurement (continued)

Financial assets and liabilities are valued at fair value. Financial instruments are classified into the following categories and fair values of financial instruments are determined on the following basis:

i. *Investments*

All investments are initially recognised at cost, being the fair value of the consideration given including acquisition charges associated with the investment. After initial recognition, investments have been classified as "fair value through profit or loss". Gains and losses on investments are recognised in the Statements of Comprehensive Income. The Responsible Entity evaluates the information about financial assets on a fair value basis with other related financial information.

Investments traded in an organised financial market (traded securities) are valued at current quoted market last traded price for an asset. Quoted market prices are available for listed shares, options, debentures and other equity and debt securities.

ii. *Monetary financial assets and liabilities not traded in an organised financial market*

Financial assets and liabilities related to trade debtors, trade accounts payable, accruals and dividends payable are valued on a cost basis carrying amount (which approximates fair value).

iii. *Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Receivables are included in current assets, except for those which are not expected to mature within 12 months following the end of the reporting period.

e. *Derivative financial instruments*

The VGT and GDG use foreign currency contracts to hedge risks associated with foreign currency fluctuations. The Responsible Entity has established foreign exchange dealing lines with the major Australian banks. Forward foreign exchange hedging contracts are marked to market daily and are disclosed as financial assets or financial liabilities as the valuation requires.

The fair value of forward contracts is calculated by reference to current forward exchange rates for contracts with the same maturity profiles.

The VGT and GET use exchanged traded options to hedge risks associated with technology risk exposures. The exchanged traded options are initially recognised at cost, being the fair value of the consideration given including brokerage and other acquisition charges associated with the exchanged traded options. After initial recognition, exchange traded options have been classified as "fair value through profit or loss". Gains and losses on exchange traded options are recognised in the Statement of Comprehensive Income

Gains and losses arising from changes in fair value are taken directly to the Statements of Profit or Loss and Other Comprehensive Income.

f. *Foreign currency transactions*

Foreign currency transactions are translated into Australian Dollars (AUD) using the exchange rates at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of foreign assets and liabilities at year end exchange rates are recognised in the Statements of Profit or Loss and Other Comprehensive Income.

Translation differences on monetary assets and liabilities, forward foreign exchange hedging contracts and investments are reported as part of the change of value of investments on the Statements of Profit or Loss and Other Comprehensive Income. All other foreign exchange gains and losses are presented in the Statements of Profit or Loss and Other Comprehensive Income within revenue.

Assets and liabilities denominated in a foreign currency are translated using the exchange rates at reporting date.

g. *Distributions*

Distributions to unitholders comprise the taxable income (including assessable capital gains) of each Fund. The distributions are payable at the end of December and June each year.

2. Summary of Significant Accounting Policies (continued)

h. Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, the GST amount is recognised as part of the cost of acquisition of an asset or as an expense.
- ii. for receivables and payables, which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

i. Payables

Trade payables and other accounts payable are recognised when each Fund becomes obliged to make future payments resulting from the purchase of securities. The amounts are unsecured and are usually paid within three days of recognition.

j. Receivables

Trade and other receivables may include amounts for dividends, interest and securities sold where settlement has not yet occurred. Amounts for securities sold are generally received within 3 days of being recorded as receivables. Dividends are accrued when the right to receive payment is established.

k. Applications and redemptions

Applications received for units in each of the Funds are recorded net of any entry fees payable prior to the issue of units in each Fund. No exit fees are charged. Unit prices are determined by reference to the net assets of each Fund based on a last sale valuation divided by the number of units on issue at close of business each day.

All or part of an investment can be switched between the Hunter Hall Equity Funds. This facility is free of any entry fees for up to four switches per financial year however transaction costs will apply for the redemption and application components of each switch. Further details can be found in each of the Funds' Product Disclosure Statement.

l. Critical accounting estimates and judgements

The Responsible Entity evaluates estimates and judgements incorporated into the Financial Report of each Fund based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and internally.

Key estimates - impairment

The Responsible Entity assesses impairment at each reporting date by evaluating conditions specific to each fund that may lead to impairment of assets. When an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

m. New and amended standards adopted by the Fund

There are no new standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2016 that have a material impact on the Fund.

n. New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods and have not been early adopted by the Funds. The Responsible Entity's assessment of the impact of these new standards (to the extent relevant to the Funds) and interpretations is set out below:

- AASB 9 Financial Instruments (and applicable amendments) (effective from 1 January 2018)

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting. The standard is not applicable until 1 January 2018 but is available for early adoption. The Responsible Entity does not expect this to have a significant impact on the recognition and measurement of the Funds' financial instruments as they are carried at fair value through profit or loss. The derecognition rules have not been changed from the previous requirements, and the Funds do not apply hedge accounting. AASB9 introduces a new impairment model. However, as the Funds' investments are all held at fair value through profit or loss, the change in impairment rules will not impact the Funds. The Funds have not yet decided when to adopt AASB 9.

- AASB 15 Revenue from Contracts with Customers (effective from 1 January 2018)

AASB15 will replace AASB118 *Revenue* which covers contracts for goods and services and AASB111 *Construction Contracts* which covers construction contracts. AASB 15 is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards. The Responsible Entity does not expect this to have a significant impact on revenue recognition for the Funds.

There are no other standards that are not yet effective and that are expected to have a material impact on the Funds in the current or future reporting periods and on foreseeable future transactions.

