

**ANNUAL REPORTS
RETAIL MORTGAGE TRUSTS**

FOR THE FINANCIAL YEAR ENDED
30 JUNE 2021



ANNUAL REPORTS FOR THE FINANCIAL YEAR ENDED JUNE 2021

THE SCHEMES LISTED IN THIS BOOKLET ARE NOTED BELOW.

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Directors' Report for the financial year ended 30 June 2021

The Directors of OnePath Funds Management Limited (OPFM), the Responsible Entity of the following suspended Managed Investment Schemes (the 'Schemes'), present their report together with the financial report of the Schemes for the financial year ended 30 June 2021, and the report of the auditor of the Schemes.

1. ANZ Mortgage Fund
2. ANZ OA OnePath Income Plus Trust
3. ANZ OA OnePath Mortgage Trust
4. Income Plus Trust
5. Monthly Income Trust
6. OnePath AJ Mortgage Fund
7. OnePath Mortgage Trust No.2

Responsible Entity

The Responsible Entity of the Schemes is OnePath Funds Management Limited. As at reporting date, the registered office and principal place of business of the Responsible Entity and the Schemes is Level 6, 161 Collins Street, Melbourne, VIC 3000.

The Directors of OnePath Funds Management Limited during or since the end of the financial year are:

Name	Position Held	Date Appointed
M A Da Silva	Executive Director	Appointed 31 January 2020
J Selak	Independent Non-Executive Director, Chairman	Appointed 31 January 2020
M A Somerville	Independent Non-Executive Director	Appointed 31 January 2020

Principal activities

The Schemes are registered Managed Investment Schemes domiciled in Australia.

As at the reporting date, the Schemes solely invest into cash.

The Schemes did not have any employees during the year.

Review of operations and results

The results of operations of the Schemes are disclosed in the Statements of Comprehensive Income.

The Board of OnePath Funds Management Limited approved a resolution on 28 May 2015 to terminate the Schemes. As a result of this resolution the financial statements have been prepared on a basis other than going concern, which is an orderly realisation basis.

Fees paid to and investments held by the Responsible Entity or its associates

Fees paid and payable to the Responsible Entity and its associates out of the Schemes' property during the year are disclosed in Note 9.4 Responsible Entity fees.

No fees were paid out of the Schemes' property to the Directors of the Responsible Entity during the year. Related party investments held in the Schemes as at the end of the financial year are disclosed in Note 9 Related parties.

Interests in the Schemes

The movements in units on issue in the Schemes during the year are disclosed in Note 4 Net assets attributable to unitholders.

The value of the Schemes' assets and liabilities are disclosed in the Statements of Financial Position and derived using the basis set out in Note 2 Basis of preparation.

Significant changes in the state of affairs

Coronavirus (COVID-19) pandemic impacts:

The existence of COVID-19 has resulted in significant volatility in global and domestic financial markets. As at the reporting date, there is still significant uncertainty on the likely duration and the ultimate impact COVID-19 will have on world economies.

OPFM continues to operate the Schemes in accordance with the provisions of each Scheme's Constitution and no other matter or circumstance has arisen during the period that has significantly affected, or may significantly affect:

- the operations of the Schemes;
- the results of those operations; or
- the state of affairs of the Schemes.

The Schemes solely invest into cash and cash equivalents and as a result the market volatility had minimal impact on the Schemes.

Likely developments and expected results of operations

The Schemes were approved to be terminated by a Board resolution on 28 May 2015. On 25 March 2019, the Board approved the commencement of a formal final termination process for the Schemes and this process is ongoing.

Further information has not been included in this report to avoid the disclosure of information that may result in unreasonable prejudice to the Schemes.

Environmental regulation

The operations of the Schemes were not subject to any significant environmental regulation under either Commonwealth, State or Territory legislation.

Events subsequent to balance date

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Schemes disclosed in the Statements of Financial Position as at 30 June 2021 or on the results and cash flows of the Schemes for the financial year ended on that date.

Directors' Report for the financial year ended 30 June 2021

Indemnities and insurance premiums for officers and auditor

Indemnification:

Under the Schemes' Constitutions, the Responsible Entity, including its officers and employees, is generally indemnified out of the Schemes' assets for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its powers, duties or rights in relation to the Schemes.

The Responsible Entity has not indemnified any auditor of the Schemes.

Insurance premiums:

No insurance premiums are paid out of the assets of the Schemes in relation to insurance cover for the Responsible Entity, its officers and employees or the auditor of the Schemes.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 29 and forms part of the Directors' Report for the financial year ended 30 June 2021.

This report is made in accordance with a resolution of the Directors of OnePath Funds Management Limited.



