

Credit Suisse Global Private Equity Fund

ARSN 110 077 382

Annual financial report

For the year ended 30 June 2010

Responsible Entity Challenger Investment Services Limited

ABN 44 119 605 373 AFSL 320505

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Directors' report

The directors of Challenger Investment Services Limited (formerly "Credit Suisse Investments (Australia) Limited"), the Responsible Entity (the "Responsible Entity") of Credit Suisse Global Private Equity Fund (the "Scheme"), present their report together with the financial report of the Scheme, for the year ended 30 June 2010.

Responsible Entity

Challenger Investment Services Limited is the Responsible Entity of the Scheme since 1 May 2009.

The registered office and principal place of business of the Responsible Entity and the Scheme is Level 15, 255 Pitt Street, Sydney, NSW 2000.

The directors of Challenger Investment Services Limited during the year or since the end of the year and up to the date of this report are as follows:

RW Adams (Executive Director)	appointed on 31 May 2010
BR Benari (Executive Director)	appointed on 31 May 2010
BJ O'Connor (Executive Director)	appointed on 31 May 2010
RJ Woods (Executive Director)	appointed on 31 May 2010
PD Rogan (Chairman)	appointed on 31 May 2010
DD Trude (Executive Director)	resigned on 31 May 2010
SJ Pearson (Executive Director, Member of Audit Risk and Compliance Committee)	resigned on 31 May 2010
PC Noble (Executive Director)	resigned on 31 May 2010
FM Sedillo (Executive Director)	resigned on 31 May 2010
JJ Gurnsey (Executive Director)	resigned on 31 May 2010

Principal activities

The Scheme is a closed end fund and a registered managed investment scheme domiciled in Australia. The Scheme commenced operations on 7 June 2006.

The Scheme accesses global private equity investments via a Canadian limited partnership, DLJ Merchant Banking Partners IV (Pacific), L.P. (the 'Underlying Fund'), an affiliate to the Credit Suisse group.

The overall investment objective of the Scheme is to seek capital appreciation through global private equity and equity related investments.

The Scheme did not have any employees during the year.

There were no significant changes in the nature of the Scheme's activities during the year.

Directors' report (continued)

Review and results of operations

Results

The performance of the Scheme, as represented by the results of its operations, was as follows:

	Year ended	
	30 June 2010 \$	30 June 2009 \$
Operating profit/(loss)	<u>(1,042,569)</u>	<u>(2,287,414)</u>
Final distribution paid/payable	-	-
Distribution (cents per unit)	-	-
 Performance	 2010	 2009
	%	%
Growth return	(16.47)	(11.18)
Distribution of income	-	-
Total return	<u>-</u>	<u>(11.18)</u>
	\$	\$
Redemption unit price (ex-distribution) as at 30 June	<u>0.6329</u>	<u>0.7577</u>

Performance returns have been calculated after fees and assuming reinvestment of distributions, in accordance with IFSA Standard 6.00 *Production Performance - calculation and presentation of returns*.

Interests of the Responsible Entity

The following fees were paid and payable to the Responsible Entity from the Scheme during the year.

	2010 \$	2009 \$
Management fees paid and payable by the Scheme	297,215	288,536

Valuation of assets

	2010 \$	2009 \$
Value of total Scheme assets as at 30 June	9,931,194	10,983,287

The basis for valuation of the Scheme's assets is disclosed in Note 2 to the financial statements.

Directors' report (continued)

Significant changes in state of affairs

In the opinion of the Responsible Entity, there were no significant changes in the state of affairs of the Scheme that occurred during the financial year under review.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2010 that has significantly affected, or may significantly affect:

- (i) the operations of the Scheme in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Scheme in future financial years.

Likely developments and expected results of operations

The Scheme will continue to pursue its policy of increasing returns through active investment selection.

Further information on likely developments in the operations of the Scheme 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 Scheme.

Indemnification and insurance of officers or auditors

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

Environmental regulation

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

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 5.

This report is made in accordance with a resolution of the directors.



BJ O'Connor
Director

Sydney
21 September 2010



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

To: the directors of Challenger Investment Services Limited (formerly Credit Suisse Investments (Australia) Limited).

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2010 there have been:

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

KPMG

KPMG

A handwritten signature in black ink that reads 'Peter Russell'.