3 Changes in Fair Value of Investments

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Designated at fair value through profit and loss - equity investments, options and units in unlisted schemes:										
Realised changes in fair value of investments	59,443,027	67,696,356	13,445,112	2,433,467	1,498,729	6,415,440	(354,189)	716,842	7,560,439	7,787,952
Unrealised changes in fair value of investments	(118,346,478)	7,827,316	1,774,275	(12,572,579)	(4,565,597)	693,919	288,787	(1,081,167)	(12,147,562)	12,982,802
Derivative financial Instruments:										
Realised changes in fair value of investments	333,909	(8,838,198)	-	-	-	-	(409)	(19,363)	-	-
Unrealised changes in fair value of investments	(782,134)	2,046,572	88	-	-	-	(1,656)	(1,806)	-	-
Foreign exchange:										
Realised changes in gains/(losses) of investments	1,429,912	(5,916,132)	(625,246)	(462,417)	-	-	(18,649)	(13,330)	(44,408)	(17,356)
Unrealised changes in gains/(losses) of investments	(2,323,312)	1,732,626	(4,034)	(7,938)	-	1	(13,234)	(1,677)	587	282
	(60,245,076)	64,548,540	14,590,195	(10,609,467)	(3,066,868)	7,109,360	(119,350)	(400,501)	(4,630,944)	20,753,680

4

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Interest	-	-	-	-	25,531	-	-	-	-	-
Dividend income	-	-	-	-	984,102	314,653	-	-	-	-
Net capital gains	28,941,182	22,594,924	-	-	750,018	655,055	-	-	3,281,022	3,286,411
Foreign income	-	-	-	-	8,215	-	-	-	-	-
Australian income	-	-	-	-	684	16,801	-	-	-	-
Concessional capital gains	29,721,514	33,848,178	-	-	750,018	681,677	-	358,421	3,780,220	1,223,404
Franking credits	-	-	-	-	(413,738)	(281,744)	-	-	-	-
Tax deferred	953,018	-	-	-	985,687	-	20,319	-	-	-
Foreign tax credits	-	-	-	-	-	-	-	-	-	-
	59,615,714	56,443,102	-	-	3,090,517	1,386,442	20,319	358,421	7,061,242	4,509,815
Represented by:										
Distribution paid - December	59,615,714	26,832,447	-	-	3,090,517	-	20,319	244,724	807,145	-
Distribution payable - June	-	29,610,655	-	-	-	1,386,442	-	113,697	6,254,097	4,509,815
	59,615,714	56,443,102	-	-	3,090,517	1,386,442	20,319	358,421	7,061,242	4,509,815
	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	c/unit	c/unit	c/unit	c/unit	c/unit	c/unit	c/unit	c/unit	c/unit	c/unit
Distribution paid - December	34.5831	15.6354	-	-	12.6567	-	0.4107	5.0000	5.0000	-
Distribution payable - June	-	17.4292	-	-	-	5.7255	-	2.3568	50.7419	42.5261
	34.5831	33.0646	-	-	12.6567	5.7255	0.4107	7.3568	55.7419	42.5261

5 Expenses

a. Management fees

In accordance with each of the Funds' Constitutions, the Responsible Entity is entitled to:

	VGT	GET	AVT	GDG	HCT
Management fees	1.35% (1)	1.5% (2)	1% (3)	1.6% (3)	1.80%
Performance fee	NA	NA	15% of any net return greater than the S&P Small Ordinaries Accumulation Index plus 1.00% payable half yearly	NA	15% of any return greater than The Reserve Bank of Australia's Cash Rate target + 3%, payable half yearly

(1) The Responsible Entity reduced the Management Fee of the VGT on 6 June 2017 from 1.64% to 1.35%pa. (Inclusive GST and RITC) and the performance fee and the reimbursable expenses were removed.

(2) The Responsible Entity removed the performance Fee of the GET on 6 June 2017.

(3) Please refer to Subsequent Events Note for future fee changes.

The amounts paid or payable to the Responsible Entity in accordance with each of the Funds' Constitutions were:

	VGT	GET	AVT	GDG	HCT
	2017	2016	2017	2016	2017
Management fees	\$ 8,527,871	\$ 9,851,426	\$ 1,325,458	\$ 1,543,634	\$ 363,263
Performance fees	-	-	-	-	80,309
Reimbursable expenses (1)	68,639	956,608	26,244	212,802	656,629
	8,596,510	10,808,034	1,351,702	1,756,436	1,271,110
			351,708	95,068	20,793
				115,857	60,766
				836,423	39,874
					3,395,193

(1) Expenses for the GDG, HCT and AVT are capped at 0.36%, 0.19% and 0.35% respectively. Amounts in excess of this cap are borne by the Responsible Entity. From 1 June 2017 all VGT expenses are borne by the Responsible Entity. Please refer to Subsequent Events Note for future fee changes.

b. Other operating expenses

	VGT	GET	AVT	GDG	HCT
	2017	2016	2017	2016	2017
Accounting and administration costs	\$ 423,688	\$ 447,146	\$ 86,813	\$ 79,600	\$ 96,011
Sundry expenses	379,158	529,220	262,524	138,042	35,306
	802,846	976,366	349,337	217,642	131,317
			110,179	17,018	22,872
				11,613	2,742
				11,613	2,742

6 Cash Flow Information

a. Reconciliation of cash and cash equivalents

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash balance comprises:										
Cash at bank	17,097,430	128,899,596	6,596,697	6,708,056	10,482,611	1,758,833	434,577	1,600,398	5,065,042	4,219,513
Total cash and cash equivalents	17,097,430	128,899,596	6,596,697	6,708,056	10,482,611	1,758,833	434,577	1,600,398	5,065,042	4,219,513

b. Reconciliation of profit for the year to the net cash flows used in operating activities