John Selak

Director

Melbourne

6 September 2021

Financial Report
Financial Statements - Statements of Financial Position
as at 30 June 2021

	Note	1. ANZ Mortgage Fund		2. ANZ OA OnePath Income Plus Trust		3. ANZ OA OnePath Mortgage Trust		4. Income Plus Trust	
		30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Assets									
Cash and cash equivalents		72,182	88,947	47,319	55,511	79,239	92,735	7,647	9,315
Total assets		72,182	88,947	47,319	55,511	79,239	92,735	7,647	9,315
Liabilities									
Payables	5	48	257	-	-	169	87	-	-
Total liabilities		48	257	-	-	169	87	-	-
Total net assets attributable to unitholders - Equity		72,134	88,690	47,319	55,511	79,070	92,648	7,647	9,315

The Statements of Financial Position should be read in conjunction with the Notes to the Financial Statements set out on pages 12 to 23.

Financial Report
Financial Statements - Statements of Financial Position
as at 30 June 2021

	Note	5. Monthly Income Trust		6. OnePath AJ Mortgage Fund		7. OnePath Mortgage Trust No.2	
		30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Assets							
Cash and cash equivalents		39,868	45,350	4,089	4,917	40,971	48,102
Total assets		39,868	45,350	4,089	4,917	40,971	48,102
Liabilities							
Payables	5	-	-	-	-	-	-
Total liabilities		-	-	-	-	-	-
Total net assets attributable to unitholders - Equity		39,868	45,350	4,089	4,917	40,971	48,102

The Statements of Financial Position should be read in conjunction with the Notes to the Financial Statements set out on pages 12 to 23.

Financial Report
Financial Statements - Statements of Comprehensive Income
for the financial year ended 30 June 2021

	Note	1. ANZ Mortgage Fund		2. ANZ OA OnePath Income Plus Trust		3. ANZ OA OnePath Mortgage Trust		4. Income Plus Trust	
		30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Investment income									
Net change in fair value of investments		-	-	-	-	-	-	-	-
Net investment income/(loss)		-	-	-	-	-	-	-	-
Expenses									
Responsible Entity fees	9.4	-	-	-	-	-	-	-	-
Operating expenses		-	-	-	-	-	-	-	-
Profit/(loss) from operating activities		-	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
Profit/(loss) for the financial year/ Total comprehensive income		-	-	-	-	-	-	-	-

The Statements of Comprehensive Income should be read in conjunction with the Notes to the Financial Statements set out on pages 12 to 23.

Financial Report
Financial Statements - Statements of Comprehensive Income
for the financial year ended 30 June 2021

	Note	5. Monthly Income Trust		6. OnePath AJ Mortgage Fund		7. OnePath Mortgage Trust No.2	
		30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Investment income							
Net change in fair value of investments		-	-	-	-	-	-
Net investment income/(loss)		-	-	-	-	-	-
Expenses							
Responsible Entity fees	9.4	-	-	-	-	-	-
Operating expenses		-	-	-	-	-	-
Profit/(loss) from operating activities		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
Profit/(loss) for the financial year/ Total comprehensive income		-	-	-	-	-	-

The Statements of Comprehensive Income should be read in conjunction with the Notes to the Financial Statements set out on pages 12 to 23.

Financial Report
Financial Statements - Statements of Changes in Equity
for the financial year ended 30 June 2021

	Note	1. ANZ Mortgage Fund		2. ANZ OA OnePath Income Plus Trust		3. ANZ OA OnePath Mortgage Trust		4. Income Plus Trust	
		30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Total equity at the beginning of the financial year		88,690	433,935	55,511	422,605	92,648	662,164	9,315	62,965
Profit/(loss) for the financial year/Total comprehensive income		-	-	-	-	-	-	-	-
Transactions with unitholders									
Redemptions		(16,556)	(345,245)	(8,192)	(367,094)	(13,578)	(569,516)	(1,668)	(53,650)
Total transactions with unitholders		(16,556)	(345,245)	(8,192)	(367,094)	(13,578)	(569,516)	(1,668)	(53,650)
Total Equity at the end of the financial year		72,134	88,690	47,319	55,511	79,070	92,648	7,647	9,315

	Note	5. Monthly Income Trust		6. OnePath AJ Mortgage Fund		7. OnePath Mortgage Trust No.2	
		30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Total equity at the beginning of the financial year		45,350	246,197	4,917	26,959	48,102	302,560
Profit/(loss) for the financial year/Total comprehensive income		-	-	-	-	-	-
Transactions with unitholders							
Redemptions		(5,482)	(200,847)	(828)	(22,042)	(7,131)	(254,458)
Total transactions with unitholders		(5,482)	(200,847)	(828)	(22,042)	(7,131)	(254,458)
Total Equity at the end of the financial year		39,868	45,350	4,089	4,917	40,971	48,102

The Statements of Changes in Equity should be read in conjunction with the Notes to the Financial Statements set out on pages 12 to 23.

