

Bentham Asset Management Managed Trusts Annual Financial Report for the Year Ended 30 June 2023

This annual financial report covers the following Bentham Asset Management Pty Limited managed Trusts as individual entities:

Bentham Syndicated Loan Fund

ARSN 110 077 159

Bentham Global Income Fund

ARSN 105 898 271

Bentham High Yield Fund

ARSN 088 907 224

Bentham Professional Syndicated Loan Fund

ARSN 111 433 071

Bentham Professional Global Income Fund

ARSN 109 991 095

The Responsible Entity of the above mentioned Trusts is Fidante Partners Services Limited (ABN 44 119 605 373) (AFSL 320 505).

The registered office of the Responsible Entity is Level 2, 5 Martin Place, Sydney NSW 2000.

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Directors' report

The Directors of Fidante Partners Services Limited, the Responsible Entity of the below listed Trusts (the Trusts), present their report together with the annual general purpose financial reports for the Trusts for the year ended 30 June 2023.

- Bentham Professional Syndicated Loan Fund
- Bentham Global Income Fund
- Bentham High Yield Fund
- Bentham Syndicated Loan Fund
- Bentham Professional Global Income Fund

The Trusts are Australian Registered Managed Investment Schemes. Fidante Partners Services Limited, the Responsible Entity of the Trusts, is incorporated and domiciled in Australia. The registered office of the Responsible Entity is Level 2, 5 Martin Place, Sydney NSW 2000.

Directors

The following persons held office as Directors of Fidante Partners Services Limited during the year and up to the date of this report, unless otherwise stated:

A Bofinger	Director	
J Coomer	Director	(Resigned 26 June 2023)
R Grimes	Director	(Resigned 22 November 2022)
A Judin	Director	(Appointed 13 July 2023)
J O'Keeffe	Director	
V Rodriguez	Director	(Appointed 9 December 2022)
T Roxburgh	Director	(Appointed 13 July 2023)
Y Sodhi	Director	(Resigned 30 May 2023)

Principal activities and significant changes in the state of affairs

The Asset Manager of the Trusts is Bentham Asset Management Pty Limited (the Asset Manager).

Directors' report (continued)

The principal activity of the Trusts during the year was to invest in accordance with the provisions of the Trusts' governing documents. The individual investment strategies of the above mentioned Trusts are:

Trust name	Principal activity
Bentham Syndicated Loan Fund	The Trust invests mostly in senior secured syndicated loan market with a limited exposure to other credit investments and derivatives.
Bentham Global Income Fund	The Trust invests in both Australian and global hybrid securities, global high yield bonds, global syndicated loans, investment grade securities, global capital securities, asset backed securities, repurchase agreements, reverse repurchase agreements, equities and derivatives including; currency swaps, interest rate swaps and credit default swaps.
Bentham High Yield Fund	The Trust invests in a diversified portfolio of US corporate debt securities which are rated below investment grade (high yield bonds). The Trust consists primarily of US high yield bonds with limited exposure to syndicated loans and collateralised debt obligations.
Bentham Professional Syndicated Loan Fund	The Trust invests in Bentham Syndicated Loan Fund (the underlying trust). The underlying trust invests and trades in various sectors including fixed income and cash in accordance with the provisions of the Trust's Constitution.
Bentham Professional Global Income Fund	The Trust invests in the Bentham Global Income Fund (the underlying trust). The underlying Trust invests and trades in various sectors including fixed income and cash in accordance with the provisions of the Trust's Constitution.

Bentham Global Income Fund primarily invests in the Bentham Syndicated Loan Fund, the Bentham High Yield Fund and the Bentham Asset Backed Securities Fund (the underlying trusts).

There were no significant changes in the nature of the Trusts' activities or to the state of affairs of the Trusts during the year.

Operating and financial review

The results of the operations of the Trusts for the year include the distributions paid and payable on a cents per unit (CPU) basis. The CPU represents the distribution paid by the Trusts to unitholders for each individual unit held in the Trusts.

The table below shows historical discrete annual return performance of the Trusts for the past two years. Performance is calculated after all fees, except any entry fees that have been deducted, and assumes that all distributions were reinvested during that year. The total return is the aggregate of capital growth and distribution of income.

Directors' report (continued)

The Indirect Cost Ratio (ICRs) represent the annualised percentage of indirect costs incurred by the Trusts over the Trusts' average net assets attributable to unitholders for the year.

The results of the Trusts were as follows:

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
	2023	2022	2023	2022	2023	2022	2023	2022
For the year ended 30 June	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$	\$
Net profit/(loss) before finance costs for the year attributable to unitholders	139,891	(75,833)	33,606	(39,641)	12,946	(18,952)	154,204	(70,598)
Distributions paid and payable	142,356	92,198	171,343	74,477	14,951	6,780	168,174	80,000

	Bentham Professional Global Income Fund	
	2023	2022
For the year ended 30 June	\$'000	\$'000
Net profit/(loss) before finance costs for the year attributable to unitholders	2,397	(1,879)
Distributions paid and payable	12,024	6,617

	Bentham Syndicated Loan Fund Retail Class		Bentham Global Income Fund Retail Class		Bentham High Yield Fund Retail Class		Bentham Professional Syndicated Loan Fund Professional Class	
	2023	2022	2023	2022	2023	2022	2023	2022
For the year ended 30 June								
Capital growth (%)	(0.45)	(6.82)	(4.59)	(4.21)	0.37	(16.00)	(0.54)	(6.83)
Distribution of income (%)	8.00	3.38	6.40	3.05	8.69	3.91	8.06	3.38
Total return (%)	7.55	(3.44)	1.81	(1.16)	9.06	(12.09)	7.52	(3.45)
ICR (%)	0.84	0.82	0.77	0.75	0.67	0.67	0.84	0.84
Distributions paid and payable (CPU)	6.63	3.28	6.52	3.26	5.84	3.61	6.54	3.02

Directors' report (continued)

	Bentham Professional Global Income Fund Class C		Bentham Professional Global Income Fund Class P		Bentham Professional Global Income Fund Class X		Bentham Professional Global Income Fund Professional Class	
For the year ended 30 June	2023	2022	2023	2022	2023	2022	2023	2022
Capital growth (%)	(4.03)	(3.94)	(4.50)	(4.81)	(4.72)	(4.85)	(4.72)	(4.89)
Distribution of income (%)	6.46	3.46	6.48	3.77	6.61	3.86	6.49	3.69
Total return (%)	2.43	(0.48)	1.98	(1.04)	1.89	(0.99)	1.77	(1.20)
ICR (%)	0.62	0.62	0.52	0.52	0.62	0.62	0.77	0.77
Distributions paid and payable (CPU)	6.31	3.53	6.36	3.90	6.37	3.91	6.32	3.79

The indirect costs can include management costs and other costs as indicated in the Trusts' governing documents. Indirect costs may also include performance fees if permitted by the Trusts' governing documents. These costs are typically deducted from the Trusts' assets rather than paid directly by the unitholders of the Trusts.

Significant events after the balance date

At the date of this financial report, no matter or circumstance has arisen that has affected, or may significantly affect the Trusts' operations, the results of those operations or the Trusts' state of affairs in future financial years, which has not already been reflected in this report.

Likely developments and expected results

At the time the Directors approved this report, they were not aware of any developments likely to have a significant effect upon the operations or the result of the Trusts in subsequent financial years, which have not been adequately dealt with in this report or in the financial report.

The Trusts will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Trusts and in accordance with the provisions of the Trusts' Constitutions.

Further information on likely developments in the operations of the Trusts and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Trusts.

Indemnification and insurance of directors and officers

No insurance premiums are paid for out of the assets of the Trusts in regards to insurance cover provided to the officers of Fidante Partners Services Limited. So long as the officers of Fidante Partners Services Limited act in accordance with the Trusts' Constitutions and the Corporations Act 2001, the officers remain indemnified out of the assets of the Trusts against losses incurred while acting on behalf of the Trusts. The auditors of the Trusts are in no way indemnified out of the assets of the Trusts.

Directors' report (continued)

Fees paid to and interests held in the Trusts by the Responsible Entity or its related entities

Fees paid to the Responsible Entity and its related entities out of the Trusts' assets during the year are disclosed in note 12 to the financial statements.

No fees were paid out of Trusts' assets to the Directors of the Responsible Entity during the year.

Interests in the Trusts held by the Responsible Entity or its related entities as at the end of the financial year are disclosed in note 12 to the financial statements.

Interests in the Trusts

The movement in units on issue in the Trusts during the year is disclosed in note 2 to the financial statements.

Value of Trusts' assets

The value of the Trusts' assets and liabilities are disclosed in the statements of financial position and derived using the basis set out in note 1.2 to the financial statements.

Environmental regulation and performance

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

Single set of financial reports

The Trusts are entities of the kind referred to in ASIC Corporations (Related Scheme Reports) Instrument 2015/839 issued by the Australian Securities and Investments Commission (ASIC) and in accordance with that Instrument, Trusts with a common Responsible Entity (or related Responsible Entities) can include their financial reports in adjacent columns in a single financial report.

Rounding of amounts to the nearest thousand dollars

Unless otherwise stated, monetary amounts contained in this report and the financial report have been rounded to the nearest \$1,000 under the option available to the Trusts under ASIC Corporations Instrument 2016/191. Where the option is not available, the monetary amounts in this report and the financial report have been rounded to the nearest \$1.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 9.

Directors' report (continued)

Authorisation

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

A handwritten signature in black ink, appearing to be 'A Judin', written over a circular stamp or seal.

A Judin
Director

Sydney
15 September 2023



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Auditor's independence declaration to the directors of Fidante Partners Services Limited

For the following Bentham Asset Management Managed Trusts (the "Trusts"):

- Bentham Syndicated Loan Fund
- Bentham Global Income Fund
- Bentham High Yield Fund
- Bentham Professional Syndicated Loan Fund
- Bentham Professional Global Income Fund

As lead auditor for the audit of the financial report of the above Trusts for the financial year ended 30 June 2023, I declare 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;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.


Ernst & Young



Rita Da Silva
Partner
15 September 2023

Statements of comprehensive income

For the year ended 30 June

		Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
	Note	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Income									
Interest income from financial assets measured at fair value through profit or loss		209,600	131,083	401,698	82,695	17,496	9,521	—	—
Interest income from financial assets measured at amortised cost		7,194	5	17,502	385	474	6	152	5
Dividend income		—	24	140	71	—	—	—	—
Distribution income		—	—	78,838	43,240	—	—	168,159	80,480
Other operating income		4,852	3,952	7,838	8,869	10	54	18,244	18,619
Net gains/(losses) on financial instruments at fair value through profit or loss		38,884	(243,365)	(98,917)	(64,090)	4,575	(26,408)	(13,970)	(150,599)
Net foreign exchange gains/(losses)		(6,302)	74,341	(34,574)	(30,609)	(16)	3	—	—
Total net income		254,228	(33,960)	372,525	40,561	22,539	(16,824)	172,585	(51,495)
Expenses									
Management costs	12	15,372	21,494	19,690	17,126	1,046	1,000	17,882	18,592
Interest expense from financial assets measured at fair value through profit or loss		96,639	17,046	309,494	60,650	8,522	1,092	—	—
Interest expense from financial assets measured at amortised costs		89	169	7,483	541	3	5	—	—
Transaction costs		—	29	1,357	1,353	8	3	—	—
Other expenses		2,237	3,135	895	532	14	28	499	511
Total expenses		114,337	41,873	338,919	80,202	9,593	2,128	18,381	19,103
Net profit/(loss) before finance costs for the year attributable to unitholders		139,891	(75,833)	33,606	(39,641)	12,946	(18,952)	154,204	(70,598)
Other comprehensive income/(loss) for the year		—	—	—	—	—	—	—	—
Total comprehensive income/(loss) for the year attributable to unitholders		139,891	(75,833)	33,606	(39,641)	12,946	(18,952)	154,204	(70,598)

Statements of comprehensive income (continued)