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Investments purchased	(638,801,656)	(436,322,782)	(130,475,312)	(90,833,922)	(34,630,744)	(45,234,650)	(6,672,698)	(3,273,488)	(35,357,521)	(24,913,057)
Proceeds from investments sold	711,372,360	565,059,640	166,326,195	103,257,606	53,373,062	48,239,229	6,899,140	5,496,090	37,627,449	20,189,700
Increase/(decrease) in net assets attributable to unitholders	(123,908,093)	9,036,916	13,692,344	(11,175,574)	(5,563,650)	5,748,052	(192,004)	(823,059)	(12,213,130)	12,944,482
Distributions paid from operating activities	59,615,714	56,443,102	-	-	3,090,517	1,366,442	20,319	358,421	7,061,242	4,509,815
Changes in the fair value of investments	60,245,076	(64,548,540)	(14,590,195)	10,609,467	3,066,868	(7,109,360)	119,350	400,501	4,630,944	(20,753,680)
Change in trade and other receivables	78,172	1,235,632	135,399	363,983	41,107	(38,681)	873	(459)	(21,084)	4,045
Change in trade and other payables	(536,041)	176,943	(88,451)	(11,746)	(62,705)	7,605	(5,600)	(2,048)	(2,216,825)	1,625,735
Net cash provided by/(used in) operating activities	68,066,132	131,080,911	34,999,980	12,209,814	19,314,455	2,998,637	169,380	2,155,958	(488,925)	(6,392,960)

c. Non-cash financing and investment activities

During the year distributions were reinvested by unitholders for additional units in the Funds as shown in the following table:

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Distribution reinvested	26,465,038	28,591,177	-	-	850,635	374,123	7,965	154,219	3,036,815	3,478,110
	26,465,038	28,591,177	-	-	850,635	374,123	7,965	154,219	3,036,815	3,478,110

7 Financial assets held at fair value through profit & loss

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Designated at fair value through profit and loss - equity investments	343,022,938	484,365,766	63,500,010	88,175,892	14,005,839	36,060,174	3,132,437	3,481,012	26,684,159	34,907,665
Held for trading - derivative financial instruments	1,027,638	788,734	211,199	-	-	-	-	1,655	-	-
	344,050,577	485,154,500	63,711,209	88,175,892	14,005,839	36,060,174	3,132,437	3,482,667	26,684,159	34,907,665

7 Financial assets held at fair value through profit & loss (continued)

The following investments constitute 5% or more of the total value of investments of each of the Funds:

2017 VGT					
2016 VGT					
Company	Main business	Market value \$	Total value of Investments %	Company	Total value of Investments %
IAC/InterActiveCorp	internet services	19,438,408	5.65%	St Barbara Limited	gold explorer and producer
				Vocus Communications Ltd	telecommunications
				Sirtex Medical Limited	liver cancer treatments
				Doray Minerals Limited	gold explorer and producer
				Lumentum Holdings Inc	hardware
					84,918,319
					39,458,250
					37,234,168
					29,464,957
					24,820,513
					17.50
					8.13
					7.67
					6.07
					5.12
2017 GET					
2016 GET					
Company	Main business	Market value \$	Total value of Investments %	Company	Total value of Investments %
IAC/InterActiveCorp	internet services	3,759,468	5.20%		
2017 AVT					
2016 AVT					
Company	Main business	Market value \$	Total value of Investments %	Company	Total value of Investments %
IVE Group Limited	communications	1,683,211	12.02%	Beadell Resources Limited	precious metals miner
RCG Corporation Limited	consumer discretionary	1,561,315	11.15%	Eclpx Group Limited	telecommunications
Retail Food Group Ltd	retail food brand management	1,175,000	8.39%		
Credit Corp Group	collection and credit services	1,066,833	7.62%		
RCR Tomlinson Limited	engineering services	947,243	6.76%		
					1,837,500
					1,835,000
					5.10
					5.09
2017 GDG					
2016 GDG					
Company	Main business	Market value \$	Total value of Investments %	Company	Total value of Investments %
Sirtex Medical Limited	liver cancer treatments	354,429	11.31%	Sirtex Medical Limited	liver cancer treatments
Seeing Machines LTD	safety equipment	235,328	7.51%	Colefax Group Plc	furnishing fabrics
				Medical Developments Intl Ltd	medical equipment
				Nanobiotix SA	biotechnology
				Helloworld Ltd	travel service provider
				Amiad Water Systems Ltd	water filters
				Avita Medical Ltd	medical equipment
				Factor Therapeutics	biotechnology
					590,409
					470,322
					287,530
					259,908
					237,930
					208,419
					194,523
					180,904
					16.95
					13.50
					8.26
					7.46
					6.83
					5.98
					5.59
					5.19
2017 HCT					
2016 HCT					
Company	Main business	Market value \$	Total value of Investments %	Company	Total value of Investments %
Base Resources Ltd	mineral sands	7,533,652	28.23%	St Barbara Limited	gold explorer and producer
Sirtex Medical Limited	liver cancer treatments	4,738,614	17.76%	Base Resource Ltd	mining operations
SRG Limited	engineering services	2,248,940	8.43%	Doray Minerals Limited	gold explorer and producer
Greencore Group Plc	packaged food	1,741,325	6.53%		
Fastbrick Robotics	capital goods	1,661,526	6.23%		
Richmont Mines Inc		1,520,828	5.70%		
					8,624,561
					9,028,785
					5,748,700
					24.70
					25.90
					16.50

Hunter Hall Equity Funds
Notes to the financial statements
For the year ended 30 June 2017

8 Trade and Other Receivables

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Amounts receivable on investments sold	11,684,109	5,643,494	2,187,468	156,543	-	116,844	1,255	137,478	1,352,593	29,949
Goods and services tax recoverable	105,311	206,855	11,386	30,100	8,391	12,484	1,175	2,133	17,004	11,772
Interest receivable	7,296	18,493	(2,624)	3,836	7,937	1,606	165	194	4,563	4,048
Dividends accrued	169,301	135,332	32,731	43,787	9,875	53,220	731	617	15,337	-
Applications receivable	2,350	-	265	19,475	-	-	-	-	-	-
Withholding tax receivable	-	-	-	(14,262)	-	-	-	-	-	-
Sundry receivables	-	-	-	113,431	-	-	-	-	-	-
	11,968,367	6,004,174	2,229,226	352,910	26,203	184,154	3,326	140,422	1,389,497	45,769