Financial Report
Financial Statements - Statements of Cash Flows
for the financial year ended 30 June 2021

	Note	1. ANZ Mortgage Fund		2. ANZ OA OnePath Income Plus Trust		3. ANZ OA OnePath Mortgage Trust		4. Income Plus Trust	
		30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Cash flows from operating activities:									
Proceeds from sale of investments		-	-	-	-	-	-	-	-
Net cash flows from/(used in) operating activities	6	-	-	-	-	-	-	-	-
Cash flows from financing activities:									
Payments for redemption of units		(16,765)	(344,988)	(8,192)	(367,182)	(13,496)	(569,429)	(1,668)	(80,289)
Net cash flows from/(used in) financing activities		(16,765)	(344,988)	(8,192)	(367,182)	(13,496)	(569,429)	(1,668)	(80,289)
Net increase/(decrease) in cash and cash equivalents		(16,765)	(344,988)	(8,192)	(367,182)	(13,496)	(569,429)	(1,668)	(80,289)
Cash and cash equivalents at the beginning of the financial year		88,947	433,935	55,511	422,693	92,735	662,164	9,315	89,604
Cash and cash equivalents at the end of the financial year		72,182	88,947	47,319	55,511	79,239	92,735	7,647	9,315

The Statements of Cash Flows should be read in conjunction with the Notes to the Financial Statements set out on pages 12 to 23.

Financial Report
Financial Statements - Statements of Cash Flows
for the financial year ended 30 June 2021

	Note	5. Monthly Income Trust		6. OnePath AJ Mortgage Fund		7. OnePath Mortgage Trust No.2	
		30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Cash flows from operating activities:							
Proceeds from sale of investments		-	-	-	-	-	-
Net cash flows from/(used in) operating activities	6	-	-	-	-	-	-
Cash flows from financing activities:							
Payments for redemption of units		(5,482)	(217,318)	(828)	(22,062)	(7,131)	(285,088)
Net cash flows from/(used in) financing activities		(5,482)	(217,318)	(828)	(22,062)	(7,131)	(285,088)
Net increase/(decrease) in cash and cash equivalents		(5,482)	(217,318)	(828)	(22,062)	(7,131)	(285,088)
Cash and cash equivalents at the beginning of the financial year		45,350	262,668	4,917	26,979	48,102	333,190
Cash and cash equivalents at the end of the financial year		39,868	45,350	4,089	4,917	40,971	48,102

The Statements of Cash Flows should be read in conjunction with the Notes to the Financial Statements set out on pages 12 to 23.

Financial Report
Notes to the Financial Statements
for the financial year ended 30 June 2021**1. Reporting entity**

The Schemes included in these financial statements are registered Managed Investment Schemes under the *Corporations Act 2001*. The financial statements of the Schemes are for the financial year ended 30 June 2021.

2. Basis of preparation**2.1 Statement of compliance**

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial statements of the Schemes comply with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements were approved by the Board of Directors of the Responsible Entity on 6 September 2021.

2.2 Basis of measurement

The Board of OnePath Funds Management Limited approved a resolution on 28 May 2015 to terminate the Schemes. As a result of this resolution the financial statements have been prepared on a basis other than going concern, which is an orderly realisation basis.

As at the reporting date, cash and cash equivalents have been valued at amortised cost which equates to realisation value.

2.3 Functional and presentation currency

The financial statements are presented in Australian dollars, which is the Schemes' functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements which are in conformity with IFRS, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent assets and liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The dynamic and evolving nature of COVID-19, limited recent experience of the economic and financial impacts of such a pandemic, may result in the application of future judgement within those identified areas. Refer to Note 14 Significant events during the financial period for further detail.

2.5 Changes in accounting policies

There were no changes in the accounting policies of the Schemes during the financial year.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The Schemes have not early adopted any accounting standard.

Financial Report
Notes to the Financial Statements
for the financial year ended 30 June 2021**3.1 Financial instruments****3.1.1 Recognition and initial measurement**

Financial assets and liabilities held at fair value through profit or loss are recognised initially on the trade date at which the Schemes become a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the due date they originated.

Financial assets and financial liabilities held at fair value through the profit or loss are measured initially at fair value, with transaction costs recognised in the Statements of Comprehensive Income. Financial assets or liabilities not held at fair value through profit or loss are measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issue.

3.1.2 Derecognition

The Schemes derecognise financial assets when the contractual rights to the cash flows from the financial assets expire or they transfer the financial assets and the transfer qualifies for derecognition in accordance with AASB 9 *Financial Instruments*.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

3.1.3 Classification

Financial assets measured at amortised cost include cash and cash equivalents. Financial liabilities measured at amortised cost include redemptions payable.

3.1.4 Measurement

The financial statements have been prepared on a basis other than going concern.

3.2 Net assets attributable to unitholders

Net assets attributable to unitholders represent the estimated value of equity available to unitholders upon termination.

The Schemes consider their net assets attributable to unitholders as equity as each Scheme had made an irrevocable choice to be an Attribution Managed Investment Trust ("AMIT"). The Schemes are therefore no longer contractually obligated to pay distributions. Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments are classified as equity where the following criteria are met:

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

The Schemes' units are classified as equity as they satisfied all the above criteria.