Peter Russell
Partner

Sydney

21 September 2010

Credit Suisse Global Private Equity Fund
Statement of comprehensive income
For the year ended 30 June 2010

		Year ended	
		30 June	30 June
		2010	2009
Notes		\$	\$
Investment income			
	Interest income	589,125	8,603
	Distributions income	1,856	66,014
	Net changes in financial instruments held at fair value through profit or loss	5 (1,202,563)	(1,906,684)
	Other operating income	-	120
	Total net investment profit/(loss)	<u>(611,582)</u>	<u>(1,831,947)</u>
Expenses			
	Management fees	11 297,215	288,536
	Custody fees	-	1,451
	Auditor's remuneration	4 20,479	23,072
	Other operating expenses	<u>113,293</u>	<u>142,408</u>
	Total operating expenses	<u>430,987</u>	<u>455,467</u>
	Operating profit/(loss)	<u>(1,042,569)</u>	<u>(2,287,414)</u>
Finance costs attributable to unitholders			
	(Increase)/decrease in net assets attributable to unitholders	6 <u>1,042,569</u>	<u>2,287,414</u>
	Profit/(loss) for the year	-	-
	Other comprehensive income during the year	-	-
	Total comprehensive income for the year	<u>-</u>	<u>-</u>

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

Credit Suisse Global Private Equity Fund
Statement of financial position
As at 30 June 2010

		As at	
	Notes	30 June 2010 \$	30 June 2009 \$
Assets			
Cash and cash equivalents	7	2,411,360	66,800
Receivables	9	195,258	174,008
Financial assets held at fair value through profit or loss	8	<u>7,324,576</u>	<u>10,742,479</u>
Total assets		<u>9,931,194</u>	<u>10,983,287</u>
Liabilities			
Payables	10	<u>345,346</u>	354,870
Total liabilities (excluding net assets attributable to unitholders)		<u>345,346</u>	<u>354,870</u>
Net assets attributable to unitholders - liability	6	<u>9,585,848</u>	<u>10,628,417</u>

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

Credit Suisse Global Private Equity Fund
Statement of changes in equity
For the year ended 30 June 2010

	Year ended	
	30 June 2010 \$	30 June 2009 \$
Total equity at the beginning of the financial year	-	-
Profit/(loss) for the year	-	-
Other comprehensive income	-	-
Total comprehensive income	<u>-</u>	<u>-</u>
Transactions with owners in their capacity as owners	-	-
Total equity at the end of the financial year	<u>-</u>	<u>-</u>

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

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Credit Suisse Global Private Equity Fund
Statement of cash flows
For the year ended 30 June 2010

		Year ended	
		30 June	30 June
		2010	2009
Notes		\$	\$
Cash flows from operating activities			
	Distributions received	2,921	72,888
	Interest received	585,009	8,603
	Management fees and custody fees paid	(440,013)	(347,632)
	Payment of other expenses	(18,697)	(189,128)
	Net cash inflow/(outflow) from operating activities	<u>129,220</u>	<u>(455,269)</u>
12			
Cash flows from investing activities			
	Proceeds from sale of investments	2,763,700	2,818,969
	Payments for purchase of investments	(640,670)	(2,676,426)
	Net cash inflow/(outflow) from investing activities	<u>2,123,030</u>	<u>142,543</u>
Cash flows from financing activities			
	Payments for redemptions by unitholders	-	(20,909)
	Net cash inflow/(outflow) from financing activities	<u>-</u>	<u>(20,909)</u>
Net increase/(decrease) in cash and cash equivalents		2,252,250	(333,635)
	Cash and cash equivalents at the beginning of the year	66,800	401,291
	Effects of foreign currency exchange rate changes on cash and cash equivalents	92,310	(856)
	Cash and cash equivalents at the end of the year	<u>7</u> 2,411,360	<u>66,800</u>

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

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1 General information

These financial statements cover Credit Suisse Global Private Equity Fund (the "Scheme") as an individual entity.

Effective from 1 June 2010, the Responsible Entity of the Scheme changed to Challenger Investment Services Limited (formerly "Credit Suisse Investments (Australia) Limited") (the "Responsible Entity"). The Responsible Entity's registered office is Level 15, 255 Pitt Street, Sydney NSW 2000. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the directors on 21 September 2010.

2 Summary of significant accounting policies

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

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001* in Australia.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

Compliance with International Financial Reporting Standards (IFRS)

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statement of the Scheme, comprising the financial statements and notes thereto, complies with IFRS.

Financial Statement Presentation

The Scheme has applied the revised AASB 101 *Presentation of Financial Statements* which became effective on 1 January 2009. The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity. All non-owner changes in equity must now be presented in the statement of comprehensive income. As a consequence, the Scheme had to change the presentation of its financial statements. Comparative information has been re-presented so that it is also in conformity with the revised standard.

(b) Financial instruments

(i) Classification

The Scheme's investments are classified as at fair value through profit or loss. They comprise:

- Financial instruments designated at fair value through profit or loss upon initial recognition

These include financial assets that are not held for trading purposes and which may be sold. These are investments in a limited partnership.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Scheme's documented investment strategy. The Scheme's policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

(ii) Recognition/derecognition

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

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

2 Summary of significant accounting policies (continued)

(b) Financial instruments (continued)

(iii) Measurement

Financial assets and liabilities held at fair value through profit or loss

Details on how the fair value of financial instruments is determined are disclosed in Note 3. All changes in fair value are recognised in the profit or loss.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement 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.