9 Trade and Other Payables

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Payable to related parties:										
Payable to responsible entity	521,994	941,558	93,323	119,740	20,643	30,621	4,777	7,068	49,873	2,244,881
Payable to other parties:										
Administration fees payable	54,390	-	15,257	-	21,283	-	-	-	-	-
Amounts owing on investments purchased	782,206	5,311,168	168,026	1,334,055	-	361,993	-	153,893	-	-
Other payables	125,573	296,440	38,470	115,761	-	74,010	1,045	4,354	(15,880)	5,937
Payable to unitholders	124,237	-	408	14,408	4,011	-	-	-	-	-
	1,608,400	6,549,166	315,484	1,583,964	45,937	466,624	5,822	165,315	33,993	2,250,818

10 Distribution Payable

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Distribution payable	-	16,795,777	-	-	-	1,050,786	-	68,908	3,823,336	1,031,705
	-	16,795,777	-	-	-	1,050,786	-	68,908	3,823,336	1,031,705

11 Net Assets Attributable to Unitholders

a. Movements in unitholders' funds during the year were as follows:

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
At the beginning of the year	596,713,327	612,128,398	93,652,894	115,250,129	36,485,751	33,517,243	4,989,264	6,171,964	35,890,424	10,345,976
Applications	32,822,713	18,650,703	3,373,705	10,051,545	3,340,485	1,609,775	303,734	475,106	16,890,663	13,607,268
Redemptions	(160,585,011)	(71,693,867)	(38,497,295)	(20,473,206)	(10,644,505)	(4,763,442)	(1,544,441)	(988,966)	(14,313,403)	(4,485,412)
Distribution reinvestment	26,465,038	28,591,177	-	-	850,635	374,123	7,965	154,219	3,036,815	3,478,110
Increase/(decrease) in net assets attributable to unitholders	(123,908,093)	9,036,916	13,692,344	(11,175,574)	(5,563,650)	5,748,052	(192,004)	(823,059)	(12,213,130)	12,944,482
Net assets attributable to unitholders at year end	371,507,974	596,713,327	72,221,648	93,652,894	24,468,716	36,485,751	3,564,518	4,989,264	29,281,369	35,890,424

The Funds consider their capital to be Unitholders' Funds. The Funds manage their Net Assets Attributable to Unitholders as capital, notwithstanding Net Assets Attributable to Unitholders are classified as a liability.

The Funds are not subject to any externally imposed capital requirements.

b. Rights of unitholders

Ordinary units participate in distributions and the proceeds on winding up of the trust in proportion to the number of units held.

12 Number of Issued Units

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	units	units	units	units	units	units	units	units	units	units
On issue at the beginning of the year	173,612,809	180,673,114	59,916,307	66,489,493	24,438,988	26,413,391	4,867,762	5,184,299	11,741,679	6,624,019
Units issued during the year	9,542,644	5,407,058	2,022,622	6,095,180	2,126,878	1,130,730	282,207	408,997	5,341,213	6,052,775
Units redeemed during the year	(54,449,569)	(20,891,583)	(22,136,331)	(12,668,366)	(7,507,345)	(3,358,938)	(1,512,460)	(861,900)	(4,985,416)	(2,071,975)
Distribution reinvestment	9,372,136	8,424,220	-	-	624,091	253,805	7,549	136,366	1,320,259	1,136,860
On issue at year end	138,078,020	173,612,809	39,802,598	59,916,307	19,682,611	24,438,988	3,645,059	4,867,762	13,417,735	11,741,679

13 Related Party Disclosures

a. Hunter Hall Investment Management Limited

The Responsible Entity of each Fund provides investment management services to each Fund in accordance with each Funds' Constitution. Transactions with the Responsible Entity are undertaken on normal commercial terms and conditions.

During the year the following amounts were paid and payable to the Responsible Entity in accordance with the Constitutions:

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Entry fees										
Management fees	8,527,871	9,851,426	1,325,458	1,543,634	344,284	363,263	80,309	95,064	775,657	358,863
Performance fees	-	-	-	-	-	656,629	-	-	-	2,996,456
Reimbursable Expenses ⁽¹⁾	68,639	956,608	26,244	212,802	7,424	127,110	14,759	20,793	60,766	39,874
	<u>8,596,510</u>	<u>10,808,034</u>	<u>1,351,702</u>	<u>1,756,475</u>	<u>351,708</u>	<u>1,147,002</u>	<u>95,068</u>	<u>115,857</u>	<u>836,423</u>	<u>3,395,193</u>

(1) Expenses for the GDG, HCT and AVT are capped at 0.36%, 0.19% and 0.35%, respectively. Amounts in excess of this cap are borne by the Responsible Entity. From 1 June 2017 all VGT expenses are borne by the Responsible Entity. The reimbursable expenses for GDG and AVT will also be removed in the future. Please refer to Subsequent Events Note for future fee changes.

The amounts payable at year end to the Responsible Entity, inclusive of GST but before input tax credits, in accordance with the Constitutions were:

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Management fees	521,994	941,558	93,323	119,740	20,643	30,621	4,777	7,068	49,680	53,099
Performance fees	-	-	-	-	-	-	-	-	-	2,191,782
Capped reimbursable expenses	-	-	-	-	-	-	1,045	1,045	5,244	5,937
	<u>521,994</u>	<u>941,558</u>	<u>93,323</u>	<u>119,740</u>	<u>20,643</u>	<u>30,621</u>	<u>5,822</u>	<u>8,113</u>	<u>54,924</u>	<u>2,250,818</u>

Pengana Capital Group Limited

The controlling entity of HCT is Pengana Capital Group Limited through its majority shareholding via a fully owned subsidiary, Rushcutter Investments Pty Limited. (Unit holding at reporting date: 4,017,502; 2016: 3,943,381)

14 Financial Risk Management

Each of the Fund's financial instruments consist mainly of deposits with banks, investments, accounts receivable and payable. The VGT and GDG use forward exchange contracts and the VGT and GET use exchange traded options, for economic hedging purposes. The Funds do not speculate in the trading of derivative instruments.