For the year ended 30 June

		Bentham Professional Global Income Fund	
		2023	2022
		\$'000	\$'000
		Notes	
Income			
Interest income from financial assets measured at amortised cost		7	—
Distribution income		11,787	5,371
Other operating income		1,402	1,291
Net gains/(losses) on financial instruments at fair value through profit or loss		(9,640)	(7,452)
Total net income		3,556	(790)
Expenses			
Management costs	12	1,127	1,059
Other expenses		32	30
Total expenses		1,159	1,089
Net profit/(loss) before finance costs for the year attributable to unitholders		2,397	(1,879)
Finance costs attributable to unitholders			
Distributions to unitholders	3	(12,024)	(6,617)
Movements in net assets attributable to unitholders	2	9,627	8,496
Net profit/(loss) after finance costs for the year attributable to unitholders		—	—
Other comprehensive income/(loss) for the year		—	—
Total comprehensive income/(loss) for the year attributable to unitholders		—	—

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

Statements of financial position

As at 30 June

	Notes	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Assets									
Cash and cash equivalents	13	196,686	138,739	458,966	270,503	31,981	10,950	5,109	4,999
Collateral and margin accounts		126,787	135,461	474,665	185,237	8,106	6,474	—	—
Receivables	4	97,043	298,735	144,766	33,535	6,178	2,666	15,781	8,821
Financial assets at fair value through profit or loss	5	1,750,803	1,783,593	2,494,841	2,340,524	286,102	129,267	1,923,223	2,029,963
Total assets		2,171,319	2,356,528	3,573,238	2,829,799	332,367	149,357	1,944,113	2,043,783
Liabilities									
Collateral and margin accounts		12,353	6,614	372,032	163,703	354	—	—	—
Distributions payable	3	13,975	7,100	15,086	9,763	6,242	1,594	24,197	6,603
Payables	8	102,776	186,346	120,268	18,532	11,362	782	1,533	1,549
Financial liabilities at fair value through profit or loss	6	113,784	113,935	356,724	158,725	14,120	12,878	—	—
Total liabilities (excluding net assets attributable to unitholders)		242,888	313,995	864,110	350,723	32,078	15,254	25,730	8,152
Net assets attributable to unitholders - Equity	2	1,928,431	2,042,533	2,709,128	2,479,076	300,289	134,103	1,918,383	2,035,631

Statements of financial position (continued)

As at 30 June

		Bentham Professional Global Income Fund	
		2023	2022
	Notes	\$'000	\$'000
Assets			
Cash and cash equivalents	13	127	131
Receivables	4	1,502	1,556
Financial assets at fair value through profit or loss	5	191,141	165,443
Total assets		192,770	167,130
Liabilities			
Distributions payable	3	1,293	1,891
Payables	8	358	927
Total liabilities (excluding net assets attributable to unitholders)		1,651	2,818
Net assets attributable to unitholders - Liability	2	191,119	164,312

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

Statements of changes in unitholder funds

For the year ended 30 June

The following Trusts are single-class and classify net assets attributable to unitholders as equity as set out in note 2.

	Notes	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Classification of net assets attributable to unitholders as at 30 June		Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
As at 1 July - Opening Balance		2,042,533	2,874,350	2,479,076	2,081,563	134,103	148,926	2,035,631	2,353,583
Applications for units		287,410	388,588	930,928	942,638	168,023	20,261	353,834	135,000
Units issued upon reinvestment of distributions		50,537	61,963	22,144	14,547	8,384	4,228	41,843	45,943
Redemptions of units		(449,584)	(1,114,337)	(585,283)	(445,554)	(8,216)	(13,580)	(498,955)	(348,297)
Distributions paid and payable	3	(142,356)	(92,198)	(171,343)	(74,477)	(14,951)	(6,780)	(168,174)	(80,000)
Total comprehensive income/(loss) for the year - Equity		139,891	(75,833)	33,606	(39,641)	12,946	(18,952)	154,204	(70,598)
As at 30 June - Closing Balance	2	1,928,431	2,042,533	2,709,128	2,479,076	300,289	134,103	1,918,383	2,035,631

Statements of changes in unitholder funds (continued)

For the year ended 30 June

The following Trust is multi-class and classifies net assets attributable to unitholders as liability. Refer to note 2.

	Note	Bentham Professional Global Income Fund	
		2023 \$'000	2022 \$'000
Classification of net assets attributable to unitholders as at 30 June		Liability	Liability
As at 1 July - Opening Balance		164,312	181,443
Applications for units		60,687	32,884
Units issued upon reinvestment of distributions		4,497	2,449
Redemptions of units		(28,750)	(43,968)
Movements in net assets attributable to unitholders - Liability		(9,627)	(8,496)
As at 30 June - Closing Balance	2	191,119	164,312

The statements of changes in unitholder funds should be read in conjunction with the accompanying notes.

Statements of cash flows

For the year ended 30 June

	Notes	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Cash flows from operating activities									
Proceeds from sale of financial instruments at fair value through profit or loss		1,802,017	3,035,663	1,231,712	829,976	113,621	99,085	596,293	454,986
Purchase of financial instruments at fair value through profit or loss		(1,597,542)	(2,357,277)	(1,384,954)	(1,074,378)	(257,609)	(106,677)	(503,523)	(136,400)
Dividends received		—	24	117	71	—	—	—	—
Interest received		204,926	129,687	309,289	68,604	15,114	9,133	137	1
Distributions received		—	—	61,094	51,721	—	—	161,231	—
Other income received		6,195	5,896	1,361	1,116	83	134	1,274	1,400
Interest paid		(86,322)	(14,207)	(222,862)	(54,109)	(7,763)	(817)	—	(1)
Net management costs paid		(16,920)	(24,050)	(13,574)	(9,618)	(1,048)	(1,095)	(1,436)	(1,902)
Other expenses paid		(2,073)	(2,987)	(1,368)	(1,359)	(10)	(20)	(8)	—
Net cash inflows/(outflows) from operating activities	13	310,281	772,749	(19,185)	(187,976)	(137,612)	(257)	253,968	318,084
Cash flows from financing activities									
Proceeds from applications by unitholders		287,504	388,531	933,051	940,419	168,126	20,180	353,834	135,000
Payments for redemptions by unitholders		(449,512)	(1,114,825)	(584,858)	(447,744)	(8,222)	(13,568)	(498,955)	(378,529)
Distributions paid		(84,944)	(84,696)	(143,876)	(72,678)	(1,919)	(958)	(108,737)	(74,738)
Net cash inflows/(outflows) from financing activities		(246,952)	(810,990)	204,317	419,997	157,985	5,654	(253,858)	(318,267)
Net increase/(decrease) in cash and cash equivalents		63,329	(38,241)	185,132	232,021	20,373	5,397	110	(183)
Cash and cash equivalents at the beginning of the year		138,739	171,481	270,503	38,751	10,950	5,664	4,999	5,182
Effects of exchange rate changes on cash and cash equivalents		(5,382)	5,499	3,331	(269)	658	(111)	—	—
Cash and cash equivalents at the end of the year	13	196,686	138,739	458,966	270,503	31,981	10,950	5,109	4,999

Statements of cash flows (continued)

For the year ended 30 June

		Bentham Professional Global Income Fund	
	Notes	2023 \$'000	2022 \$'000
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		35,547	50,176
Purchase of financial instruments at fair value through profit or loss		(71,192)	(33,410)
Interest received		6	—
Distributions received		11,375	—
Other income received		88	78
Net management costs paid		147	216
Net cash inflows/(outflows) from operating activities	13	(24,029)	17,060
Cash flows from financing activities			
Proceeds from applications by unitholders		61,046	32,769
Payments for redemptions by unitholders		(28,896)	(45,409)
Distributions paid		(8,125)	(4,392)
Net cash inflows/(outflows) from financing activities		24,025	(17,032)
Net increase/(decrease) in cash and cash equivalents		(4)	28
Cash and cash equivalents at the beginning of the year		131	103
Cash and cash equivalents at the end of the year	13	127	131

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

Notes to the financial statements

1. Basis of preparation and overarching significant accounting policies

These financial statements cover the below listed Trusts (the Trusts) as individual entities. The Trusts are Australian registered managed investment schemes and were constituted on the below dates. The Trusts will terminate on the below dates unless terminated earlier in accordance with the provisions of the Trusts' Constitutions:

Trust name	Constitution date	Termination date
Bentham Syndicated Loan Fund	29 July 2004	29 July 2084
Bentham Global Income Fund	13 October 2006	13 October 2086
Bentham High Yield Fund	13 October 2006	13 October 2086
Bentham Professional Syndicated Loan Fund	3 September 1999	3 September 2079
Bentham Professional Global Income Fund	3 September 1999	3 September 2079

The financial report of the Trusts for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on 15 September 2023.

The nature of the operating and principal activities of the Trusts are described in the Directors' report.

1.1. Basis of preparation

Basis of preparation

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

The financial report is a general purpose financial report, which has 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.

Furthermore the financial statements have been prepared on a going concern basis as the Trusts are expected to generate sufficient funds to enable them to pay their debts as and when they fall due.

The Trusts are for-profit entities for the purposes of preparing financial statements.

The statements of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial instruments, and in instances where a Trust treats unitholder funds as a liability, net assets attributable to unitholders. The amounts expected to be recovered or settled beyond twelve months after the end of each reporting period cannot be reliably determined.

Unless stated otherwise, the financial report is presented in Australian dollars and has been prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

1. Basis of preparation and overarching significant accounting policies (continued)

Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

New accounting standards and interpretations

All new accounting standards that are applicable to the Trusts for the 30 June 2023 reporting period have been adopted and do not have a material impact on the financial statements.

There are no new accounting standards and interpretations that have been issued, but not yet effective, that are material to the financial statements or have been early adopted for the 30 June 2023 reporting period.

Foreign currency

Both the presentation currency and the functional currency of the Trusts are Australian dollars.

Transactions in foreign currency are translated into the Trusts' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into Australian dollars at the foreign exchange rate ruling at the statements of financial position date.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the historical exchange rate as at the date of the transaction.

Non-monetary items measured at fair value in a foreign currency are translated to the functional currency using the exchange rate ruling at the date when the fair value was determined.

Comparatives

Where necessary, comparative figures have been reclassified to conform to any changes in presentation made in this financial report.

Rounding of amounts

Unless otherwise stated, monetary amounts contained in this report and the Directors' report have been rounded to the nearest \$1,000 under the option available to the Trusts under Australian Securities and Investments Commission (ASIC) Corporations Instrument 2016/191. Where the option is not available, the monetary amounts in this report and the financial report have been rounded to the nearest \$1.

Including different registered scheme financial reports in a single document

The registered schemes have applied ASIC's Corporations Instrument 2015/839, which allows registered schemes with a common, or related, Responsible Entity to include their financial statements in adjacent columns in a single financial report.

1. Basis of preparation and overarching significant accounting policies (continued)

1.2. Summary of significant accounting policies

Investment income and interest expense

Investment income may include net gains or losses from financial instruments. Where applicable, these net gains include all realised and unrealised fair value changes. Any foreign exchange differences, interest, dividends and distributions are recorded as separate line items in the statements of comprehensive income. Where applicable, interest income and interest expense are recognised using the effective interest method, and dividend and distribution income are recognised when the Trusts' right to receive payment is established.

The Trusts have not applied hedge accounting.

Expenses

Expenses are recognised on an accrual basis at the fair value of the consideration paid or payable for services rendered.

Expenses may include management costs, operation costs and transaction costs. Management costs include management fees and recoverable expenses as permitted by the Trusts' governing documents. Expenses may also include performance fees if permitted by the Trusts' governing documents. Expenses are recognised in the statements of comprehensive income.

Taxes

Under the current legislation, the Trusts are not subject to income tax as all assessable income, exempt income and non-assessable income will be attributed to unitholders under the AMIT regime.

Financial instruments at fair value may include unrealised capital gains. Should such a gain be realised, the portion of the gain that is subject to capital gains tax will be attributed so that the Trusts are not subject to capital gains tax.

Realised capital losses are not attributed to unitholders but are retained in the Trusts to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is attributed to unitholders.

The benefit of imputation credits and foreign tax paid are passed on to unitholders.

Bentham Global Income Fund currently incurs withholding tax on investment income imposed by certain countries. Such income is recorded gross of withholding tax in the statements of comprehensive income.

Goods and services (GST)

The Trusts qualify for Reduced Input Tax Credits (RITC) at various applicable rates.

1. Basis of preparation and overarching significant accounting policies (continued)

Revenues, expenses and assets are recognised net of the amount of GST, except when the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

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

Cash and cash equivalents

Cash and cash equivalents are financial assets with fixed or determinable payments and comprise of cash at bank, cash held with custodian and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents are recognised at fair value. For the purposes of the statements of cash flows, cash and cash equivalents are stated net of any outstanding bank overdrafts.