3.3 Terms and conditions of units

The Schemes included in these financial statements have between one and two classes of units.

Each unit issued within each class confers upon the unitholders an equal interest in the relevant class and is of equal value. The rights, obligations and restrictions attached to each unit in each class are identical in all respects. The classes in the Schemes differ in terms of the Responsible Entity fees charged.

A unit does not confer any interest in any particular asset or investment of the Schemes. Unitholders have various rights under the applicable Constitution and the *Corporations Act 2001*, including the right to have their units redeemed, receive income distributions and attend and vote at meetings of unitholders.

**Financial Report
Notes to the Financial Statements
for the financial year ended 30 June 2021****3.4 Cash and cash equivalents**

For the purpose of presentation in the Statements of Cash Flows, cash and cash equivalents may include cash at bank, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities on the Statement of Financial Position but are included within cash and cash equivalents for cash flow purposes.

3.5 Interest

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents.

3.6 Expenses

All expenses, including Responsible Entity fees, are recognised in the Statements of Comprehensive Income on an accruals basis.

3.7 Distribution and taxation

Under the Attribution Managed Investment Trust ("AMIT") tax regime, the Schemes are not subject to income tax as taxable income (including assessable realised capital gains) is attributed in full to the unitholders. The Schemes fully attribute their taxable income which is calculated in accordance with the Schemes' Constitutions and applicable taxation legislation, to the unitholders on a fair and reasonable basis consistent with their rights. The Responsible Entity's distribution policy is to support all attributed amounts to unitholders with cash.

Financial instruments held at fair value may include unrealised capital gains or losses. Unrealised gains or losses that are recognised as 'profit or loss from operating activities' are transferred to net assets attributable to unitholders and are not assessable and do not impact distributions until realised.

Equity transactions, including distributions to unitholders have been disclosed in the Statements of Changes in Equity for the financial year ended 30 June 2021. Distributions paid are included in cash flows from financing activities in the Statements of Cash Flows.

3.8 Payables

Payables may include amounts for unsettled redemptions.

3.9 Profit/(loss) for the financial year

Profit/(loss) for the financial year is disclosed in the Statements of Comprehensive Income. Equity transactions, including distributions to unitholders have been disclosed in the Statements of Changes in Equity.

3.10 Goods and services tax

Expenses incurred by the Schemes are recognised net of the amount of GST recoverable from the ATO as Reduced Input Tax Credit.

Payables are stated with the amount of GST included. The net amount of GST recoverable from the ATO is included in receivables in the Statements of Financial Position. Cash flows relating to GST are included in the Statements of Cash Flows on a gross basis.

3.11 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2021, and have not been early adopted by the Schemes in preparing these financial statements. None of these are expected to have a material effect on the Schemes' financial statements.

Financial Report
Notes to the Financial Statements
for the financial year ended 30 June 2021

4. Net assets attributable to unitholders

The movement in the number of units attributable to unitholders equity, of the Schemes during the year are as follows:

	1. ANZ Mortgage Fund		2. ANZ OA OnePath Income Plus Trust		3. ANZ OA OnePath Mortgage Trust		4. Income Plus Trust	
	30 June 2021 Units	30 June 2020 Units	30 June 2021 Units	30 June 2020 Units	30 June 2021 Units	30 June 2020 Units	30 June 2021 Units	30 June 2020 Units
Opening balance	31,229,073	152,794,102	43,430,951	330,223,156	32,179,049	229,927,675	7,762,303	52,470,702
Redemptions	(5,829,742)	(121,565,029)	(6,399,899)	(286,792,205)	(4,714,708)	(197,748,626)	(1,389,650)	(44,708,399)
Closing balance	25,399,331	31,229,073	37,031,052	43,430,951	27,464,341	32,179,049	6,372,653	7,762,303

	5. Monthly Income Trust		6. OnePath AJ Mortgage Fund		7. OnePath Mortgage Trust No.2	
	30 June 2021 Units	30 June 2020 Units	30 June 2021 Units	30 June 2020 Units	30 June 2021 Units	30 June 2020 Units
Opening balance	15,637,855	84,895,540	1,756,038	9,628,214	16,587,204	104,331,103
Redemptions	(1,890,470)	(69,257,685)	(295,710)	(7,872,176)	(2,459,156)	(87,743,899)
Closing balance	13,747,385	15,637,855	1,460,328	1,756,038	14,128,048	16,587,204

Financial Report
Notes to the Financial Statements
for the financial year ended 30 June 2021

5. Payables

The tables below detail the payables held by the Schemes at the reporting date:

	1. ANZ Mortgage Fund		2. ANZ OA OnePath Income Plus Trust		3. ANZ OA OnePath Mortgage Trust		4. Income Plus Trust	
	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Redemptions payable	48	257	-	-	169	87	-	-
Total payables	48	257	-	-	169	87	-	-

	5. Monthly Income Trust		6. OnePath AJ Mortgage Fund		7. OnePath Mortgage Trust No.2	
	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Redemptions payable	-	-	-	-	-	-
Total payables	-	-	-	-	-	-

6. Reconciliation of cash flows from operating activities

The Schemes had nil cash flows from operating activities in the current and comparative year.