The Responsible Entity aims to ensure that there is sufficient liquidity for possible redemptions by unitholders by maintaining cash and cash equivalents for each Fund. The constitution of each of the Funds include provisions permitting the Responsible Entity to temporarily freeze redemptions in certain circumstances to allow an orderly realisation of assets. Details of the investment strategy for each of the Funds are contained in the relevant Funds' Product Disclosure Statement.

Financial instruments held by each of the Funds:

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Financial assets										
Cash and cash equivalents	\$ 17,097,430	\$ 128,899,596	\$ 6,596,697	\$ 6,708,056	\$ 10,482,611	\$ 1,758,833	\$ 434,577	\$ 1,600,398	\$ 5,065,042	\$ 4,219,513
Designated at fair value through profit and loss	343,022,938	484,365,766	63,500,010	88,175,892	14,005,839	36,060,174	3,132,437	3,481,012	26,684,159	34,907,665
Derivative financial instruments	1,027,638	788,734	211,199	-	-	-	-	1,655	-	-
Trades and other receivables	11,968,367	6,004,174	2,229,226	352,910	26,203	184,154	3,326	140,422	1,389,497	45,769
	373,116,374	620,058,270	72,537,132	95,236,858	24,514,653	38,003,161	3,570,340	5,223,487	33,138,698	39,172,947

Trades and other receivables presented above represent balances owing from investments sold, receivables from interest and dividends and other receivables as detailed in Note 8.

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Financial liabilities										
Financial liabilities measured at amortised cost	\$ 1,608,400	\$ 23,344,943	\$ 315,484	\$ 1,503,964	\$ 45,937	\$ 1,517,410	\$ 5,822	\$ 234,223	\$ 3,857,329	\$ 3,282,523
	1,608,400	23,344,943	315,484	1,583,964	45,937	1,517,410	5,822	234,223	3,857,329	3,282,523

Financial liabilities measured at amortised cost presented above represent distributions payable, payables related to related parties and balances owing on investments purchased as detailed in Notes 9 and 10.

a. Market Risk

(i) Foreign exchange risk

As at 30 June 2017 VGT was invested 87.4% in Equities where the area of principal economic activity is classified as International, 5.2% in Equities where the area of principal economic activity is classified as Australia and 7.4% in Cash (predominantly in USD). VGT had an exposure to foreign cash and investments of A\$340m, with 0% of the foreign equity exposure hedged back into Australian Dollars by forward foreign exchange contracts.

GDG was invested 89% in Equities where the area of principal economic activity is classified as International, 6.6% in Equities where the area of principal economic activity is classified as Australia and 12.1% in Cash (predominantly in USD). GDG had an exposure to foreign cash and investments of A\$2.9m, with 0% of the foreign equity exposure hedged back into Australian Dollars by forward foreign exchange contracts.

With approximately 40% (2016: 40%) of the VGT's assets, and 30% (2016: 30%) of the GDG's net assets held in foreign denominated equities, cash and forwards there is a risk associated with movements in foreign exchange. The Responsible Entity has adopted a policy to hedge against exchange rate movements through short term forward contracts. See note 14f below for further details on the derivative financial instruments used for hedging foreign exchange risk.

With approximately 88% (2016: 90%) of the GET's assets held in foreign stocks there is a risk associated with movements in foreign exchange rates. At the balance date the AVT held 0% assets in foreign stocks (2016: 0%). At the balance date the HCT held 0% assets in foreign stocks (2016: 0%). The AVT, HCT and GET do not hedge exposure to foreign exchange risk.

For more information on the country allocation of the Funds investments visit the Responsible Entity's website: http://www.hunterhall.com.au/managed_funds.html.

14 Financial Risk Management (continued)

a. Market Risk (continued)

(i) Foreign exchange risk (continued)

The total net exposure to fluctuations in foreign currency exchange rates were as follows:

Financial Assets	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Currency	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Australian Dollar	16,096,560	305,902,657	4,059,311	3,549,676	24,514,653	38,003,161	708,112	2,113,178	24,829,931	39,172,340
British Pound	38,256,585	23,588,988	5,731,200	3,340,850	-	-	363,711	906,964	2,417,111	-
Brazilian Real	5,696,481	-	1,109,601	-	-	-	-	-	-	-
Canadian Dollar	-	-	-	8,227,683	-	-	71,268	-	1,442,550	-
Danish Krone	10,446,365	-	2,029,172	-	-	-	-	-	-	-
Euro	82,011,287	11,831,896	15,271,591	6,699,419	-	-	590,304	426,504	-	-
Hong Kong Dollar	3,721,582	10,910,776	686,211	2,108,877	-	-	-	71,628	-	-
Japanese Yen	-	19,517,107	-	9,340,196	-	-	-	-	-	-
Mexican Peso	606,006	6	118,517	-	-	-	-	-	-	-
New Zealand Dollar	-	-	-	-	-	-	-	-	-	-
Norwegian Kroner	12,673,843	10,125,090	5,259,209	3,407,912	-	-	-	-	-	-
Singapore Dollar	-	1	-	-	-	-	-	-	-	-
Korean Won	94	2,043,019	19	1,177,015	-	-	-	-	-	-
Swedish Kroner	13,544,765	330,478	2,641,003	182,720	-	-	-	-	-	-
Swiss Franc	6,941,337	385,846	1,352,845	3,801,119	-	-	-	-	-	-
Taiwanese Dollar	-	-	-	-	-	-	-	-	-	-
United States Dollar	183,624,585	235,422,406	34,278,452	53,401,391	-	-	1,836,944	1,705,213	5,044,293	607
	373,619,488	620,058,270	72,537,132	95,236,858	24,514,653	38,003,161	3,570,340	5,223,487	33,733,884	39,172,947
Financial liabilities										
Financial liabilities	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Currency	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Australian Dollar	826,194	18,033,775	147,458	249,909	45,937	1,517,410	5,822	80,330	3,878,453	3,282,523
British Pound	-	4,794,043	-	959,206	-	-	-	-	-	-
Hong Kong Dollar	-	-	-	-	-	-	-	-	-	-
Japanese Yen	-	414,848	-	-	-	-	-	-	-	-
Mexican Peso	606,000	-	118,517	-	-	-	-	-	-	-
United States Dollar	176,205	102,277	49,509	374,849	-	-	-	153,893	-	-
	1,608,400	23,344,943	315,484	1,583,964	45,937	1,517,410	5,822	234,223	3,878,453	3,282,523