Payments and receipts relating to the purchase and sale of investment securities at fair value are classified as cash flows from operating activities, as movements in the fair value of these securities form a part of the Trusts' income generating activity.

Collateral and margin accounts

Collateral and margin accounts represent short term investments which are not held for the purpose of meeting short term cash commitments. They may also include restricted deposits for derivative financial instruments and/or for securities sold short. Margin accounts represent cash deposits held by or due to brokers as collateral against open derivative contracts.

Collateral and margin accounts are measured at amortised cost using the effective interest method less any expected credit losses.

Financial instruments

Classification

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition/derecognition

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

1. Basis of preparation and overarching significant accounting policies (continued)

Investments are derecognised when the right to receive cash flows from the investments have expired or the Trusts have transferred substantially all risks and rewards of ownership.

Measurement

At initial recognition, the Trusts measure financial assets and financial liabilities at fair value. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in the statements of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are presented in the statements of comprehensive income. For further details on how the fair values of financial instruments are determined please refer to note 11.

Offsetting financial instruments

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

Financial assets at fair value through profit or loss

Financial assets are categorised as financial assets - fair value through profit or loss. The classification depends on the definition and the purpose for which the investments were acquired. The classification of investments is determined at initial recognition and evaluated at each reporting date.

Purchases and sales of financial assets are recognised on the date on which the Trusts commit to purchase or sell the asset. A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Trusts have transferred their rights to receive cash flows from the asset, or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Trusts have:

- Transferred substantially all of the risks and rewards of the asset; or
- Neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Trusts include in this category short-term non-financing receivables including cash collateral posted on derivative contracts, accrued income and other receivables.

Financial liabilities at fair value through profit or loss

The Trusts may make short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or they may use short sales for various arbitrage transactions. Short sales are classified as financial liabilities at fair value through profit or loss.

1. Basis of preparation and overarching significant accounting policies (continued)

Derivative contracts that have a negative fair value are presented as financial liabilities at fair value through profit or loss. Securities subject to repurchase agreements continue to be recognised in the statements of financial position as the risks and rewards of ownership remain within the investment portfolio. Collateral received is classified as 'Repurchase agreement bonds' and are accounted for as financial assets at fair value through profit and loss. Collateral provided is classified as 'Repurchase agreements' and are accounted for as financial liabilities at fair value through profit or loss. The difference between the sale price and the repurchase price is charged to interest expense in the statements of comprehensive income using the effective interest rate method over the expected life of the agreements.

Net assets attributable to unitholders

Units issued by the Trusts are redeemable for cash at the unitholders' option at any time based on the redemption price. The fair value of redeemable units are measured using the redemption unit price at the reporting date if unitholders were to exercise their right to redeem units in the Trusts.

Units are classified as equity when they satisfy the following criteria under AASB 132 Financial Instruments: Presentation (AASB 132):

- the puttable financial instrument entitles the holder to a pro rata share of net assets in the event of the Trusts' 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 Trusts, and it is not a contract settled in the Trusts' 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 and cannot be guaranteed.

As at 30 June 2023, unitholder funds are classified as equity when they satisfy all the criteria under AASB 132 and as a liability when they do not satisfy all the criteria under AASB 132.

Use of estimates

The Trusts may hold financial instruments for which quoted market prices are readily available. The Trusts may also hold certain financial instruments, for example over-the-counter derivatives or unquoted securities, that are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Models are calibrated by back testing to actual transactions to ensure that outputs are reliable.

Investment entity

Bentham Global Income Fund holds investments which are controlled by it under the definition of control in AASB 10 Consolidated Financial Statements (AASB 10). However, the Directors have determined that the Trust is an investment entity under the definition in AASB 10 as it meets the following criteria:

- the Trust has obtained funds from unitholders for the purpose of providing them with investment management services;
- the Trust's business purpose, which it communicated directly to unitholders, is investing solely for returns from capital appreciation and investment income; and
- the performance of investments made by the Trust are measured and evaluated on a fair value basis.

1. Basis of preparation and overarching significant accounting policies (continued)

Bentham Global Income Fund also meets all of the typical characteristics of an investment entity. As a consequence, the Trust does not consolidate these investments, but accounts for them at fair value through profit or loss.

2. Net assets attributable to unitholders

As stipulated in the Trusts' Constitutions, each unit represents a right to an individual share in the respective Trusts and does not extend to a right to the underlying assets of the Trusts.

The number of separate classes of units in the below listed Trusts are as follows;

Trust	Separate classes of units
Bentham Syndicated Loan Fund	One
Bentham Global Income Fund	One
Bentham High Yield Fund	One
Bentham Professional Syndicated Loan Fund	One
Bentham Professional Global Income Fund	Four

Each unit in the Trust has the same rights, preferences and restrictions attaching to it as all other units of each respective Trust.

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

Income not distributed is included in net assets attributable to unitholders. Where unitholder funds are classified as a liability, movements in net assets attributable to unitholders are recognised in the statements of comprehensive income as finance costs.

Terms and conditions on units

Each unit issued confers upon the unitholder an equal interest in the Trusts, and is of equal value per class. A unit does not confer any interest in any particular asset or investment of the Trusts. Unitholders have various rights under the Constitution and the Corporations Act 2001, including the right to:

- have their units redeemed;
- receive income distributions;
- attend and vote at meetings of unitholders; and
- participate in the termination and winding up of the Trusts.

The rights, obligations and restrictions attached to each unit are identical in all respects.

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

2. Net assets attributable to unitholders (continued)

	Bentham Syndicated Loan Fund Retail Class		Bentham Global Income Fund Retail Class		Bentham High Yield Fund Retail Class		Bentham Professional Syndicated Loan Fund Professional Class	
Net assets attributable to unitholders	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No.	\$
Classification of net assets attributable to unitholders as at 30 June	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
As at 1 July 2022 - Opening Balance	2,394,357	2,042,533	2,466,174	2,479,076	191,643	134,103	2,555,436	2,035,631
Applications for units	336,235	287,410	918,938	930,928	234,988	168,023	440,331	353,834
Units issued upon reinvestment of distributions	59,412	50,537	21,978	22,144	12,097	8,384	52,349	41,843
Redemptions of units	(523,551)	(449,584)	(581,093)	(585,283)	(11,579)	(8,216)	(626,761)	(498,955)
Distributions paid and payable	—	(142,356)	—	(171,343)	—	(14,951)	—	(168,174)
Total comprehensive income/(loss) for the year - Equity	—	139,891	—	33,606	—	12,946	—	154,204
As at 30 June 2023 - Closing Balance	2,266,453	1,928,431	2,825,997	2,709,128	427,149	300,289	2,421,355	1,918,383
	Bentham Professional Global Income Fund Class C		Bentham Professional Global Income Fund Class P		Bentham Professional Global Income Fund Class X		Bentham Professional Global Income Fund Professional Class	
Net assets attributable to unitholders	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
Classification of net assets attributable to unitholders as at 30 June	Liability	Liability	Liability	Liability	Liability	Liability	Liability	Liability
As at 1 July 2022 - Opening Balance	4,576	4,400	60,463	58,493	44,972	42,621	61,059	58,798
Applications for units	20,652	20,170	18,003	17,526	2,417	2,312	21,358	20,679
Units issued upon reinvestment of distributions	—	—	4,404	4,273	—	—	232	224
Redemptions of units	(1,432)	(1,391)	(5,645)	(5,501)	(14,247)	(13,557)	(8,675)	(8,301)
Movements in net assets attributable to unitholders - Liability	—	(1,224)	—	(3,437)	—	(1,444)	—	(3,522)
As at 30 June 2023 - Closing Balance	23,796	21,955	77,225	71,354	33,142	29,932	73,974	67,878

2. Net assets attributable to unitholders (continued)

	Bentham Syndicated Loan Fund Retail Class		Bentham Global Income Fund Retail Class		Bentham High Yield Fund Retail Class		Bentham Professional Syndicated Loan Fund Professional Class	
Net assets attributable to unitholders	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No.	\$
Classification of net assets attributable to unitholders as at 30 June	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
As at 1 July 2021 - Opening Balance	3,138,316	2,874,350	1,983,042	2,081,563	178,589	148,926	2,752,917	2,353,583
Applications for units	429,841	388,588	895,655	942,638	24,614	20,261	162,425	135,000
Units issued upon reinvestment of distributions	67,988	61,963	13,843	14,547	5,184	4,228	53,819	45,943
Redemptions of units	(1,241,788)	(1,114,337)	(426,366)	(445,554)	(16,744)	(13,580)	(413,725)	(348,297)
Distributions paid and payable	—	(92,198)	—	(74,477)	—	(6,780)	—	(80,000)
Total comprehensive income/(loss) for the year - Equity	—	(75,833)	—	(39,641)	—	(18,952)	—	(70,598)
As at 30 June 2022 - Closing Balance	2,394,357	2,042,533	2,466,174	2,479,076	191,643	134,103	2,555,436	2,035,631
	Bentham Professional Global Income Fund Class C		Bentham Professional Global Income Fund Class P		Bentham Professional Global Income Fund Class X		Bentham Professional Global Income Fund Professional Class	
Net assets attributable to unitholders	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
Classification of net assets attributable to unitholders as at 30 June	Liability	Liability	Liability	Liability	Liability	Liability	Liability	Liability
As at 1 July 2021 - Opening Balance	1,034	1,035	58,437	59,397	75,572	75,280	45,167	45,731
Applications for units	4,802	4,804	3,492	3,550	4,116	4,115	20,127	20,415
Units issued upon reinvestment of distributions	—	—	2,296	2,337	—	—	111	112
Redemptions of units	(1,260)	(1,252)	(3,762)	(3,805)	(34,716)	(34,533)	(4,346)	(4,378)
Movements in net assets attributable to unitholders - Liability	—	(187)	—	(2,986)	—	(2,241)	—	(3,082)
As at 30 June 2022 - Closing Balance	4,576	4,400	60,463	58,493	44,972	42,621	61,059	58,798

2. Net assets attributable to unitholders (continued)

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$	\$
Total net assets attributable to unitholders	1,928,431	2,042,533	2,709,128	2,479,076	300,289	134,103	1,918,383	2,035,631

	Bentham Professional Global Income Fund	
	2023	2022
	\$'000	\$'000
Total net assets attributable to unitholders	191,119	164,312

Capital risk management

The Trusts consider their unitholder funds as capital. The amount of unitholder funds can change significantly as the Trusts are subject to applications and redemptions at the discretion of unitholders. Applications and redemptions are reviewed relative to the liquidity of the Trusts' underlying assets by the Responsible Entity. Under the terms of the Trusts' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

Net realised capital losses

At the end of the reporting period, the Trusts had net realised capital losses available to offset against future net realised capital gains. Net realised capital losses are not finalised for taxation purposes, and may change due to calculation adjustment, denial, offset or recoupment and are as follows:

As at 30 June	2023	2022
Net realised capital losses	\$	\$
Bentham Syndicated Loan Fund	23,402,152	9,695,001
Bentham Global Income Fund	16,084,156	16,458,500
Bentham High Yield Fund	1,366,516	1,025,995
Bentham Professional Syndicated Loan Fund	8,334,344	8,353,000
Bentham Professional Global Income Fund	1,648,999	—

3. Distributions to unitholders

In accordance with the Trusts' Constitutions, the Trusts distribute income adjusted for amounts determined by the Responsible Entity to unitholders by cash or reinvestment. Where unitholder funds are classified as a liability, these distributions are recognised in the statements of comprehensive income as finance costs, and where unitholder funds are classified as equity, these distributions are recognised in the statements of changes in unitholder funds.

The distributions for the year are presented below in dollars ('000) and cents per unit (CPU) for each class.