7. Financial risk management

7.1 Introduction and overview

The Schemes are exposed to a variety of financial risks from investments in financial instruments. These risks include:

- credit risk
- liquidity risk
- market risk

This note presents information about the Schemes' exposure to each of the above risks, the Schemes' objectives, policies and processes for measuring and managing risks, and the Schemes' management of unitholder funds.

7.1.1 Risk management framework

As at the reporting date, the Schemes only invested into cash and cash equivalents.

7.2 Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Schemes, resulting in a financial loss to the Schemes. As at the reporting date the main credit risk of which the Schemes are exposed, comes from the Schemes' investments in cash and cash equivalents.

Financial Report
Notes to the Financial Statements
for the financial year ended 30 June 2021

7.2.1 Management of credit risk

The Schemes' policy over credit risk was to minimise its exposure to counterparties with higher risk of default by dealing only with counterparties meeting the credit standards set out in the Schemes' PDSs. Credit risk was further minimised by managing the assets of the Schemes within credit rating limits. As at reporting date the Schemes only held cash and cash equivalents.

7.2.2 Cash and cash equivalents

The Schemes' cash and cash equivalents are held by Australia and New Zealand Banking Group Limited (ANZ). The credit rating of ANZ as determined by Standard & Poor's is A-1+ (2020: A-1+) as at reporting date. Maximum credit risk exposure from cash and cash equivalents is represented by the carrying amount on the Statements of Financial Position.

7.2.3 Settlement risk

The Schemes' activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed. As at reporting date the Schemes were not exposed to settlement risk.

7.3 Liquidity risk

Liquidity risk is the risk that the Schemes will encounter difficulty in meeting obligations arising from their financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Schemes.

7.3.1 Management of liquidity risk

The Schemes' liquidity risk is managed by the Responsible Entity. As at 30 June 2021, the Schemes only hold cash and cash equivalents and are able to meet their obligation to the unitholders' redemption request.

7.3.2 Liquidity risk exposure

The tables below detail the financial instruments that give rise to liquidity exposure. Information is provided on a contractual basis.

	1. ANZ Mortgage Fund		2. ANZ OA OnePath Income Plus Trust		3. ANZ OA OnePath Mortgage Trust		4. Income Plus Trust	
	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Non-derivative financial liabilities								
Payables								
Due for maturity in: < 1 month	48	257	-	-	169	87	-	-
Total payables	48	257	-	-	169	87	-	-
Amounts attributable to unitholders								
On call amounts	72,134	88,690	47,319	55,511	79,070	92,648	7,647	9,315
Total amounts attributable to unitholders	72,134	88,690	47,319	55,511	79,070	92,648	7,647	9,315

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7.3.2 Liquidity risk exposure

	5. Monthly Income Trust		6. OnePath AJ Mortgage Fund		7. OnePath Mortgage Trust No.2	
	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
Non-derivative financial liabilities						
Payables						
Due for maturity in: < 1 month	-	-	-	-	-	-
Total payables	-	-	-	-	-	-
Amounts attributable to unitholders						
On call amounts	39,868	45,350	4,089	4,917	40,971	48,102
Total amounts attributable to unitholders	39,868	45,350	4,089	4,917	40,971	48,102

7.4 Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing), will affect the Schemes' income or the value of their holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

7.4.1 Interest rate risk

The Schemes are exposed to the risk that the value or future cash flows of their financial instruments will fluctuate as a result of changes in market interest rates. Financial instruments that would be impacted by changes in market interest rates include cash and cash equivalents.

7.4.2 Exposure and sensitivity analysis - interest rate risk

Direct interest rate risk exposure at the reporting date is disclosed in Note 7.4.3 Interest rate risk exposure and sensitivity analysis.

A sensitivity analysis reflects how 'Net assets attributable to unitholders' and 'Profit/(loss) for the financial year/Total comprehensive income' would have been affected by changes in the relevant risk at the end of the reporting period. Management have determined that a fluctuation in interest rates of 50 basis points is reasonably possible, considering the economic environment in which the Schemes operate.

The tables at Note 7.4.3 Interest rate risk exposure and sensitivity analysis set out the effect on the Schemes' 'Net assets attributable to unitholders' and 'Change in net assets attributable to unitholders/Total comprehensive income' of a reasonably possible increase or reduction of 50 basis points in interest rates at 30 June 2021 (2020: 100 basis points).

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Notes to the Financial Statements

for the financial year ended 30 June 2021

7.4.3 Interest rate risk exposure and sensitivity analysis

The tables below detail the assets and liabilities exposed to, and sensitivity analysis on, interest rate risk.