14 Financial Risk Management (continued)

a. Market Risk (continued)

(i) Foreign exchange risk (continued)

Sensitivity analysis

A 10% strengthening/weakening of the Australian Dollar (AUD) against the following currencies at balance date would have increased/(decreased) the net assets attributable to unitholders and profit or loss from operating activities by the amounts shown. The analysis assumes that all other variables, in particular interest rates, remain constant.

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
10% strengthening AUD	\$ 33,749,948	\$ (31,415,561)	\$ 2,507,104	\$ (9,168,718)	\$ -	\$ -	\$ 286,223	\$ (311,031)	\$ 890,395	\$ -
10% weakening AUD	(33,749,948)	31,415,561	(2,507,104)	9,168,718	-	-	(286,223)	311,031	(890,395)	-

(ii) Price risk

Each of the Funds is exposed to equity securities price risk. This arises from investments held by each of the Funds and classified on the Statement of Financial Position as fair value through profit or loss. To manage price risk arising from investments in equity securities, each of the Funds diversifies its portfolio. The majority of each of the Fund's equity investments are publicly traded.

Sensitivity analysis

At balance date, if the equity prices had been 10% higher or lower, the effect on the net profit of each of the Funds would have been as follows:

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Equity prices 10% higher	\$ 34,405,058	\$ 48,436,576	\$ 6,371,121	\$ 8,817,589	\$ 1,400,584	\$ 3,606,017	\$ 313,244	\$ 348,101	\$ 2,668,416	\$ 3,490,766
Equity prices 10% lower	(34,405,058)	(48,436,576)	(6,371,121)	(8,817,589)	(1,400,584)	(3,606,017)	(313,244)	(348,101)	(2,668,416)	(3,490,766)

The VGT and GET use exchanged traded options to hedge risks associated with technology risk exposures. The use of exchange traded resulted in an unrealised gains of \$6K for VGT and unrealised gains of \$88 for GET.

(iii) Interest rate risk

The majority of each Fund's financial assets are non-interest bearing. The main interest rate risk for each Fund arises from its cash holdings. Each Fund's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities are as follows:

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Weighted Average Effective Interest Rate (%)	0.44	0.35	0.55	0.54	1.06	1.20	0.31	0.34	1.47	1.47
Cash balances which earn interest based on a floating Interest Rate (\$)	17,097,430	128,899,596	6,596,697	6,708,056	10,482,611	1,758,833	434,577	1,600,398	5,065,042	4,218,438

Sensitivity analysis

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Interest rates 10% higher	\$ 41,350	\$ 45,130	\$ 4,178	\$ 3,614	\$ 5,198	\$ 2,110	\$ 149	\$ 538	\$ 6,203	\$ 6,200
Interest rates 10% lower	(41,350)	(45,130)	(4,178)	(3,614)	(5,198)	(2,110)	(149)	(538)	(6,203)	(6,200)

14 Financial Risk Management (continued)

b. Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as outstanding receivables. Each Fund minimises concentrations of credit risk by undertaking transactions with a number of customers and counter parties on recognised and reputable exchanges. Each Fund is not materially exposed to any individual counterparty.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date in respect of recognised financial assets is the carrying amount, net of any provisions for doubtful debts of those assets, as disclosed in the Statements of Financial Position and Notes to the Financial Statements.

c. Liquidity risk

The liquidity risks associated with the need to satisfy unitholders' requests for redemptions are mitigated by maintaining a constant pool of cash to satisfy usual levels of demand. The investment portfolio of each Fund is less diversified than many Managed Investment Schemes, in general holding no more than 100 securities. In addition, the largest holdings in the portfolio have a high relative portfolio weighting and may be relatively illiquid. This means each of the Funds are more sensitive to movements in liquidity risk than other funds.

Maturities of financial liabilities

Financial liabilities held by the Funds include management fees payable to the Responsible Entity, unsettled trades and other sundry accruals. The below table shows the maturities of financial liabilities held by the Funds. In addition, the GDC & VGT hold short term forward contracts which are also included below where any liability existed at balance date. Further information on these instruments is in Note 14f. below.

	30 June 2017					30 June 2016				
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total
VGT										
Financial Liabilities										
Redemptions payable	124,237	-	-	-	124,237	-	-	-	-	-
Unsettled trades	782,206	-	-	-	782,206	5,311,168	-	-	-	5,311,168
Distribution payable	-	-	-	-	-	16,795,777	-	-	-	16,795,777
Other payables	701,957	-	-	-	701,957	1,237,998	-	-	-	1,237,998
Total	1,608,400	-	-	-	1,608,400	23,344,943	-	-	-	23,344,943
GET										
Financial Liabilities										
Redemptions payable	408	-	-	-	408	14,408	-	-	-	14,408
Unsettled trades	168,026	-	-	-	168,026	1,334,055	-	-	-	1,334,055
Other payables	147,050	-	-	-	147,050	235,501	-	-	-	235,501
Total	315,484	-	-	-	315,484	1,583,964	-	-	-	1,583,964