Distributions	Bentham Syndicated Loan Fund Retail Class		Bentham Global Income Fund Retail Class		Bentham High Yield Fund Retail Class		Bentham Professional Syndicated Loan Fund Professional Class	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$	CPU
Distributions paid - July 2022	9,638	0.43	13,463	0.54	—	—	10,400	0.41
Distributions paid - August 2022	10,050	0.48	13,979	0.56	—	—	11,376	0.45
Distributions paid - September 2022	10,761	0.51	13,817	0.55	2,882	1.48	12,174	0.48
Distributions paid - October 2022	11,415	0.54	13,533	0.53	—	—	12,923	0.50
Distributions paid - November 2022	11,693	0.55	13,645	0.53	—	—	13,219	0.55
Distributions paid - December 2022	11,884	0.56	14,181	0.55	2,900	1.45	13,343	0.46
Distributions paid - January 2023	11,963	0.56	14,034	0.54	—	—	13,414	0.56
Distributions paid - February 2023	12,223	0.58	14,893	0.56	—	—	13,909	0.58
Distributions paid - March 2023	12,523	0.59	14,776	0.54	2,927	1.45	14,229	0.50
Distributions paid - April 2023	12,789	0.60	14,835	0.54	—	—	14,459	0.51
Distributions paid - May 2023	13,442	0.61	15,101	0.55	—	—	14,531	0.54
Distributions payable - June 2023	13,975	0.62	15,086	0.53	6,242	1.46	24,197	1.00
Total distributions - 30 June 2023	142,356	6.63	171,343	6.52	14,951	5.84	168,174	6.54

3. Distributions to unitholders (continued)

	Bentham Syndicated Loan Fund Retail Class		Bentham Global Income Fund Retail Class		Bentham High Yield Fund Retail Class		Bentham Professional Syndicated Loan Fund Professional Class	
Distributions	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$	CPU
Distributions paid - July 2021	8,462	0.27	5,312	0.26	—	—	6,949	0.25
Distributions paid - August 2021	8,610	0.27	5,409	0.26	—	—	6,992	0.25
Distributions paid - September 2021	7,830	0.27	5,509	0.26	1,725	0.95	6,881	0.25
Distributions paid - October 2021	7,866	0.27	5,630	0.26	—	—	6,721	0.25
Distributions paid - November 2021	7,804	0.27	5,797	0.26	—	—	6,573	0.25
Distributions paid - December 2021	7,653	0.27	5,898	0.26	1,745	0.93	6,580	0.25
Distributions paid - January 2022	7,633	0.27	5,997	0.26	—	—	6,614	0.25
Distributions paid - February 2022	7,577	0.27	6,119	0.26	—	—	6,611	0.25
Distributions paid - March 2022	7,338	0.27	6,230	0.26	1,716	0.90	6,569	0.25
Distributions paid - April 2022	7,337	0.27	6,369	0.26	—	—	6,369	0.25
Distributions paid - May 2022	6,988	0.28	6,444	0.26	—	—	6,538	0.26
Distributions payable - June 2022	7,100	0.30	9,763	0.40	1,594	0.83	6,603	0.26
Total distributions - 30 June 2022	92,198	3.28	74,477	3.26	6,780	3.61	80,000	3.02

	Bentham Professional Global Income Fund Class C		Bentham Professional Global Income Fund Class P		Bentham Professional Global Income Fund Class X		Bentham Professional Global Income Fund Professional Class	
Distributions	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid - July 2022	34	0.52	319	0.52	231	0.52	323	0.52
Distributions paid - August 2022	50	0.53	325	0.53	227	0.53	337	0.53
Distributions paid - September 2022	60	0.53	321	0.53	217	0.53	339	0.53
Distributions paid - October 2022	65	0.51	315	0.51	206	0.51	330	0.51
Distributions paid - November 2022	72	0.51	320	0.51	199	0.51	342	0.51
Distributions paid - December 2022	81	0.52	340	0.52	198	0.52	361	0.52
Distributions paid - January 2023	85	0.51	344	0.51	193	0.51	357	0.51
Distributions paid - February 2023	95	0.53	364	0.53	193	0.53	372	0.53

3. Distributions to unitholders (continued)

	Bentham Professional Global Income Fund Class C		Bentham Professional Global Income Fund Class P		Bentham Professional Global Income Fund Class X		Bentham Professional Global Income Fund Professional Class	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid - March 2023	102	0.52	355	0.52	184	0.52	369	0.52
Distributions paid - April 2023	111	0.52	370	0.52	180	0.52	375	0.52
Distributions paid - May 2023	118	0.52	396	0.52	176	0.52	380	0.52
Distributions payable - June 2023	141	0.59	492	0.64	217	0.65	443	0.60
Total distributions - 30 June 2023	1,014	6.31	4,261	6.36	2,421	6.37	4,328	6.32
Distributions paid - July 2021	3	0.25	150	0.25	175	0.25	119	0.25
Distributions paid - August 2021	3	0.25	151	0.25	161	0.25	121	0.25
Distributions paid - September 2021	3	0.25	151	0.25	152	0.25	123	0.25
Distributions paid - October 2021	4	0.25	151	0.25	145	0.25	125	0.25
Distributions paid - November 2021	4	0.25	152	0.25	137	0.25	128	0.25
Distributions paid - December 2021	5	0.25	152	0.25	134	0.25	134	0.25
Distributions paid - January 2022	6	0.25	153	0.25	132	0.25	137	0.25
Distributions paid - February 2022	6	0.25	153	0.25	129	0.25	142	0.25
Distributions paid - March 2022	6	0.25	153	0.25	125	0.25	144	0.25
Distributions paid - April 2022	7	0.25	153	0.25	122	0.25	147	0.25
Distributions paid - May 2022	8	0.25	153	0.25	117	0.25	150	0.25
Distributions payable - June 2022	36	0.78	696	1.15	521	1.16	638	1.04
Total distributions - 30 June 2022	91	3.53	2,368	3.90	2,050	3.91	2,108	3.79
	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Total distributions paid and payable - 30 June	142,356	92,198	171,343	74,477	14,951	6,780	168,174	80,000

3. Distributions to unitholders (continued)

	Bentham Professional Global Income Fund	
	2023 \$'000	2022 \$'000
Total distributions paid and payable - 30 June	12,024	6,617

The component of the final distribution for the year which was unpaid at the reporting date is shown in the statements of financial position.

4. Receivables

Receivables may include GST RITC, application monies, interest, dividends, trust distributions and other income accrued and unsettled trade purchases. They are recognised when the right to receive payment is established and are generally recovered within 30 days. The Trusts measure expected credit losses on a 12-month basis. Given the nature of the Trusts' receivables and the limited exposure of the Trusts to credit risk, no material expected credit losses have been recognised.

Amounts recoverable from related entities have no fixed repayment term and are non-interest-bearing.

All receivables are considered current.

As at 30 June	Note	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Application for units receivable		204	298	3,591	5,714	22	125	—	—
Amounts due from the Responsible Entity	12	—	—	643	707	—	—	1,433	1,421
Distributions receivable		—	—	9,206	5,433	—	—	14,011	7,083
GST receivable		358	446	367	333	31	21	319	314
Interest receivable		24,643	12,775	130,959	21,348	5,108	2,252	18	3
Outstanding trade settlements		71,838	285,216	—	—	1,017	268	—	—
Total receivables		97,043	298,735	144,766	33,535	6,178	2,666	15,781	8,821

4. Receivables (continued)

As at 30 June	Note	Bentham Professional Global Income Fund	
		2023 \$'000	2022 \$'000
Application for units receivable		192	551
Amounts due from the Responsible Entity	12	123	105
Distributions receivable		1,064	651
GST receivable		22	19
Interest receivable		1	—
Outstanding trade settlements		100	230
Total receivables		1,502	1,556

5. Financial assets at fair value through profit or loss

As at 30 June	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Derivatives								
Credit default swaps	—	—	3,667	3,661	—	—	—	—
Cross currency swaps	2,891	9,415	2,970	32,530	134	817	—	—
Exchange traded options	—	—	1,120	13,573	—	—	—	—
Forward currency contracts	4,048	15,834	2,840	6,445	2,682	1,065	—	—
FX options	—	—	376	4,326	—	—	—	—
Index credit default swaps	2,702	601	9,776	15,121	751	22	—	—
Interest rate swaps	649	877	95,158	109,292	—	—	—	—
Overnight indexed swaps	3,412	—	238,752	28,191	—	—	—	—
Swaptions	—	—	—	52,516	—	—	—	—
Total return swaps	1,061	—	—	208	—	—	—	—
Warrants	21	107	—	—	—	—	—	—
Total derivatives	14,784	26,834	354,659	265,863	3,567	1,904	—	—

5. Financial assets at fair value through profit or loss (continued)

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
As at 30 June	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Unlisted unit trusts								
Unlisted unit trusts	—	—	1,093,165	1,169,044	—	—	1,923,223	2,029,963
Total unlisted unit trusts	—	—	1,093,165	1,169,044	—	—	1,923,223	2,029,963
Equity securities								
Equity securities	14,456	22,621	—	1,672	80	—	—	—
Total equity securities	14,456	22,621	—	1,672	80	—	—	—
Debt securities								
Asset-backed securities	2,613	2,618	38,687	50,672	—	—	—	—
Collateralised debt obligations	3,658	3,605	—	—	—	—	—	—
Collateralised loan obligations	77,753	71,729	284,356	262,253	—	—	—	—
Corporate bonds	201,314	145,366	295,376	346,831	259,437	113,878	—	—
Exchange traded funds	—	—	18,192	—	—	—	—	—
Floating rate notes	18,320	13,758	362,197	192,549	2,039	653	—	—
Mortgage-backed securities	—	—	48,209	51,640	—	—	—	—
Revolving loans	3,715	13,223	—	—	318	285	—	—
Term loans	1,414,190	1,483,839	—	—	20,661	12,547	—	—
Total debt securities	1,721,563	1,734,138	1,047,017	903,945	282,455	127,363	—	—
Total financial assets at fair value through profit or loss	1,750,803	1,783,593	2,494,841	2,340,524	286,102	129,267	1,923,223	2,029,963

5. Financial assets at fair value through profit or loss (continued)

As at 30 June	Bentham Professional Global Income Fund	
	2023 \$'000	2022 \$'000
Unlisted unit trusts		
Unlisted unit trusts	191,141	165,443
Total unlisted unit trusts	191,141	165,443
Total financial assets at fair value through profit or loss	191,141	165,443

Bentham Global Income Fund's investment in unlisted unit trusts at year end consisted of investments in Bentham Syndicated Loan Fund, Bentham High Yield Fund and Bentham Asset Backed Securities Fund as disclosed in note 12.

Bentham Professional Syndicated Loan Fund's investment in unlisted unit trusts at year end consisted of an investment in Bentham Syndicated Loan Fund as disclosed in note 12.

Bentham Professional Global Income Fund's investment in unlisted unit trusts at year end consisted of an investment in Bentham Global Income Fund as disclosed in note 12.

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in notes 10 and 11 respectively.

6. Financial liabilities at fair value through profit or loss

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund	
As at 30 June	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivatives						
Credit default swaps	—	—	6,099	11,633	—	—
Cross currency swaps	105,597	105,320	90,766	68,180	12,791	12,310
Exchange traded options	—	—	263	2,941	—	—
Forward currency contracts	4,336	1,497	9,215	4,014	925	156
FX options	—	—	—	519	—	—
Index credit default swaps	2,933	1,209	15,801	14,106	404	412
Interest rate swaps	—	—	72,536	29,232	—	—
Overnight indexed swaps	665	—	160,901	19,839	—	—
Total return swaps	193	5,909	1,143	8,261	—	—
Total derivatives	113,724	113,935	356,724	158,725	14,120	12,878
Debt securities						
Term loans	60	—	—	—	—	—
Total debt securities	60	—	—	—	—	—
Total financial liabilities at fair value through profit or loss	113,784	113,935	356,724	158,725	14,120	12,878

An overview of the risk exposures and fair value measurements relating to financial liabilities at fair value through profit or loss is included in notes 10 and 11 respectively.

7. Derivative financial instruments

In the normal course of business, the Trusts enter into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

7. Derivative financial instruments (continued)

Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Trusts' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Trusts against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategies, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Trusts.

The Trusts hold the following derivative instruments:

Credit default swaps

A credit default swap is a credit derivative used to hedge credit risk or take a position on a basket or credit entity. It is an agreement between two parties whereby one party pays the other a fixed coupon for the specified term of the agreement. The other party makes no payment unless a specified credit event occurs.

Unlike a credit default swap, which is an over-the-counter derivative, an index credit default swap is a standardised credit security.

Forward currency contracts

A forward currency contract is primarily used by the Trusts to hedge against foreign currency exchange rate risks on its non-Australian dollar denominated trading securities. The Trusts agree to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Forward currency contracts are valued at the prevailing market price at the end of each reporting period. The Trusts recognise a gain or loss equal to the change in fair value at the end of each reporting period.