	1. ANZ Mortgage Fund			2. ANZ OA OnePath Income Plus Trust			3. ANZ OA OnePath Mortgage Trust			4. Income Plus Trust		
	Fixed interest rate	Floating interest rate	Total	Fixed interest rate	Floating interest rate	Total	Fixed interest rate	Floating interest rate	Total	Fixed interest rate	Floating interest rate	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
30 June 2021												
Financial assets												
Cash and cash equivalents	-	72,182	72,182	-	47,319	47,319	-	79,239	79,239	-	7,647	7,647
Net exposure	-	72,182	72,182	-	47,319	47,319	-	79,239	79,239	-	7,647	7,647
30 June 2020												
Financial assets												
Cash and cash equivalents	-	88,947	88,947	-	55,511	55,511	-	92,735	92,735	-	9,315	9,315
Net exposure	-	88,947	88,947	-	55,511	55,511	-	92,735	92,735	-	9,315	9,315
Sensitivity analysis	2021	2020		2021	2020		2021	2020		2021	2020	
	\$	\$		\$	\$		\$	\$		\$	\$	
Impact on Profit/loss from operating activities and Net assets attributable to unitholders												
Interest rate risk - increase of 50bps (2020: 100bps)	361	889		237	555		396	927		38	93	
Interest rate risk - decrease of 50bps (2020: 100bps)	(361)	(889)		(237)	(555)		(396)	(927)		(38)	(93)	

	5. Monthly Income Trust			6. OnePath AJ Mortgage Fund			7. OnePath Mortgage Trust No.2		
	Fixed interest rate	Floating interest rate	Total	Fixed interest rate	Floating interest rate	Total	Fixed interest rate	Floating interest rate	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
30 June 2021									
Financial assets									
Cash and cash equivalents	-	39,868	39,868	-	4,089	4,089	-	40,971	40,971
Net exposure	-	39,868	39,868	-	4,089	4,089	-	40,971	40,971
30 June 2020									
Financial assets									
Cash and cash equivalents	-	45,350	45,350	-	4,917	4,917	-	48,102	48,102
Net exposure	-	45,350	45,350	-	4,917	4,917	-	48,102	48,102
Sensitivity analysis	2021	2020		2021	2020		2021	2020	
	\$	\$		\$	\$		\$	\$	
Impact on Profit/loss from operating activities and Net assets attributable to unitholders									
Interest rate risk - increase of 50bps (2020: 100bps)	199	453		20	49		205	481	
Interest rate risk - decrease of 50bps (2020: 100bps)	(199)	(453)		(20)	(49)		(205)	(481)	

7.4.4 Other price risk

At the reporting date, other price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market.

The changes in the value of the Schemes' financial instruments are recognised in the Statements of Comprehensive Income in the line item 'Net change in fair value of investments'.

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7.4.5 Exposure and Sensitivity analysis - other price risk

The other price risk exposure of financial instruments is equal to the value of financial instruments as reported in the Statements of Financial Position. A sensitivity analysis reflects how 'Net assets attributable to unitholders' and 'Profit/(loss) for the financial year/Total comprehensive income' would have been affected by changes in the relevant risk at the end of the reporting period.

As at 30 June 2021, the Schemes had no investments in any financial assets. As such, the Schemes were not exposed to other price risk.

7.5 Valuation of financial instruments

As at the reporting date, the Schemes no longer had any financial instruments. As such, there was no measurement of financial instruments' valuation.

8. Auditor's remuneration

During the year, Ernst and Young Australia (EY), a member firm of Ernst & Young Global Limited was appointed to perform the Schemes' tax distribution review and Income Tax Return audit. KPMG remained to be the auditor for the Schemes' financial statement, compliance and regulatory audit. The following fees were paid or payable for services provided by KPMG and EY:

	1. ANZ Mortgage Fund		2. ANZ OA OnePath Income Plus Trust		3. ANZ OA OnePath Mortgage Trust		4. Income Plus Trust	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	\$	\$	\$	\$	\$	\$	\$	\$
KPMG								
- Audit Services								
Audit & Review of financial reports	4,951	4,767	4,951	4,767	4,951	4,767	4,951	4,767
- Other assurance services								
Other compliance & regulatory audit services	631	850	631	850	631	850	631	850
Ernst & Young								
- Other assurance services								
Tax distribution and Income Tax Return audit	669	-	669	-	669	-	669	-
Total audit fees paid	6,251	5,617	6,251	5,617	6,251	5,617	6,251	5,617
	5. Monthly Income Trust		6. OnePath AJ Mortgage Fund		7. OnePath Mortgage Trust No.2			
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020		
	\$	\$	\$	\$	\$	\$		
KPMG								
- Audit Services								
Audit & Review of financial reports	4,951	4,767	4,951	4,767	4,951	4,767		
- Other assurance services								
Other compliance & regulatory audit services	631	850	631	850	631	850		
Ernst & Young								
- Other assurance services								
Tax distribution and Income Tax Return audit	669	-	669	-	669	-		
Total audit fees paid	6,251	5,617	6,251	5,617	6,251	5,617		

Auditors' Remuneration is paid by the Responsible Entity.