(c) Net assets attributable to unitholders

Private equity investments, such as those to be made by the Limited Partnership, are generally illiquid investments and as a consequence, the Scheme has been structured so that investors in the Scheme cannot redeem their units during the Term of the Scheme (10 years from 30 June 2006). However, a special liquidity facility to provide liquidity to certain unitholders have been arranged, in the following limited circumstances:

- that a sole unitholder dies and the personal representatives of that unitholder requests the redemption; and
- based on written evidence provided by at least one Commonwealth department or agency responsible for administering a class of Commonwealth income support payments, that a unitholder has received Commonwealth income support payments for a continuous period of at least 26 weeks and was in receipt of payments of that kind on that date of the written evidence and is unable to meet reasonable and immediate family living expenses.

(d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(e) Investment income

Interest income is recognised in the profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Scheme estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Trust distributions are recognised on an entitlements basis.

(f) Expenses

All expenses, including management fees and custodian fees, are recognised in the profit or loss on an accruals basis.

2 Summary of significant accounting policies (continued)

(g) Foreign exchange gains and losses

Foreign exchange gains and losses on financial assets and financial liabilities at fair value through profit or loss are recognised together with other changes in the fair value. Included in the profit or loss line item, net changes in financial instruments held at fair value through profit or loss are net foreign exchange gains and losses on monetary financial assets and financial liabilities.

(h) Income tax

Under current legislation, the Scheme is not subject to income tax provided the taxable income of the Scheme is fully distributed either by way of cash or reinvestment (i.e. unitholders are presently entitled to the income of the Scheme).

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

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

(i) Distributions

In accordance with the Scheme's Constitution, the Scheme fully distributes its distributable (taxable) income, and any other amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. The distributions are recognised in the profit or loss as finance costs attributable to unitholders.

(j) Increase/decrease in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in profit or loss as finance costs.

(k) Foreign currency translation

i) Functional and presentation currency

Items included in the Scheme's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Scheme competes for funds and is regulated. The Australian dollar is also the Scheme's presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The Scheme does not isolate that portion of gains or losses on securities and derivative financial instruments that are measured at fair value through profit or loss and which is due to changes in foreign exchange rates from that which is due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit or loss.

2 Summary of significant accounting policies (continued)

(l) Receivables

Receivables may include amounts for interest and trust distributions. Trust distributions are accrued when the right to receive payment is established. Interest is accrued at the reporting date from the time of last payment in accordance with the policy set out in Note 2(e) above. Amounts are generally received within 30 days of being recorded as receivables.

(m) Payables

Payables include liabilities and accrued expenses owing by the Scheme which are unpaid as at the end of the reporting date.

The distribution amount payable to unitholders as at the reporting date is recognised separately on the statement of financial position when unitholders are presently entitled to the distributable income under the Scheme's Constitution.

(n) Applications and redemptions

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

(o) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Scheme by third parties such as custodial services and investment management fees have been passed onto the Scheme. The Scheme qualifies for Reduced Input Tax Credits (RITC) at a rate of 75% hence investment management fees, custodial fees and other expenses have been recognised in the profit or loss net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the balance sheet. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

(p) Use of estimates

The Scheme's investment in the underlying partnership is valued at the most recent fair value based on the Scheme's interest in the net assets of the partnership as advised by the DLJ Merchant Banking Partners IV (Pacific). The partnership's investment in portfolio companies are valued at fair value which requires the Partnership manager to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes, the actual results could differ from these estimates. However, because of the inherent uncertainty of the valuation, those estimates values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

The Credit Suisse Global Private Equity Fund year ended 30 June 2010 Financial Report was prepared based on unaudited financial report of DLJ Merchant Banking Partners IV (Pacific) L.P. as at 30 June 2010.

2 Summary of significant accounting policies (continued)

(q) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2010 reporting periods. The directors' assessment of the impact of these new standards (to the extent relevant to the Scheme) and interpretations is set out below:

(i) AASB 9 *Financial Instruments* and AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013)*

AASB 9 *Financial Instruments* addresses the classification and measurement of financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not traded. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss. Management does not expect this will have a significant impact on the Scheme's financial statements as the Scheme does not hold any available-for-sale investments.