Futures

A future is a contractual obligation to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange.

Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised financial market.

7. Derivative financial instruments (continued)

Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of future securities price risk. The Trusts are exposed to credit risk on purchased options to the extent of their carrying amount, which is their fair value. Options are settled on a gross basis.

Swaps

Swaps are derivative instruments in which two counter parties agree to exchange one stream of cash flow against another stream. Swaps may include cross currency swaps, equity swaps, FX rate swaps, inflation linked swaps, interest rate swaps, overnight indexed swaps, total return swaps and zero-coupon swaps.

Swaptions

A swaption is an option to enter into an interest rate swap. In exchange for an option premium, the buyer gains the right but not the obligation to enter into a specified swap agreement with the issuer on a specified future date.

Warrants

A warrant is a derivative that provides the right, but not the obligation, to buy or sell a security - most commonly an equity security. This right is to buy the equity at a certain price before the warrant expires (exercise price). Unlike options, warrants are dilutive and generally have longer periods between issue and expiration dates.

Refer to note 5 and 6 for further information on derivative assets and liabilities.

An overview of the risk exposures and fair value measurements relating to derivative financial instruments are included in notes 10 and 11 respectively.

8. Payables

Payables represent unsecured non-derivative, non-interest-bearing financial liabilities in respect of goods and services provided to the Trusts prior to the end of the financial year. Payables may include redemptions payable, accrued expenses and unsettled purchases of financial instruments which are unpaid by the Trusts at the reporting date. Amounts are generally paid within 30 days.

Amounts payable to related entities have no fixed repayment term and are non-interest-bearing.

All payables are considered current.

8. Payables (continued)

As at 30 June	Notes	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Amounts owing to the Responsible Entity	12	1,450	1,579	1,848	1,679	177	84	1,533	1,549
Outstanding trade settlements		86,737	180,656	7,027	—	10,098	367	—	—
Redemptions of units payable		237	165	3,980	3,555	6	12	—	—
Interest payable		14,352	3,946	107,413	13,298	1,081	319	—	—
Total payables		102,776	186,346	120,268	18,532	11,362	782	1,533	1,549

As at 30 June	Notes	Bentham Professional Global Income Fund	
		2023 \$'000	2022 \$'000
Amounts owing to the Responsible Entity	12	108	94
Outstanding trade settlements		110	547
Redemptions of units payable		140	286
Total payables		358	927

9. Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. As at 30 June 2023 there are no financial assets and financial liabilities that have been offset in the statements of financial position.

Master netting arrangement – not currently enforceable

The Trusts present the fair value of their derivative financial assets and liabilities on a gross basis in the statements of financial position. Certain derivative financial assets and liabilities are subject to legally enforceable master netting arrangements, such as an International Swaps and Derivatives Association (ISDA) master netting agreement. In certain circumstances, for example, when a credit event such as a default occurs, all outstanding transactions under an ISDA agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

An ISDA agreement does not meet the criteria for offsetting in the statements of financial position as the Trusts do not have any current legally enforceable right to offset recognised amounts. The right to offset is enforceable only on the occurrence of a future event such as a default.

9. Offsetting financial assets and financial liabilities (continued)

As at 30 June 2023, if these netting arrangements were applied to derivative financial instruments, derivative financial assets and derivative financial liabilities would be as follows:

As at 30 June	Derivative financial assets - netting arrangements		Derivative financial liabilities - netting arrangements	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trust Name				
Bentham Syndicated Loan Fund	6,226	5,681	105,165	92,781
Bentham Global Income Fund	102,513	140,614	104,579	33,476
Bentham High Yield Fund	2,137	135	12,691	11,110

Trusts not shown above are not subject to enforceable master netting arrangements.

Refer to notes 5 and 6 for further details on derivative financial instruments presented on a gross basis.

10. Financial risk management

Overview

The Trusts' activities can expose the Trusts to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Trusts' overall risk management program focuses on ensuring compliance with the Trusts' governing documents and seeks to maximise the returns derived for the level of risk to which the Trusts are exposed. The Trusts may use derivative financial instruments to alter certain risk exposures. The Responsible Entity is responsible for identifying the financial risks that arise from these financial instruments and for ensuring there are mechanisms in place to manage these risks.

The allocation of assets between the various types of financial instruments are determined by the Trusts' Asset Manager who manages the Trusts' assets to achieve the Trusts' investment objectives.

Divergence from target allocations and the composition of the assets are monitored on a regular basis.

The Responsible Entity has a Risk Management Strategy in place for managing risk and the key elements of the Risk Management Framework (RMF). The risks covered by the RMF include, but are not limited to, financial risks, for example: market, investment, pricing risks, funding, liquidity and counterparty risk; as well as regulatory, strategic and operational risks. The key elements for managing these risks include:

- Documented policies and procedures;
- Post trade investment compliance monitoring by teams not involved in the dealing and investment management activity;

10. Financial risk management (continued)

- Segregation of the dealing and investment management function from the investment administration and settlement function;
- Independently sourced valuations for securities;
- A risk and compliance team and Responsible Entity management team with separate reporting lines;
- Clearly defined reporting lines and accountability for managing risks;
- Clearly defined responsibility for maintaining the RMF and monitoring compliance with it; and
- Oversight of risk management activity and the risk profile of the business by the Board of the Responsible Entity and various risk and compliance and committees that the Responsibility Entity, and its ultimate parent, have established.

As part of its Risk Management Strategy, the Trusts may use derivatives including exchange traded derivatives, to manage exposures resulting from changes in index prices, equity risks and exposures arising from forecast transactions.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk includes (amongst others) three types of risk: interest rate risk (due to fluctuations in interest rates), currency risk (due to fluctuations in foreign exchange rates), and equity price risk (due to fluctuations in market prices).

The Trusts are exposed to market risks influencing investment valuations. The Trusts may utilise derivatives to manage this risk.

Price risk

Price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The summarised sensitivity analysis section below sets out how this component of price risk is managed and measured. Investments are classified in the statements of financial position at fair value through profit or loss.

All securities investments present a risk of loss of capital. Except for equities sold short, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Possible losses from equities sold short can be unlimited.

As the majority of the Trusts' investments are carried at fair value with fair value changes through profit or loss, changes in market conditions will directly affect net investment income.

The Asset Manager mitigates this price risk through diversification and a rigorous selection of securities and other financial instruments within specified limits as disclosed in the Trusts' governing documents. Price risk mainly arises from the possible change in the fair value of the Trusts' equity holdings. Price risk sensitivity on the Trusts' equity holdings are disclosed in the summarised sensitivity analysis section of this note. The analysis assumes the price of these investments increased/decreased by 10% (2022 10%).

Daily monitoring of trade restrictions and derivative exposure against limits is undertaken with any breach of these limit restrictions reported in accordance with the RMF.

10. Financial risk management (continued)

Foreign exchange risk

Trusts that invest in international assets are exposed to foreign exchange risk. Foreign exchange risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Asset Manager may enter into derivatives contracts (such as forwards, swaps, options and futures) through approved foreign exchange dealers to minimise risk. However, the use of these contracts must be consistent with the investment strategies and restrictions of the Trusts, and agreed acceptable level of foreign exchange risk.

The Trusts hold both monetary and non monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non monetary assets and liabilities is a component of price risk. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

The Trusts also enter into forward currency contracts principally to hedge the foreign exchange risk implicit in the value of the portfolio securities denominated in foreign currencies and to secure a particular exchange rate for a planned purchase or sale of securities. The term of these contracts rarely exceeds 12 months and may not necessarily indicate the total effect on the Trusts' net assets attributable to unitholders of future movements in foreign exchange rates.

The Trusts' underlying investments include foreign currency fixed interest securities. To manage foreign exchange risk, the Trusts may be fully or partially hedged back to Australian dollars as outlined in the Trusts' governing documents.

The table below summarises the Trusts' exposure to foreign exchange risk. Bentham Global Income Fund and Bentham Syndicated Loan Fund hold investments in foreign currencies other than those noted in the table, which have been grouped under the 'other' heading. These investments relate to amounts held in JPY, CAD, NOK and CHF, which are individually immaterial to the financial statements.

The Bentham Professional Syndicated Loan and Bentham Professional Global Income Fund hold no direct investment in international assets and are exposed to future movements in foreign exchange rates due to its investment in the underlying unlisted unit trust.

The tables below summarise the Trusts' exposure to foreign exchange risk.

10. Financial risk management (continued)

Bentham Syndicated Loan Fund

30 June 2023

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	CAD A\$'000	NOK A\$'000	OTHER A\$'000	Total A\$'000
Assets								
Cash and cash equivalents	56,897	119,174	15,415	4,464	229	492	15	196,686
Collateral and margin accounts	120,650	6,137	—	—	—	—	—	126,787
Receivables	10,532	49,080	37,141	246	44	—	—	97,043
Financial assets at fair value through profit or loss	3,265	1,491,213	211,621	42,027	2,677	—	—	1,750,803
Total assets	191,344	1,665,604	264,177	46,737	2,950	492	15	2,171,319
Liabilities								
Collateral and margin accounts	1,712	9,300	1,341	—	—	—	—	12,353
Distributions payable	13,975	—	—	—	—	—	—	13,975
Payables	1,687	76,665	23,889	535	—	—	—	102,776
Financial liabilities at fair value through profit or loss	26,700	82,214	12	4,851	7	—	—	113,784
Total liabilities	44,074	168,179	25,242	5,386	7	—	—	242,888
Net assets attributable to unitholders	147,270	1,497,425	238,935	41,351	2,943	492	15	1,928,431

10. Financial risk management (continued)

Bentham Syndicated Loan Fund

30 June 2022

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	CAD A\$'000	NOK A\$'000	OTHER A\$'000	Total A\$'000
Assets								
Cash and cash equivalents	75,353	50,994	5,428	5,393	1,039	516	16	138,739
Collateral and margin accounts	108,428	27,033	—	—	—	—	—	135,461
Receivables	3,900	258,625	35,884	255	71	—	—	298,735
Financial assets at fair value through profit or loss	15,233	1,438,018	275,856	48,176	6,310	—	—	1,783,593
Total assets	202,914	1,774,670	317,168	53,824	7,420	516	16	2,356,528
Liabilities								
Collateral and margin accounts	—	5,390	1,224	—	—	—	—	6,614
Distributions payable	7,100	—	—	—	—	—	—	7,100
Payables	1,744	167,015	17,501	86	—	—	—	186,346
Financial liabilities at fair value through profit or loss	78,082	35,458	—	21	374	—	—	113,935
Total liabilities	86,926	207,863	18,725	107	374	—	—	313,995
Net assets attributable to unitholders	115,988	1,566,807	298,443	53,717	7,046	516	16	2,042,533

10. Financial risk management (continued)

Bentham Global Income Fund

30 June 2023

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	CAD A\$'000	NZD A\$'000	Total A\$'000
Assets							
Cash and cash equivalents	395,785	49,467	5,194	6,830	592	1,098	458,966
Collateral and margin accounts	219,586	197,199	27,898	26,186	3	3,793	474,665
Receivables	40,476	47,072	12,161	40,020	—	5,037	144,766
Financial assets at fair value through profit or loss	1,223,813	716,408	287,166	266,673	4	777	2,494,841
Total assets	1,879,660	1,010,146	332,419	339,709	599	10,705	3,573,238
Liabilities							
Collateral and margin accounts	251	276,686	35,674	51,255	1,811	6,355	372,032
Distributions payable	15,086	—	—	—	—	—	15,086
Payables	36,619	41,533	5,008	33,314	—	3,794	120,268
Financial liabilities at fair value through profit or loss	63,461	149,421	23,702	114,234	—	5,906	356,724
Total liabilities	115,417	467,640	64,384	198,803	1,811	16,055	864,110
Net assets attributable to unitholders	1,764,243	542,506	268,035	140,906	(1,212)	(5,350)	2,709,128

