

Appendix 4E

Preliminary Financial Report For the year ended 31 March 2020

Name of entity

Cordish Dixon Private Equity Fund III

ARSN	Reporting Period	Previous Corresponding Period
612 132 813	1 April 2019 to 31 March 2020	1 April 2018 to 31 March 2019

Results for announcement to the market

		31-Mar-20
Total revenue ("revenue from ordinary activities")	Up by 30.5% to	\$25,978,387
Net operating profit for the year ("profit from ordinary activities after tax attributable to unitholders")	Up by 35.5% to	\$24,882,265
Total comprehensive income ("net profit for the period attributable to unitholders")	Up by 35.5% to	\$24,882,265

Commentary on results

The commentary on the results is contained in an ASX announcement released on the same date as this Appendix 4E.

Distributions

There were no distributions declared or paid during the year.

Net tangible assets per unit

31/03/2020	\$2.08
31/03/2019	\$1.74

Earnings per unit

	31 March 2020	31 March 2019
Basic earnings per unit	34.55 cents	25.50 cents
Diluted earnings per unit	34.55 cents	25.50 cents

Audit

This report is based on accounts which are in the process of being audited.



Stuart Nisbett

Chairman - Walsh & Company Investments Limited, Responsible Entity

29 May 2020

Authorised for release by Walsh & Company Investments Limited (ACN 152 367 649, AFSL 410 433), the responsible entity of Cordish Dixon Private Equity Fund III.

Cordish Dixon Private Equity Fund III
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2020

	Note	2020 \$	2019 \$
Investment income			
Interest income		786,803	1,319,980
Foreign exchange gain		4,979,777	4,973,857
Fair value movements of equity investments	1	<u>20,211,807</u>	<u>13,614,410</u>
Total investment income		<u>25,978,387</u>	<u>19,908,247</u>
Expenses			
Management and administration fees		(585,673)	(515,730)
Listing fees		(49,740)	(57,948)
Custody fees		(22,245)	(25,375)
Registry fees		(20,149)	(29,825)
Legal and professional fees		(314,308)	(304,749)
Other expenses		<u>(27,268)</u>	<u>(28,527)</u>
Total expenses		<u>(1,019,383)</u>	<u>(962,154)</u>
Profit before income tax expense		24,959,004	18,946,093
Income tax expense		<u>(76,739)</u>	<u>(579,503)</u>
Profit after income tax expense for the year		24,882,265	18,366,590
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u><u>24,882,265</u></u>	<u><u>18,366,590</u></u>
		Cents	Cents
Basic earnings per unit		34.55	25.50
Diluted earnings per unit		34.55	25.50

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Cordish Dixon Private Equity Fund III
Statement of financial position
As at 31 March 2020

	Note	2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents		33,774,964	49,459,368
Receivables		32,983	118,228
Prepayments		12,089	11,867
Total current assets		<u>33,820,036</u>	<u>49,589,463</u>
Non-current assets			
Other financial assets	1	117,728,155	76,740,367
Total non-current assets		<u>117,728,155</u>	<u>76,740,367</u>
Total assets		<u>151,548,191</u>	<u>126,329,830</u>
Liabilities			
Current liabilities			
Trade and other payables		121,295	115,188
Total current liabilities		<u>121,295</u>	<u>115,188</u>
Non-current liabilities			
Deferred tax		1,376,667	1,046,678
Total non-current liabilities		<u>1,376,667</u>	<u>1,046,678</u>
Total liabilities		<u>1,497,962</u>	<u>1,161,866</u>
Net assets		<u>150,050,229</u>	<u>125,167,964</u>
Equity			
Unit capital		109,672,616	109,672,616
Retained earnings		40,377,613	15,495,348
Total equity		<u>150,050,229</u>	<u>125,167,964</u>

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

Cordish Dixon Private Equity Fund III
Statement of changes in equity
For the year ended 31 March 2020

	Unit capital	Retained	Total equity
	\$	\$	\$
Balance at 1 April 2018	109,672,616	(1,934,870)	107,737,746
Profit after income tax expense for the year	-	18,366,590	18,366,590
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	18,366,590	18,366,590
<i>Transactions with unitholders in their capacity as unitholders:</i>			
Distributions paid	-	(936,372)	(936,372)
Balance at 31 March 2019	<u>109,672,616</u>	<u>15,495,348</u>	<u>125,167,964</u>
	Unit capital	Retained	Total equity
	\$	\$	\$
Balance at 1 April 2019	109,672,616	15,495,348	125,167,964
Profit after income tax expense for the year	-	24,882,265	24,882,265
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	24,882,265	24,882,265
Balance at 31 March 2020	<u>109,672,616</u>	<u>40,377,613</u>	<u>150,050,229</u>