14 Financial Risk Management (continued)

c. Liquidity risk (continued)

AVT	30 June 2017					30 June 2016				
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total
Financial Liabilities										
Redemptions payable	4,011	-	-	-	4,011	-	-	-	-	-
Unsettled trades	-	-	-	-	-	361,993	-	-	-	361,993
Distribution payable	-	-	-	-	-	1,050,786	-	-	-	1,050,786
Other payables	41,926	-	-	-	41,926	104,631	-	-	-	104,631
Total	45,937	-	-	-	45,937	1,517,410	-	-	-	1,517,410

GDG

GDG	30 June 2017					30 June 2016				
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total
Financial Liabilities										
Unsettled trades	-	-	-	-	-	153,893	-	-	-	153,893
Distribution payable	-	-	-	-	-	68,908	-	-	-	68,908
Other payables	5,822	-	-	-	5,822	11,422	-	-	-	11,422
Total	5,822	-	-	-	5,822	234,223	-	-	-	234,223

HCT

HCT	30 June 2017					30 June 2016				
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total
Distribution payable	3,823,336	-	-	-	3,823,336	1,031,705	-	-	-	1,031,705
Other payables	33,993	-	-	-	33,993	5,937	-	-	-	5,937
Total	3,857,329	-	-	-	3,857,329	1,037,642	-	-	-	1,037,642

d. Net fair value of financial assets and liabilities

The table in the succeeding page provides an analysis of financial instruments as at reporting date that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

14 Financial Risk Management (continued)

d. Net fair value of financial assets and liabilities (continued)

Fair value of financial assets that are traded in active markets are based on quoted close prices.

Fair value of foreign currency contracts are calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

There has been no transfer between levels from the previous reporting period.

VGT	30 June 2017				30 June 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets at fair value through profit or loss								
Exchange traded options	1,027,638	-	-	1,027,638	-	-	-	-
Foreign currency forward contracts	-	-	-	-	-	788,734	-	788,734
Listed equity investments	342,928,011	-	94,927	343,022,938	484,365,766	-	-	484,365,766
Total	343,955,650	-	94,927	344,050,577	484,365,766	788,734	-	485,154,500

GET	30 June 2017				30 June 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets at fair value through profit or loss								
Exchange traded options	211,199	-	-	211,199	-	-	-	-
Listed equity investments	63,500,010	-	-	63,500,010	88,175,892	-	-	88,175,892
Total	63,711,209	-	-	63,711,209	88,175,892	-	-	88,175,892

AVT	30 June 2017				30 June 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets at fair value through profit or loss								
Listed equity investments	13,954,314	-	51,525	14,005,839	36,060,174	-	-	36,060,174
Total	13,954,314	-	51,525	14,005,839	36,060,174	-	-	36,060,174

14 Financial Risk Management (continued)

GDG	30 June 2017				30 June 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets at fair value through profit or loss								
Foreign currency forward contracts	-	-	-	-	-	1,655	-	1,655
Listed equity investments	3,132,437	-	-	3,132,437	3,481,012	-	-	3,481,012
Total	3,132,437	-	-	3,132,437	3,481,012	1,655	-	3,482,667

HCT	30 June 2017				30 June 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets at fair value through profit or loss								
Listed equity investments	26,571,860	-	112,299	26,684,159	34,907,665	-	-	34,907,665
Total	26,571,860	-	112,299	26,684,159	34,907,665	-	-	34,907,665

e. Treasury risk management

Senior executives of the Responsible Entity meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

f. Derivative financial instruments

Forward currency contracts

The VGT and GDG use foreign currency contracts to hedge risks associated with foreign currency fluctuations. The Responsible Entity has established foreign exchange dealing lines with the major Australian banks. Forward foreign exchange hedging contracts are marked to market daily and are disclosed as financial assets or financial liabilities as the valuation requires. The accounting policy in regard to foreign exchange contracts is detailed in Note 2e.

Realised gains/(losses) on forward contracts for the year are shown in the below table:

	VGT		GET		AVT		GDG		HCT	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Realised losses on forward contracts	333,909	(8,838,197)	-	-	-	-	(409)	(19,363)	-	-

14 Financial Risk Management (continued)

f. Derivative financial instruments (continued)

At balance date, details of outstanding foreign exchange contracts were:

VGT Sell	Buy Australian Dollars		Average Exchange Rate	
	2017	2016	2017	2016
Japanese Yen	-	-	-	76.3885
United States Dollar	-	20,711,127	-	0.7446
Hong Kong Dollar	-	9,195,803	-	5.7766
Exchange traded options				
GDG Sell	Buy Australian Dollars		Average Exchange Rate	
	2017	2016	2017	2016
GET Sell	Buy Australian Dollars		Average Exchange Rate	
	2017	2016	2017	2016
Hong Kong Dollar	-	64,197	-	5.7766
United States	-	-	-	-

The VGT and GET use exchanged traded options to hedge risks associated with technology risk exposures. Exchanged traded options are marked to market daily and are disclosed as financial assets as the valuation requires. The accounting policy in regard to exchange traded options is detailed in Note 2e.

The use of exchange traded options resulted in unrealised gains of \$6K for VGT and unrealised gains of \$88 for GET.

15 Key Management Personnel

- a. The Responsible Entity of the Funds is Hunter Hall Investment Management Limited. Names and positions held of Directors and Key Management Personnel of the Responsible Entity in office at any time during the Financial Year are:

Directors

Russel Pillemer	Non-executive Director (appointed 5 June 2017)
Nick Griffiths	Non-executive Director (appointed 5 June 2017)
Katrina Glendinning	Non-executive Director (appointed 5 June 2017)
David Groves	Non-executive Director (resigned 5 June 2017)
Kevin Eley	Non-executive Director (appointed 7 October 2015; resigned 5 June 2017)
Mark Forstmann	Non-executive Director (resigned 8 September 2016)
Wayne Hawkins	Chairman, Non-executive Director (resigned 24 April 2017)

b. Transactions

Directors and their related entities sold 46,207 units in the GET in the year to 30 June 2016. No directors held units in any of the funds during the year ended 30 June 2017.

c. Key management personnel compensation

Key management personnel are paid by the parent of the Responsible Entity. Payments made from the Funds to the Responsible Entity do not include any amounts directly attributable to the compensation of key management personnel.

d. Key management personnel loan disclosures

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.

e. 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 key management personnel's interests existing at year end.