10. Financial risk management (continued)

Bentham Global Income Fund

30 June 2022

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	CAD A\$'000	NZD A\$'000	Total A\$'000
Assets							
Cash and cash equivalents	181,771	10,004	24,975	43,068	9,157	1,528	270,503
Collateral and margin accounts	32,700	82,065	43,097	24,293	3,082	—	185,237
Receivables	21,139	8,042	2,090	2,230	34	—	33,535
Financial assets at fair value through profit or loss	1,283,185	683,344	192,701	179,355	1,939	—	2,340,524
Total assets	1,518,795	783,455	262,863	248,946	14,212	1,528	2,829,799
Liabilities							
Collateral and margin accounts	55,594	62,462	21,196	24,451	—	—	163,703
Distributions payable	9,763	—	—	—	—	—	9,763
Payables	9,136	7,428	471	1,497	—	—	18,532
Financial liabilities at fair value through profit or loss	56,399	78,107	16,802	5,734	—	1,683	158,725
Total liabilities	130,892	147,997	38,469	31,682	—	1,683	350,723
Net assets attributable to unitholders	1,387,903	635,458	224,394	217,264	14,212	(155)	2,479,076

10. Financial risk management (continued)

Bentham High Yield Fund

30 June 2023

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	Total A\$'000
Assets					
Cash and cash equivalents	7,081	22,747	1,152	1,001	31,981
Collateral and margin accounts	6,379	1,727	—	—	8,106
Receivables	1,811	4,152	212	3	6,178
Financial assets at fair value through profit or loss	2,550	265,392	18,160	—	286,102
Total assets	17,821	294,018	19,524	1,004	332,367
Liabilities					
Collateral and margin accounts	—	354	—	—	354
Distributions payable	6,242	—	—	—	6,242
Payables	10,281	1,081	—	—	11,362
Financial liabilities at fair value through profit or loss	6,102	7,870	148	—	14,120
Total liabilities	22,625	9,305	148	—	32,078
Net assets attributable to unitholders	(4,804)	284,713	19,376	1,004	300,289

10. Financial risk management (continued)

Bentham High Yield Fund 30 June 2022

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	Total A\$'000
Assets					
Cash and cash equivalents	2,949	6,686	755	560	10,950
Collateral and margin accounts	5,162	1,312	—	—	6,474
Receivables	296	2,214	156	—	2,666
Financial assets at fair value through profit or loss	657	119,677	8,933	—	129,267
Total assets	9,064	129,889	9,844	560	149,357
Liabilities					
Collateral and margin accounts	—	—	—	—	—
Distributions payable	1,594	—	—	—	1,594
Payables	273	509	—	—	782
Financial liabilities at fair value through profit or loss	5,954	6,924	—	—	12,878
Total liabilities	7,821	7,433	—	—	15,254
Net assets attributable to unitholders	1,243	122,456	9,844	560	134,103

The table in the summarised sensitivity analysis section of this note summarises the sensitivities of the Trusts' financial instruments to foreign exchange risk. The analysis is based on the assumption that the Australian dollar weakened or strengthened by 10% (2022: 10%) against the material foreign currencies to which the Trusts are exposed.

Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Trusts have established limits on the total interest rate exposure, which are monitored on a daily basis. The Trusts may use derivatives to hedge unexpected increases in interest rates.

The summarised sensitivity analysis section of this note demonstrates the sensitivity of the Trusts' net profit to possible changes in interest rates, with all other variables held constant. The analysis is based on the assumptions that interest rates increased by 100 bps (2022: 100 bps) or decreased by 100 bps (2022: 100 bps).

The sensitivity of the statements of comprehensive income is the effect of the assumed changes in interest rates on:

10. Financial risk management (continued)

- the interest income for one year, based on the floating rate financial assets held at 30 June 2023; and
- changes in the fair value of investments for the year based on revaluing fixed rate financial assets at 30 June 2023.

Summarised sensitivity analysis

The following table summarises the sensitivity of the Trusts' net profit and net assets attributable to unitholders to applicable market risks. The possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates, foreign exchange rates and market prices. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Trusts invest. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

Bentham Syndicated Loan Fund

	Impact on net profit/Net assets attributable to unitholders											
	Price risk		Interest rate risk		Foreign exchange risk							
	-10%	+10%	-100bps	+100bps	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
					USD	USD	EUR	EUR	GBP	GBP	CAD	CAD
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	(1,445)	1,445	9,920	(9,920)	7,665	(7,665)	172	(172)	(87)	87	62	(62)
30 June 2022	(1,968)	1,968	2,192	(2,132)	(2,077)	2,077	(548)	548	(91)	91	68	(68)

Bentham Syndicated Loan Fund

	Impact on net profit/Net assets attributable to unitholders			
	Foreign exchange risk			
	-10%	+10%	-10%	+10%
	NOK	NOK	OTHER	OTHER
	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	—	—	—	—
30 June 2022	52	(52)	1	(1)

10. Financial risk management (continued)

Bentham Global Income Fund

	Impact on net profit/Net assets attributable to unitholders											
	Price risk		Interest rate risk				Foreign exchange risk					
	-10%	+10%	-100bps	+100bps	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
							USD		EUR		GBP	
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	(635)	635	179,965	(179,965)	14,981	(14,981)	(226)	226	(407)	407	—	—
30 June 2022	524	7,101	130,144	(127,219)	4,779	(2,375)	(958)	958	(117)	117	117	(117)

Bentham Global Income Fund

	Impact on net profit/Net assets attributable to unitholders			
	Foreign exchange risk			
	-10%	+10%	-10%	+10%
	NZD	NZD	OTHER	OTHER
	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	—	—	—	—
30 June 2022	(16)	16	26	(26)

Bentham High Yield Fund

	Impact on net profit/Net assets attributable to unitholders											
	Price risk		Interest rate risk				Foreign exchange risk					
	-10%	+10%	-100bps	+100bps	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
							USD		EUR		GBP	
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	(8)	8	11,821	(11,821)	1,211	(1,211)	27	(27)	(14)	14	10	(10)
30 June 2022	—	—	1,872	(1,819)	(76)	76	(10)	10	3	(3)	—	—

10. Financial risk management (continued)

Bentham Professional Syndicated Loan Fund

	Impact on net profit/Net assets attributable to unitholders											
	Price risk		Interest rate risk				Foreign exchange risk					
	-10%	+10%	-100bps	+100bps	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
					USD	USD	EUR	EUR	GBP	GBP	CAD	CAD
	A\$	A\$	A\$	A\$	A\$	A\$	A\$	A\$	A\$	A\$	A\$	A\$
30 June 2023	(1,449)	1,449	9,950	(9,950)	7,688	(7,688)	173	(173)	(87)	87	63	(63)
30 June 2022	1,966	1,966	2,189	(2,130)	(2,075)	2,075	(548)	548	(91)	91	68	(68)

Bentham Professional Syndicated Loan Fund

	Impact on net profit/ Net assets attributable to unitholders	
	Foreign exchange risk	
	-10%	+10%
	OTHER A\$	OTHER A\$
30 June 2023	—	—
30 June 2022	53	(53)

Bentham Professional Global Income Fund

	Impact on net profit/Net assets attributable to unitholders											
	Price risk		Interest rate risk				Foreign exchange risk					
	-10%	+10%	-100bps	+100bps	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
					USD	USD	EUR	EUR	GBP	GBP	CAD	CAD
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	(45)	45	12,704	(12,704)	1,058	(1,058)	(16)	16	(29)	29	—	—
30 June 2022	35	474	8,682	(8,487)	319	(158)	(64)	64	(8)	8	8	(8)

10. Financial risk management (continued)

Bentham Professional Global Income Fund

	Impact on net profit/Net assets attributable to unitholders			
	Foreign exchange risk			
	-10%	+10%	-10%	+10%
	NOK A\$'000	NOK A\$'000	OTHER A\$'000	OTHER A\$'000
30 June 2023	—	—	—	—
30 June 2022	2	(2)	(1)	1

Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss to the other party by failing to discharge an obligation. The Trusts aim to ensure that at all times they have appropriate credit risk management policies and practices in place and that the Board and senior management are appropriately informed of the Trusts' credit risks.

The main concentration of credit risk, to which the Trusts are exposed, arises from the Trusts' investment in debt securities. The Trusts are also exposed to counterparty credit risk on derivative financial instruments, cash and cash equivalents, amounts due from brokers and other receivables. The Trusts' exposure to credit risk is equal to the fair value of these instruments as disclosed in the statements of financial position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the reporting date.

The Trusts manage counterparty risk in relation to over-the-counter derivatives by using only counterparties with an acceptable credit rating in accordance with the provisions of the Trusts' policies. Exposures to counterparties are monitored by the Asset Manager on a regular basis.

The credit quality of financial assets and derivatives are managed by the Trusts in accordance with the Trusts' governing documents, by taking into account any applicable external credit rating or internal credit assessment, prior to trading. The Trusts' exposure in each grade is monitored on a regular basis. This review process allows the Responsible Entity to assess the potential loss as a result of credit risk and take corrective action where required. Internal ratings are expressed on the basis of S&P rating definitions. Where an external rating (which will predominantly be Standard & Poor's, Moody's, Fitch, or another reputable credit rating agency) is available, the internal rating will ordinarily be no greater than the lowest external rating assigned. Assets that have not received any rating reference from external credit rating agency have been internally rated using market accepted method.

If no external rating is available, then they are internally rated by the credit risk team and labelled not rated (NR).

The following table details the breakdown by credit rating of the underlying investment assets and derivatives held by the Trusts:

10. Financial risk management (continued)

Bond and derivative credit ratings	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Rating	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$	\$
AAA	—	—	171,966	143,362	—	—	—	—
AA+	—	—	68,074	43,460	—	—	—	—
AA	—	—	215,280	217,376	—	—	—	—
AA-	6,758	13,769	11,834	21,719	2,677	1,241	7,486	15,885
A+	11,593	12,342	354,472	239,070	139	642	12,841	14,238
A	—	6,108	9,843	22,209	—	—	—	7,046
A-	—	—	29,746	12,450	—	—	—	—
BBB+	4,824	4,474	206,684	120,491	—	—	5,343	5,161
BBB	10,009	4,881	145,451	139,925	599	—	11,087	5,631
BBB-	64,342	33,722	216,646	145,349	8,714	3,360	71,267	38,903
BB+	27,647	12,731	83,831	75,950	30,979	13,276	30,623	14,687
BB	77,864	53,813	64,562	106,723	32,843	17,115	86,246	62,080
BB-	161,335	183,434	147,667	153,772	66,391	19,527	178,701	211,616
B+	242,418	189,947	139,353	138,178	38,482	15,754	268,512	219,130
B	466,247	530,123	265,739	323,284	50,604	17,996	516,433	611,569
B-	410,567	438,747	205,546	249,390	18,020	13,496	454,760	506,154
CCC+	144,873	117,298	80,974	77,694	27,217	16,912	160,467	135,319
CCC	56,719	121,051	29,537	71,079	5,309	6,466	62,824	139,649
CCC-	34,789	23,885	17,765	14,558	2,387	1,919	38,534	27,554
CC	1,763	11,639	852	7,554	—	612	1,952	13,427
C	—	628	—	395	—	65	—	725
D	6,419	—	3,099	—	—	—	7,110	—
NR	8,159	1,029	6,608	1,292	1,661	886	9,037	1,189
Total bond and derivative credit ratings	1,736,326	1,759,621	2,475,529	2,325,280	286,022	129,267	1,923,223	2,029,963

10. Financial risk management (continued)

Bond and derivative credit ratings

Rating	Bentham Professional Global Income Fund	
	30 June 2023	30 June 2022
	\$'000	\$'000
AAA	9,732	10,200
AA+	1,942	3,092
AA	7,505	15,466
AA-	1,061	1,545
A+	13,019	17,010
A	99	1,580
A-	120	886
BBB+	17,373	8,573
BBB	7,975	9,956
BBB-	5,032	10,342
BB+	3,662	5,404
BB	7,306	7,593
BB-	14,821	10,941
B+	18,761	9,831
B	34,742	23,002
B-	29,073	17,744
CCC+	11,453	5,528
CCC	4,178	5,057
CCC-	2,513	1,036
CC	122	537
C	—	28
NR	652	92
Total bond and derivative credit ratings	191,141	165,443

10. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Trusts will encounter difficulty in raising funds to meet cash commitments associated with financial instruments. This may result from either the inability to sell financial assets at their fair values, a counterparty failing on repayment of a contractual obligation, or the inability to generate cash inflows as anticipated.

The Trusts aim to ensure that they have sufficient liquidity to meet their obligations on a short term, medium term and long term basis. In the current and preceding year, all payables have no fixed repayment term. The current balance of amounts payable to related entities will be repaid in full within 1 year of the reporting date.

The Trusts' governing documents allow for redemptions of units. The Trusts are therefore exposed to a liquidity risk of meeting unitholders' redemptions at any time.