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for the financial year ended 30 June 2021****9. Related parties****9.1 Responsible Entity**

The Responsible Entity of the Schemes is OnePath Funds Management Limited (ABN 21 003 002 800). OnePath Funds Management Limited (OPFM) is a subsidiary of IOOF Holdings Limited (IOOF).

9.2 Key management personnel

The Schemes do not employ personnel in their own right. However, the Schemes are required to have an incorporated Responsible Entity to manage the activities and this is considered to be key management personnel. The directors of the Responsible Entity, which are key management personnel, during or since the end of the financial year are:

Name	Position Held	Date Appointed
M A Da Silva	Executive Director	Appointed 31 January 2020
J Selak	Independent Non-Executive Director, Chairman	Appointed 31 January 2020
M A Somerville	Independent Non-Executive Director	Appointed 31 January 2020

The Schemes have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel at any time during the reporting period.

No director has entered into a material contract with the Schemes since the end of the previous financial year and there were no material contracts involving directors' interests existing at financial year end.

9.3 Related party transactions

All related party transactions are conducted on commercial terms and conditions.

The Directors of the Responsible Entity may also be employees and/or directors of other companies owned by IOOF. The Responsible Entity may also be involved in activities other than the business of managed investment schemes.

The Schemes have not made, guaranteed or secured, directly or indirectly, any loans to the Responsible Entity at any time during the reporting period.

During the financial period there was no compensation paid directly by the Schemes to the Directors of the Responsible Entity. Directors compensation was paid by IOOF Service Co Pty Ltd (a wholly owned subsidiary of IOOF Holdings Ltd, the ultimate parent company of OPFM).

From time to time the Directors of OnePath Funds Management Limited may invest or withdraw from the Schemes. These investments or withdrawals are on the same terms and conditions as those entered into by other unitholders in the Schemes.

9.4 Responsible Entity fees

The Responsible Entity is entitled to management fees which are calculated as a proportion of net assets attributable to unitholders. All transactions with related parties are conducted on normal commercial terms and conditions. Management fees are reflected as 'Responsible Entity fees' in the Statements of Comprehensive Income. During the current and comparative years, the Schemes did not incur any Responsible Entity fees.

9.5 Related party investments held by the Schemes

As at the reporting date, the Schemes held no investments either in the Responsible Entity or in any schemes managed by the Responsible Entity (30 June 2020: Nil).

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for the financial year ended 30 June 2021

9.6 Units in the Schemes held by related parties

As at the reporting date, details of unit holdings in the Schemes by Oasis Fund Management Limited (Trustee for Oasis Superannuation Master Trust) are set out in the table below:

Name of entity Name of related entity	Fair value of unit holdings		% Interest held		Units purchased/reinvested during the period		Units redeemed during the period		Distributions paid/payable		Number of units held	
	2021 \$	2020 \$	2021 %	2020 %	2021 \$	2020 \$	2021 \$	2020 \$	2021 \$	2020 \$	2021	2020
5. Monthly Income Trust												
Oasis Superannuation Master Trust (wholly owned subsidiary of IOOF)	-	-	-	-	-	-	-	-	-	-	-	-
7. OnePath Mortgage Trust No.2												
Oasis Superannuation Master Trust (wholly owned subsidiary of IOOF)	-	-	-	-	-	-	-	-	-	-	-	-

9.7 Related party investments

As at the reporting date, the Schemes had no other investments in IOOF securities (30 June 2020: Nil).

10. Investment assets and liabilities of unconsolidated structured entities

The Schemes had no investment assets as at the reporting date (30 June 2020: Nil).

11. Custodian

The Responsible Entity of the Schemes, OnePath Funds Management Limited (ABN 21 003 002 800) is the custodian of the Schemes.

12. Commitments and contingencies

There were no commitments or contingencies for the Schemes as at the reporting date (30 June 2020: Nil).

13. Schemes Termination

The Schemes have been suspended since 24 October 2008 and were approved to be terminated by a Board resolution on 28 May 2015.

On 25 March 2019, the Board approved the commencement of a formal final termination process for the Schemes. During the period, the redemptions were processed to return capital to unitholders. The termination process is ongoing.

14. Significant events during the financial period

Coronavirus (COVID-19) pandemic impacts:

The existence of COVID-19 has resulted in significant volatility in global and domestic financial markets. As at the reporting date, there is still significant uncertainty on the likely duration and the ultimate impact COVID-19 will have on world economies.

OPFM continues to operate the Schemes in accordance with the provisions of each Scheme's Constitution and no other matter or circumstance has arisen during the period that has significantly affected, or may significantly affect:

- the operations of the Schemes;
- the results of those operations; or
- the state of affairs of the Schemes.