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Cordish Dixon Private Equity Fund III
Statement of cash flows
For the year ended 31 March 2020

	2020	2019
	\$	\$
Cash flows from operating activities		
Interest income received	868,969	1,313,333
Net payments to suppliers	<u>(1,011,620)</u>	<u>(952,345)</u>
Net cash (used in)/from operating activities	<u>(142,651)</u>	<u>360,988</u>
Cash flows from investing activities		
Payment for investments	(20,797,974)	(19,807,563)
Receipts from distributions	<u>-</u>	<u>943,769</u>
Net cash used in investing activities	<u>(20,797,974)</u>	<u>(18,863,794)</u>
Cash flows from financing activities		
Payment for distribution	<u>-</u>	<u>(936,372)</u>
Net cash used in financing activities	<u>-</u>	<u>(936,372)</u>
Net decrease in cash and cash equivalents	(20,940,625)	(19,439,178)
Cash and cash equivalents at the beginning of the financial year	49,459,368	64,049,994
Effects of exchange rate changes on cash and cash equivalents	<u>5,256,221</u>	<u>4,848,552</u>
Cash and cash equivalents at the end of the financial year	<u><u>33,774,964</u></u>	<u><u>49,459,368</u></u>

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Cordish Dixon Private Equity Fund III
Notes to the financial statements
31 March 2020

1. Non-current assets - other financial assets

(i) Equity investment constituting interest in Limited Partnership (LP) - at fair value:

	2020	2019
	\$	\$
US Select Private Opportunities Fund III, LP	<u>117,728,155</u>	<u>76,740,367</u>
	2020	2019
	\$	\$
(ii) Reconciliation		
Balance at the beginning of the year	76,740,367	44,077,339
Capital invested - at cost	20,775,981	19,992,387
Movement in fair value through profit or loss*	20,211,807	13,614,410
Distributions received from LP	<u>-</u>	<u>(943,769)</u>
Balance at the end of the year	<u>117,728,155</u>	<u>76,740,367</u>

*Included in the 'movement in fair value' amount of \$20,211,807 (2019: \$13,614,410) is an unrealised foreign exchange translation gain component of \$15,108,035 (2019: \$3,943,761). This amount is also net of the Fund's 71.2% share of management fees paid by the LP to the General Partner of the LP, totaling \$1,190,458 (2019: \$1,112,967).

(iii) Fund's interest in assets and liabilities of LP

The 71.2% economic interest held by the Fund in the LP is not represented by voting rights or other power vested in the Fund to make decisions relating to the assets and liabilities of the LP. As is common practice with Limited Partnership arrangements, the General Partner of the LP is considered to be the party who holds the existing rights to direct the relevant activities of the LP, including the acquisition and disposal of investments.

The Fund's 71.2% interest in US Select Private Opportunities Fund III, L.P. at 31 March 2020 is represented by its proportionate interest in the LP's assets and liabilities as follows:

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Cordish Dixon Private Equity Fund III
Notes to the financial statements
31 March 2020

1. Non-current assets - other financial assets (continued)

	2020	2019
	\$	\$
Cash	11,120,593	5,826,809
Investment in US private investment funds recorded at fair value:		
DFW Capital Partners V, LP	7,638,589	6,194,921
Elephant Partners I, LP	11,649,011	9,342,492
Encore Consumer Capital Fund III, LP	5,630,799	2,707,307
PeakSpan Capital Growth Partners I, LP	6,643,887	4,388,007
Trive Capital Fund II, LP	6,011,976	5,306,620
Gemspring Capital Fund I, LP	7,560,861	3,808,925
Growth Street Partners I, LP	3,873,510	2,557,378
Incline Equity Partners IV, LP	6,236,223	3,050,952
Luminate Capital Partners LP	10,571,571	8,438,915
Bertram Growth Capital III, LP	11,409,318	9,223,351
NMS Fund III, LP	3,297,283	785,978
Telescope Partners I, LP	3,366,224	1,074,310
US Select Direct Private Equity II, LP	23,815,413	14,877,757
Due to Gemspring Capital Fund I, LP	-	(843,355)
Due to Incline Equity Partners IV, LP	(973,090)	-
Due to Luminate Capital Partners LP	(77,759)	-
Due to NMS Fund III, LP	(46,254)	-
	<u>117,728,155</u>	<u>76,740,367</u>
Net assets*		

*Included in the net assets of \$117,728,155 (2019: \$76,740,367) are investments in US private investment funds of \$107,704,665 (2019: 71,756,913).

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