This risk is controlled through the Trusts' investment in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Trusts maintain sufficient cash and cash equivalents to meet normal operating requirements.

The Trusts' investments are considered to be readily realisable.

The investment management process includes the consideration of liquidity, both in terms of market quality and cash flow. In asset construction, securities/investments (including derivatives) are only purchased that meet investment criteria and this includes the assessment of saleability in different market conditions. Before entering into a transaction, consideration is given to (not limited to):

- whether the purpose of the investment is consistent with the investment strategies of the Trusts;
- the ease of selling the security should market conditions change unfavourably;
- whether there are sufficient assets to cover the underlying liabilities of that transaction; and
- the overall liquidity levels for the Trusts.

Under the terms of the Constitutions, the Trusts have the ability to manage liquidity risk by delaying redemptions to unitholders, if necessary, until the funds are available to pay them.

Maturity analysis for financial liabilities

Financial liabilities of the Trusts comprise trade and other payables, distributions payable, collateral and margin accounts and net assets attributable to unitholders. Trade and other payables, distributions payable and collateral and margin accounts have no contractual maturities but are typically settled within 30 days.

The table below analyses the Trusts' derivative financial liabilities based on their contractual maturity. The Trusts may, at their discretion, settle derivative financial liabilities prior to their original contractual settlement date, in accordance with its investment strategy, where permitted by the terms and conditions of the derivative instruments.

10. Financial risk management (continued)

Bentham Syndicated Loan Fund

30 June 2023

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Cross currency swaps	83	—	—	105,514	105,597
Forward currency contracts	4,147	189	—	—	4,336
Index credit default swaps	—	—	1,109	1,824	2,933
Overnight indexed swaps	665	—	—	—	665
Total return swaps	—	193	—	—	193
Total derivative financial liabilities	4,895	382	1,109	107,338	113,724

Bentham Syndicated Loan Fund

30 June 2022

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Cross currency swaps	—	6,785	17,296	81,239	105,320
Forward currency contracts	1,497	—	—	—	1,497
Index credit default swaps	—	346	—	863	1,209
Overnight indexed swaps	—	—	—	—	—
Total return swaps	—	5,909	—	—	5,909
Total derivative financial liabilities	1,497	13,040	17,296	82,102	113,935

10. Financial risk management (continued)

Bentham Global Income Fund

30 June 2023

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Credit default swaps	—	3,240	—	2,859	6,099
Cross currency swaps	2,648	6,122	16,275	65,721	90,766
Exchange traded options	42	221	—	—	263
Forward currency contracts	6,925	2,290	—	—	9,215
FX options	—	—	—	—	—
Index credit default swaps	—	1,334	15	14,452	15,801
Interest rate swaps	—	—	84	72,452	72,536
Overnight indexed swaps	3,782	10,407	—	146,712	160,901
Total return swaps	—	1,143	—	—	1,143
Total derivative financial liabilities	13,397	24,757	16,374	302,196	356,724

Bentham Global Income Fund

30 June 2022

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Credit default swaps	—	272	200	11,161	11,633
Cross currency swaps	—	9,495	3,578	55,107	68,180
Exchange traded options	2,320	621	—	—	2,941
Forward currency contracts	4,014	—	—	—	4,014
FX options	58	81	380	—	519
Index credit default swaps	—	—	—	14,106	14,106
Interest rate swaps	—	1,328	—	27,904	29,232
Overnight indexed swaps	—	—	—	19,839	19,839
Total return swaps	—	8,261	—	—	8,261
Total derivative financial liabilities	6,392	20,058	4,158	128,117	158,725

10. Financial risk management (continued)

Bentham High Yield Fund 30 June 2023

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Cross currency swaps	980	245	577	10,989	12,791
Forward currency contracts	925	—	—	—	925
Index credit default swaps	—	—	34	370	404
Total derivative financial liabilities	1,905	245	611	11,359	14,120

Bentham High Yield Fund 30 June 2022

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Cross currency swaps	779	2,188	268	9,075	12,310
Forward currency contracts	156	—	—	—	156
Index credit default swaps	—	—	—	412	412
Total derivative financial liabilities	935	2,188	268	9,487	12,878

11. Fair value measurement

All financial assets and financial liabilities included in the statements of financial position are carried at fair value.

In accordance with AASB 13 Fair Value Measurement the Trusts are required to disclose fair value measurements by level using the fair value hierarchy. The fair value hierarchy has the following levels:

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

11. Fair value measurement (continued)

Fair value in an active market (level 1)

The fair values of financial assets and liabilities traded in active markets are based on their quoted market prices at the reporting date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices at the reporting date, while financial liabilities are priced at current offer prices.

The quoted market price used for financial assets held by the Trusts is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Trusts hold derivatives with offsetting market risks, they use mid-market prices as a basis for establishing fair value for the offsetting risk positions and apply this bid or asking price to the net open position, as appropriate.

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

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

Where debt securities, such as corporate and government bonds and treasury securities are held, and in the absence of a quoted price in an active market, these are valued using observable inputs such as recently executed transaction prices in securities of the issuer or comparable issuers and yield curves. The fair values of investments in asset-backed securities, for which there is currently no active market, are calculated using a valuation model which is accepted in the industry. The model uses discounted cash flow analysis, which incorporates both observable and non-observable data. Observable inputs can include assumptions for current rates of interest. Unobservable inputs can include assumptions for expected future default rates and market liquidity discounts. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are observable, these investments are categorised as Level 2.

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

The fair values of derivatives that are not exchange traded are estimated at the amount that the Trusts would receive or pay to terminate the contract at reporting date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date. The fair value of an option contract is determined by applying the Black Scholes option valuation model.

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the managers of such trusts.

The tables below set out the Trusts' financial assets and liabilities measured at fair value through profit or loss according to the fair value hierarchy.

11. Fair value measurement (continued)

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
As at 30 June	2023	2022	2023	2022	2023	2022	2023	2022
Financial assets	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$	\$
Level 1 financial assets								
Corporate bonds	—	1,244	—	—	—	—	—	—
Equity securities	14,456	22,621	—	1,672	80	—	—	—
Exchange traded funds	—	—	18,192	—	—	—	—	—
Exchange traded options	—	—	1,120	13,573	—	—	—	—
Warrants	21	107	—	—	—	—	—	—
Total level 1 financial assets	14,477	23,972	19,312	15,245	80	—	—	—
Level 2 financial assets								
Asset-backed securities	2,613	2,618	38,687	50,672	—	—	—	—
Collateralised debt obligations	3,658	3,605	—	—	—	—	—	—
Collateralised loan obligations	77,753	71,729	284,356	262,253	—	—	—	—
Corporate bonds	201,314	144,122	295,376	346,831	259,437	113,878	—	—
Credit default swaps	—	—	3,667	3,661	—	—	—	—
Cross currency swaps	2,891	9,415	2,970	32,530	134	817	—	—
Floating rate notes	18,320	13,758	362,197	192,549	2,039	653	—	—
Forward currency contracts	4,048	15,834	2,840	6,445	2,682	1,065	—	—
FX options	—	—	376	4,326	—	—	—	—
Index credit default swaps	2,702	601	9,776	15,121	751	22	—	—
Interest rate swaps	649	877	95,158	109,292	—	—	—	—
Mortgage-backed securities	—	—	48,209	51,640	—	—	—	—
Overnight indexed swaps	3,412	—	238,752	28,191	—	—	—	—
Revolving loans	3,715	13,223	—	—	318	285	—	—
Swaptions	—	—	—	52,516	—	—	—	—

11. Fair value measurement (continued)

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
As at 30 June	2023	2022	2023	2022	2023	2022	2023	2022
Financial assets	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$	\$
Level 2 financial assets								
Term loans	1,414,190	1,483,839	—	—	20,661	12,547	—	—
Total return swaps	1,061	—	—	208	—	—	—	—
Unlisted unit trusts	—	—	1,093,165	1,169,044	—	—	1,923,223	2,029,963
Total level 2 financial assets	1,736,326	1,759,621	2,475,529	2,325,279	286,022	129,267	1,923,223	2,029,963

	Bentham Professional Global Income Fund	
As at 30 June	2023	2022
Financial assets	\$'000	\$'000
Level 2 financial assets		
Unlisted unit trusts	191,141	165,443
Total level 2 financial assets	191,141	165,443

Bentham Global Income Fund's investment in unlisted unit trusts at year end consisted of investments in Bentham Syndicated Loan Fund, Bentham High Yield Fund and Bentham Asset Backed Securities Fund as disclosed in note 12.

Bentham Professional Syndicated Loan Fund's investment in unlisted unit trusts at year end consisted of an investment in Bentham Syndicated Loan Fund as disclosed in note 12.

Bentham Professional Global Income Fund's investment in unlisted unit trusts at year end consisted of an investment in Bentham Global Income Fund as disclosed in note 12.

11. Fair value measurement (continued)

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund	
As at 30 June	2023	2022	2023	2022	2023	2022
Financial liabilities	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Level 1 financial liabilities						
Exchange traded options	—	—	263	2,941	—	—
Total level 1 financial liabilities	—	—	263	2,941	—	—
Level 2 financial liabilities						
Credit default swaps	—	—	6,099	11,633	—	—
Cross currency swaps	105,597	105,320	90,766	68,180	12,791	12,310
Forward currency contracts	4,336	1,497	9,215	4,014	925	156
FX options	—	—	—	519	—	—
Index credit default swaps	2,933	1,209	15,801	14,106	404	412
Interest rate swaps	—	—	72,536	29,232	—	—
Overnight indexed swaps	665	—	160,901	19,839	—	—
Term loans	60	—	—	—	—	—
Total return swaps	193	5,909	1,143	8,261	—	—
Total level 2 financial liabilities	113,784	113,935	356,461	155,784	14,120	12,878

12. Related party transactions

Responsible Entity

The Responsible Entity of the Trusts is Fidante Partners Services Limited whose immediate parent company is Challenger Funds Management Holdings Pty Limited and ultimate parent company is Challenger Limited.

Key management personnel

Directors

Key management personnel includes persons who were Directors of Fidante Partners Services Limited at any time during the financial year and up to the date of the report as follows:

12. Related party transactions (continued)

A Bofinger	Director	
J Coomer	Director	(Resigned 26 June 2023)
R Grimes	Director	(Resigned 22 November 2022)
A Judin	Director	(Appointed 13 July 2023)
J O'Keeffe	Director	
V Rodriguez	Director	(Appointed 9 December 2022)
T Roxburgh	Director	(Appointed 13 July 2023)
Y Sodhi	Director	(Resigned 30 May 2023)

Other key management personnel

The Responsible Entity is considered to be the key management personnel with authority for the strategic direction and management of the Trusts.

The Asset Manager, Bentham Asset Management Pty Limited, is a related party to the Trusts as it is a member of the same group as the Responsible Entity.

Key management personnel unitholdings

At 30 June 2023 no key management personnel held units in the Trusts (2022: Nil).

Key management personnel compensation

No amount was paid by the Trusts directly to the Directors of the Responsible Entity.

Compensation is paid to the Responsible Entity in the form of fees and is disclosed below.

Responsible Entity's fees and other transactions

Under the terms of the Trusts' Constitutions the Responsible Entity is entitled to receive management costs, calculated by reference to the average daily net assets (excluding net assets attributable to unitholders). For the year ended 30 June 2023 these rates are as follows:

12. Related party transactions (continued)

For the year ended 30 June	Trust name	Class	Fee Rate	
			2023	2022
			%	%
	Bentham Syndicated Loan Fund	Retail Class	0.84	0.77
	Bentham Global Income Fund	Retail Class	0.72	0.72
	Bentham High Yield Fund	Retail Class	0.67	0.67
	Bentham Professional Syndicated Loan Fund	Professional Class	0.84	0.84
	Bentham Professional Global Income Fund	Class C	0.62	0.62
		Class P	0.52	0.52
		Class X	0.62	0.62
		Professional Class	0.77	0.77

These fees are inclusive of GST, net of RITC available to the Trusts per annum. As the underlying unit trusts incurred the above listed management fees, the Trusts received a management fee rebate in respect of these amounts to achieve a net management fee to the unitholders of the Trusts in accordance with the current product disclosure statement.