The Schemes solely invest into cash and cash equivalents and as a result the market volatility had minimal impact on the Schemes.

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for the financial year ended 30 June 2021

15. Likely developments and expected results of operations

The Schemes were approved to be terminated by a Board resolution on 28 May 2015. On 25 March 2019, the Board approved the commencement of a formal final termination process for the Schemes and this process is ongoing.

Further information has not been included in this report to avoid the disclosure of information that may result in unreasonable prejudice to the Schemes.

16. Events subsequent to reporting date

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Schemes disclosed in the Statements of Financial Position as at 30 June 2021 or on the results and cash flows of the Schemes for the financial year ended on that date.

Financial Report Directors' Declaration

OnePath Funds Management Limited presents the Directors' Declaration in respect of the following Schemes:

1. ANZ Mortgage Fund
2. ANZ OA OnePath Income Plus Trust
3. ANZ OA OnePath Mortgage Trust
4. Income Plus Trust
5. Monthly Income Trust
6. OnePath AJ Mortgage Fund
7. OnePath Mortgage Trust No.2

In accordance with a resolution of the Directors of OnePath Funds Management Limited we state that:

In the opinion of the Directors:

1. The financial statements and notes to the financial statements of the Schemes, set out on pages 5 to 23 are in accordance with the *Corporations Act 2001*, including:
 - 1.1 giving a true and fair view of the Schemes' financial positions as at 30 June 2021 and their performance for the financial year ended on that date.
 - 1.2 complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
2. The financial statements and notes to the financial statements of the Schemes, set out on pages 5 to 23 comply with International Financial Reporting Standards.
3. There are reasonable grounds to believe that the Schemes will be able to pay their debts as and when they become due and payable.

This Declaration is made in accordance with a resolution of the Directors of OnePath Funds Management Limited.



John Selak

Director

Melbourne

6 September 2021



Independent Auditor's Report

To the respective unitholders of the following Schemes:

- *ANZ Mortgage Fund*
- *ANZ OA OnePath Income Plus Trust*
- *ANZ OA OnePath Mortgage Trust*
- *Income Plus Trust*
- *Monthly Income Trust*
- *OnePath AJ Mortgage Fund*
- *OnePath Mortgage Trust No.2*

For the purpose of this report, the term Scheme and Schemes denote the individual and distinct entity for which the financial information is prepared and upon which our audit is performed. Each is to be read as a singular subject matter.



Opinions

We have audited the **Financial Report** of the Schemes.

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

- giving a true and fair view of the Schemes' financial position as at 30 June 2021, and of their financial performance and their cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprise the:

- Statements of financial position as at 30 June 2021;
- Statements of comprehensive income, Statements of changes in equity, and Statements of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

Basis for opinions

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

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

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

Emphasis of matter – basis of preparation

We draw attention to Note 2.2 to the Financial Report, which indicates that the Financial Report has been prepared on a basis other than going concern. On 28 May 2015 the Responsible Entity resolved to terminate the Schemes on a date subsequent to the year end. The Schemes are no longer considered going concerns. Our opinions are not modified in respect of this matter.



Other Information

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

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

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

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

Responsibilities of Directors for the Financial Report

The Directors of OnePath Funds Management Limited (the Responsible Entity) are responsible for:

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

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

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

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



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

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

A handwritten signature in black ink, appearing to be 'KPMG' with a flourish underneath.

KPMG

A handwritten signature in black ink, appearing to be 'DK' with a flourish underneath.

David Kells

Partner

Sydney

6 September 2021



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

To the Directors of OnePath Funds Management Limited, the Responsible Entity for the following Schemes:

- ANZ Mortgage Fund
- ANZ OA OnePath Income Plus Trust
- ANZ OA OnePath Mortgage Trust
- Income Plus Trust
- Monthly Income Trust
- OnePath AJ Mortgage Fund
- OnePath Mortgage Trust No.2

I declare that, to the best of my knowledge and belief, in relation to the audit of the Schemes for the financial year ended 30 June 2021 there have been:

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

KPMG

David Kells

Partner

Sydney
6 September 2021

CONTACT DETAILS FOR THE SCHEMES

CUSTOMER SERVICES

 13 38 63 weekdays between 8.30am and 6.30pm (AEST)

 customer@onepath.com.au

ANZ SERVICEPLUS

For use by ANZ Financial Planners only.

 1800 998 996 weekdays between 8.00am and 5.30pm (AEST)

 anzserviceplus@onepath.com.au

POSTAL ADDRESS

 OnePath Funds Management Limited
GPO Box 4028
Sydney NSW 2001

WEBSITE

 anz.com

RESPONSIBLE ENTITY

OnePath Funds Management Limited
ABN 21 003 002 800
AFSL 238342

CUSTODIAN

OnePath Funds Management Limited
Level 6
161 Collins Street
Melbourne VIC 3000

AUDITOR

KPMG
Tower Three
International Towers Sydney
300 Barangaroo Avenue
Sydney NSW 2000