16 Subsequent Events

On 1 August 2017, Pengana Capital Group Limited (PCG) announced the following strategic initiatives:

AVT:

Effective 1 August 2017, the investment strategy changed to achieve over the medium to long term an investment return, including capital appreciation, dividends and interest, in excess of the risk free rate (i.e., the Reserve Bank of Australia's Cash Rate Target) plus a margin to compensate investors for the extra risk associated with investing in Australian equities (this is known as the "Australian equity risk premium"), and to ensure that a high component of the return is from income.

In the future it is proposed that the Management fee will be reduced from 1% to 0.716% (Including GST and RITC) and the performance fee will be reduced from 15% of any net return greater than the Small Ords plus 1.00%, payable half yearly, to 10.25% of any net return greater than Reserve Bank of Australia's Cash Rate Target (RBA Cash Rate), payable quarterly. The reimbursable expenses will be removed.

The fund no longer follows the ethical screen approach that was adopted by Hunter Hall.

The name of the fund will change to Pengana Australian Equities Income Fund.

GDG:

The GDG has been renamed to the Pengana WHEB Sustainable Impact Fund. PCG has entered into an arrangement with WHEB Asset Management LLP (WHEB), who began managing the fund on 1 August 2017. WHEB is a specialist investment management firm located in the UK. They are a leading proponent of sustainable and responsible investing with active roles in many of the organisations promoting best practices in this field.

The new investment objective is to achieve capital growth over the medium to longer term. The Fund's investment philosophy is built around sustainable growth, quality and valuation. Major global challenges including a growing and ageing population, increasing resource scarcity, urbanisation and globalisation, are reshaping the economic landscape. WHEB focuses on companies providing solutions to these sustainability challenges via nine sustainable investment themes including:

- Environmental: cleaner energy, environmental services, resource efficiency, sustainable transport, and water management; and
- Social: education, health, safety, and well-being

High quality companies are more likely to capture growth opportunities, and WHEB integrates ESG analysis and company engagement with traditional financial analysis to enable a better understanding of the quality of a company, franchise, and overall impact. This culminates in a determination of whether a company is attractively valued, or what would represent an attractive entry point for a stock.

16 Subsequent Events (continued)

GDG: (continued)

The Management fee has been reduced from 1.64% to 1.35% (Including GST and RITC) and the performance fee and the reimbursable expenses have been removed.

There has not been any other matter or circumstance, other than that referred to in the Financial Statements or Notes thereto, that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of each of the Funds, the results of those operations, or the state of affairs of each of the Funds in future financial years.

17 Contingencies

There were no contingent liabilities or contingent assets at 30 June 2017 (30 June 2016: nil).

1. In the opinion of the Directors of the Responsible Entity:

a) the financial statements and notes of the Funds are in accordance with the Corporations Act 2001, including:

- i) giving a true and fair view of the financial position of each of the Funds as at 30 June 2017 and of their performance for the financial year ended on that date; and
- ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b) there are reasonable grounds to believe that each of the Funds will be able to pay their debts as and when they become due and payable.

2. The financial statements comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors of the Responsible Entity.

On behalf of the Directors



Russel Pillemer
Non-executive Director

Sydney
31 August 2017

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Auditor's Independence Declaration to the Directors of Hunter Hall Investment Management Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audits of Hunter Hall Australian Value Trust, Hunter Hall Global Deep Green Trust, Hunter Hall Global Equities Trust, Hunter Hall High Conviction Equities Trust and Hunter Hall Value Growth Trust for the year ended 30 June 2017, 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.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



G S Layland
Director - Audit & Assurance

Sydney, 31 August 2017

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Independent Auditor's Report to the Unitholders of Hunter Hall Equity Funds

Auditor's Opinion

We have audited the financial reports of Hunter Hall Australian Value Trust, Hunter Hall Global Deep Green Trust, Hunter Hall Global Equities Trust, Hunter Hall High Convictions Equities Trust and Hunter Hall Value Growth Trust (together the "Hunter Hall Equity Funds" or the "Funds"), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration of the Funds.

In our opinion, the accompanying financial reports of Hunter Hall Australian Value Trust, Hunter Hall Global Deep Green Trust, Hunter Hall Global Equities Trust, Hunter Hall High Convictions Equities Trust and Hunter Hall Value Growth Trust is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Funds' financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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

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

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Information other than the Financial Reports and Auditor's Report

The Directors of the Responsible Entity are responsible for the other information. The other information comprises the information included in the Fund's report for the year ended 30 June 2017, but does not include the financial reports and our auditor's report thereon.

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

In connection with our audit 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 audit 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 of the Responsible Entity for the Financial Reports

The Directors of the Responsible Entity 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*. The responsibility also includes such internal control as the Directors of the Responsible Entity determine is necessary to enable the preparation of the financial reports that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial reports, the Directors of the Responsible Entity are responsible for assessing the Funds ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Reports

Our objectives are to obtain reasonable assurance about whether the financial reports 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 this financial reports.

A further description of our responsibilities for the audit of the financial reports is located at the Auditing and Assurance Standards Board website at:
http://www.auasb.gov.au/auditors_files/ar3.pdf . This description forms part of our auditor's report.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



G S Layland
Partner - Audit & Assurance

Sydney, 31 August 2017