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year and amounts receivable and payable at year end between the Trusts and the Responsible Entity were as follows:

For the year ended 30 June	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Management fees for the year	14,189,454	20,186,630	18,508,319	16,512,570	940,233	899,104	17,882	18,592
Reimbursable expenses for the year	1,182,477	1,307,033	1,181,681	613,538	105,767	101,125	—	—
Management fee rebate for the year	—	—	7,733,719	8,857,576	—	—	18,263	18,619
Management fees payable	1,333,389	1,472,227	1,740,445	1,605,311	158,887	75,821	1,533	1,549
Reimbursable expenses payable	116,400	106,844	107,232	73,832	17,871	8,528	—	—
Management fee rebate receivable	—	—	642,694	707,003	—	—	1,433	1,421

12. Related party transactions (continued)

For the year ended 30 June	Bentham Professional Global Income Fund	
	2023 \$	2022 \$
Management fees for the year	1,126,710	1,058,981
Management fee rebate for the year	1,390,443	1,290,785
Management fees payable	108,418	94,299
Management fee rebate receivable	122,805	104,748

Related party unitholdings

The Trusts held investments in the following entities which are also managed by Fidante Partners Limited or its related parties:

Bentham Syndicated Loan Fund

For the year ended 30 June 2023

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Bentham Global Income Fund	1,124,215,125	46,567,820	(179,750,540)	991,032,405	43.73	63,868,550
Bentham Professional Syndicated Loan Fund	2,388,754	589,140	(704,581)	2,273,313	0.10	168,159
Bentham Global Opportunities Fund	453,042,684	31,580,994	(92,289,220)	392,334,458	17.31	27,403,959
Bentham Syndicated Loan Fund NZD	52,016,740	10,052,020	(13,228,588)	48,840,172	2.15	2,991,610
Total related party unitholdings	1,631,663,303	88,789,974	(285,972,929)	1,434,480,348	63.29	94,432,278

12. Related party transactions (continued)

For the year ended 30 June 2022

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Bentham Global Income Fund	1,007,089,960	221,496,408	(104,371,243)	1,124,215,125	46.95	35,299,428
Bentham Professional Syndicated Loan Fund	2,576,039	289,699	(476,984)	2,388,754	0.10	80,480
Bentham Global Opportunities Fund	482,257,153	91,576,454	(120,790,923)	453,042,684	18.92	14,756,779
Bentham Syndicated Loan Fund NZD	56,250,780	4,240,981	(8,475,021)	52,016,740	2.17	1,722,087
Total related party unitholdings	1,548,173,932	317,603,542	(234,114,171)	1,631,663,303	68.14	51,858,774

Bentham Global Income Fund

For the year ended 30 June 2023

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Bentham Professional Global Income Fund	164,522,175	69,899,358	(35,110,288)	199,311,245	7.05	11,786,935
Bentham Global Income Fund NZD	107,980,297	12,012,371	(11,451,635)	108,541,033	3.84	7,126,521
Total related party unitholdings	272,502,472	81,911,729	(46,561,923)	307,852,278	10.89	18,913,456

For the year ended 30 June 2022

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Bentham Professional Global Income Fund	173,098,712	38,483,603	(47,060,140)	164,522,175	6.67	5,370,535
Bentham Global Income Fund NZD	64,415,567	43,564,730	—	107,980,297	4.38	3,142,019
Total related party unitholdings	237,514,279	82,048,333	(47,060,140)	272,502,472	11.05	8,512,554

12. Related party transactions (continued)

Bentham High Yield Fund

For the year ended 30 June 2023

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Bentham Global Income Fund	152,878,955	11,858,887	—	164,737,842	38.57	9,354,158
Total related party unitholdings	152,878,955	11,858,887	—	164,737,842	38.57	9,354,158

For the year ended 30 June 2022

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Bentham Global Income Fund	142,101,771	10,777,184	—	152,878,955	79.77	5,363,422
Total related party unitholdings	142,101,771	10,777,184	—	152,878,955	79.77	5,363,422

No other related parties to the Trusts held units at year end.

Investments

The Trusts held investments in the following entities which are also managed by Fidante Partners Services Limited or its related parties:

Bentham Global Income Fund

For the year ended 30 June	Fair value of investment		Interest held		Distributions received/ receivable	
	2023	2022	2023	2022	2023	2022
	\$	\$	%	%	\$	\$
Bentham Syndicated Loan Fund	838,413,415	955,358,013	43.73	46.95	63,868,550	35,299,428
Bentham High Yield Fund	115,810,703	107,076,420	38.57	79.77	9,354,158	5,363,422
Bentham Asset Backed Securities Fund	138,940,822	106,609,855	75.13	74.38	5,615,404	2,577,432
Total investments	1,093,164,940	1,169,044,288	157.43	201.10	78,838,112	43,240,282

12. Related party transactions (continued)

Bentham Professional Syndicated Loan Fund

For the year ended 30 June	Fair value of investment		Interest held		Distributions received/ receivable	
	2023	2022	2023	2022	2023	2022
	\$	\$	%	%	\$	\$
Bentham Syndicated Loan Fund	1,923,223	2,029,963	0.10	0.10	168,159	80,480
Total investments	1,923,223	2,029,963	0.10	0.10	168,159	80,480

Bentham Professional Global Income Fund

For the year ended 30 June	Fair value of investment		Interest held		Distributions received/ receivable	
	2023	2022	2023	2022	2023	2022
	\$	\$	%	%	\$	\$
Bentham Global Income Fund	191,140,966	165,443,500	7.05	6.67	11,786,935	5,370,535
Total investments	191,140,966	165,443,500	7.05	6.67	11,786,935	5,370,535

No other related parties to the Trusts held investments at year end.

13. Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities

Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
For the year ended 30 June	2023	2022	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$	\$
Reconciliation of profit/(loss) to operating cash flow								
Net profit/(loss) before finance costs for the year attributable to unitholders	139,891	(75,833)	33,606	(39,641)	12,946	(18,952)	154,204	(70,598)
Net (gains)/losses on financial instruments at fair value through profit or loss	(38,884)	243,365	98,917	64,090	(4,575)	26,408	13,970	150,599
Net foreign exchange (gains)/losses	6,302	(74,341)	34,574	30,609	16	(3)	—	—
Participation in dividend and distribution reinvestment plans	—	—	(13,970)	(5,842)	—	—	—	(123,928)
Proceeds from sale of financial instruments at fair value through profit or loss	1,802,017	3,035,663	1,231,712	829,976	113,621	99,085	596,293	454,986
Purchase of financial instruments at fair value through profit or loss	(1,597,542)	(2,357,277)	(1,384,954)	(1,074,378)	(257,609)	(106,677)	(503,523)	(136,400)
Net change in receivables and other assets	(11,780)	(1,299)	(113,354)	(193)	(2,866)	(394)	(6,960)	43,685
Net change in payables and other liabilities	10,277	2,471	94,284	7,403	855	276	(16)	(260)
Net cash inflows/(outflows) from operating activities	310,281	772,749	(19,185)	(187,976)	(137,612)	(257)	253,968	318,084

13. Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities

For the year ended 30 June	Bentham Professional Global Income Fund	
	2023 \$'000	2022 \$'000
Reconciliation of profit/(loss) to operating cash flow		
Net profit/(loss) before finance costs for the year attributable to unitholders	2,397	(1,879)
Net (gains)/losses on financial instruments at fair value through profit or loss	9,640	7,452
Participation in dividend and distribution reinvestment plans	—	(6,684)
Proceeds from sale of financial instruments at fair value through profit or loss	35,547	50,176
Purchase of financial instruments at fair value through profit or loss	(71,192)	(33,410)
Net change in receivables and other assets	(435)	1,414
Net change in payables and other liabilities	14	(9)
Net cash inflows/(outflows) from operating activities	(24,029)	17,060

Components of cash and cash equivalents

As at 30 June	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$	2022 \$
Cash at bank, on hand and at custodian	196,686	138,739	458,966	270,503	31,981	10,950	5,109	4,999
Total cash and cash equivalents	196,686	138,739	458,966	270,503	31,981	10,950	5,109	4,999

As at 30 June	Bentham Professional Global Income Fund	
	2023 \$'000	2022 \$'000
Cash at bank, on hand and at custodian	127	131
Total cash and cash equivalents	127	131

13. Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities (continued)

Non-cash investing and financing activities

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
For the year ended 30 June	2023	2022	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$	\$
Reinvestment of unitholder distributions	50,537	61,963	22,144	14,547	8,384	4,228	41,843	45,943
Participation in dividend and distribution reinvestment plans	—	—	13,970	5,842	—	—	—	123,928

	Bentham Professional Global Income Fund	
For the year ended 30 June	2023	2022
	\$'000	\$'000
Reinvestment of unitholder distributions	4,497	2,449
Participation in dividend and distribution reinvestment plans	—	6,684

14. Remuneration of auditor

	Bentham Syndicated Loan Fund		Bentham Global Income Fund		Bentham High Yield Fund		Bentham Professional Syndicated Loan Fund	
For the year ended 30 June	2023	2022	2023	2022	2023	2022	2023	2022
Amounts received or due and receivable by Ernst & Young for:	\$	\$	\$	\$	\$	\$	\$	\$
Audit and review of the financial report of the Trusts	16,100	15,300	21,800	20,800	13,900	13,200	10,600	10,100
Total remuneration of auditor	16,100	15,300	21,800	20,800	13,900	13,200	10,600	10,100

	Bentham Professional Global Income Fund	
For the year ended 30 June	2023	2022
Amounts received or due and receivable by Ernst & Young for:	\$	\$
Audit and review of the financial report of the Trusts	10,600	10,100
Total remuneration of auditor	10,600	10,100

14. Remuneration of auditor (continued)

The cost incurred for auditing the financial report of the Trusts is paid directly by the Responsible Entity.

15. Events occurring after the reporting period

No significant events have occurred since the reporting date which would impact on the financial position of the Trusts as at 30 June 2023 or on the results and cash flows of the Trusts for the year ended on that date.

16. Contingent assets and liabilities and commitments

At balance date the Trusts have no contingent assets, liabilities or commitments.

Directors' declaration

In the opinion of the Directors of the Responsible Entity for the below listed Trusts:

- Bentham Professional Syndicated Loan Fund
 - Bentham Global Income Fund
 - Bentham High Yield Fund
 - Bentham Syndicated Loan Fund
 - Bentham Professional Global Income Fund
- a. the financial statements and notes set out on pages 10 to 71 are in accordance with the Corporations Act 2001, including:
- i. complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the Trusts' financial position as at 30 June 2023 and of their performance for the financial year ended on that date;
- b. the financial statements and notes comply with International Financial Reporting Standards as disclosed in note 1.1; and
- c. there are reasonable grounds to believe that the Trusts 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 Directors.

On behalf of the Board of Fidante Partners Services Limited.



A Judin
Director

Sydney
15 September 2023



**Building a better
working world**

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Independent auditor's report

To the unitholders of the following Bentham Asset Management Managed Trusts (the "Trusts"):

- Bentham Syndicated Loan Fund
- Bentham Global Income Fund
- Bentham High Yield Fund
- Bentham Professional Syndicated Loan Fund
- Bentham Professional Global Income Fund

Opinion

We have audited the financial report of the Trusts, which comprises the statements of financial position as at 30 June 2023, the statements of comprehensive income, statements of changes in unitholder funds and statements of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Trusts is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Trusts' financial position as at 30 June 2023 and of their financial 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 report* section of our report. We are independent of the Trusts in accordance with the auditor independence requirements of 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 (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The directors of Fidante Partners Services Limited as the Responsible Entity of the Trusts (the "Responsible Entity") are responsible for the other information. The other information is the directors' report accompanying the financial report.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

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

In preparing the financial report, the directors are responsible for assessing the Trusts' ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Trusts or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trusts' internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trusts' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trusts to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



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

Ernst & Young
Ernst & Young

Rita Da Silva

Rita Da Silva
Partner
Sydney
15 September 2023

Directory

Responsible Entity

Fidante Partners Services Limited
ABN 44 119 605 373
AFSL 320 505

Registered office and principal place of business

Level 2
5 Martin Place
Sydney NSW 2000

Custodian

Citigroup Pty Limited
Level 23
2 Park Street
Sydney NSW 2000

Auditor

For the Responsible Entity and the Trusts
Ernst & Young
200 George Street
Sydney NSW 2000

Asset Manager

Bentham Asset Management Pty Limited
Level 12
179 Elizabeth Street
Sydney NSW 2000