(ii) Revised AASB 124 *Related Party Disclosures* and AASB 2009-12 *Amendments to Australian Accounting Standards (effective from 1 January 2011)*

In December 2009 the AASB issued a revised AASB 124 *Related Party Disclosures*. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The amendment removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies and simplifies the definition of a related party. The Scheme will apply the amended standard from 1 July 2011. When the amendments are applied, the Scheme would need to disclose any transactions between its subsidiaries and its associates. However, as the Scheme does not have any subsidiaries and associates, the amendment will not have any effect on the Scheme's financial reports.

3 Financial risk management

The Scheme's overall risk management programme focuses on ensuring compliance with the Scheme's Product Disclosure Statement and seeks to maximise the returns derived for the level of risk to which the Scheme is exposed. In accordance with the provisions of the Scheme's Constitution, the investment objective of the Scheme is to seek capital appreciation through global private equity and equity related investments.

Financial risk management is carried out under a risk management framework established by the Board of Directors of the Responsible Entity (the Board).

The activities of the Scheme expose it to a variety of financial risks, including market risk (including price risk, currency risk and interest rate risk), credit and liquidity risk. The Scheme uses different methods to measure different types of risk including sensitivity and exposure analysis.

(a) Market risk

Market risk is the risk that losses may result from adverse movements in interest rates, foreign currency exchange rates, equity prices, commodity prices and other market metrics. The Scheme's level of market risk is predominantly defined by potential changes in the values of financial instruments in response to movements in markets. A typical transaction may be exposed to a number of different market risks.

(i) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will change because of movements in market prices. The Scheme accesses global private equity investments via a Canadian limited partnership, DLJ Merchant Banking Partners IV (Pacific), L.P. (the 'Underlying Fund' or the 'Limited Partnership').

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk

Currency risk is the change to the value of the Australian dollar (AUD), relative to other currencies. The Scheme has a direct exposure to foreign currency risk through its investments in the Underlying Fund as this investment is denominated in currencies other than Australian dollars.

The Scheme's total net exposure to fluctuations in foreign currency exchange rates at the end of the reporting period was as follows:

	30 June 2010 US Dollars A\$	30 June 2009 US Dollars A\$
Financial assets held at fair value through profit or loss		
Limited Partnership Investment	7,324,576	8,173,883
Credit Suisse Institutional Money Market Fund	-	2,568,596
	<u>7,324,576</u>	<u>10,742,479</u>

The above amounts represent the Scheme exposures to the US Dollar as at 30 June 2010 and 30 June 2009 expressed in Australian Dollars.

The table below summarises the sensitivities of the Scheme's investments to foreign exchange risk. A 10% strengthening of the AUD against the US Dollar at 30 June would have increased/(decreased) the net assets attributable to unitholders and profit or loss from operating activities by the amounts shown below. This analysis assumes that all other variables remain constant.

	Currency risk Impact on operating profit/(loss)/Net assets attributable to unitholders	
	-10%	+10%
	\$	\$
30 June 2010	813,842	(665,871)
30 June 2009	1,193,609	(976,589)

(iii) 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 Scheme's investment in the Limited Partnership is non-interest bearing and as such 100% (2009: 77%) of the Scheme is not exposed to interest rate risk. In 2009, the Credit Suisse Institutional Money Market Fund pays interest-related dividends on a monthly basis, thus 23% of the Scheme is indirectly exposed to interest rate risk.

The Scheme does hold cash for liquidity and transactional purposes and this cash is held at floating interest rates. As a result, the Scheme is subject to a limited exposure of interest rate risks due to fluctuations in the levels of market interest rates.

For the Scheme this risk disclosure has been prepared on the basis of the Scheme's direct investments and not on a look-through basis for the investments held indirectly through Limited Partnership. Based on this, other than cash and cash equivalents held at floating interest rates, all other financial assets and financial liabilities are non-interest bearing.

(b) Credit risk

Credit risk is the possibility of loss being incurred as the result of a borrower or counterparty failing to meet its financial obligations. In the event of a default, an investor generally incurs a loss equal to the amount owed by the debtor, less any recoveries resulting from foreclosure, liquidation of the collateral or restructuring of the obligation.

3 Financial risk management (continued)

(b) Credit risk (continued)

For the Scheme this risk disclosure has been prepared on the basis of the Scheme's direct investments and not on a look-through basis for the investments held indirectly through the Limited Partnership.

Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions. None of these assets are impaired nor past due but not impaired.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. There are no other significant credit risk exposures. Compliance with the Scheme's policy is reported to the Board on a regular basis.

(c) Liquidity Risk

Liquidity risk is the risk that the Scheme will not be able to meet its financial obligations as they fall due. The nature of private equity is that unit holder capital is committed for the long term and therefore, the Scheme is generally illiquid.

The table below analyses the Scheme's financial liabilities into relevant maturity groupings based on the remaining period to the earliest possible contractual maturity date at the year-end date. The amounts in the table are contractual undiscounted cash flows.

	Less than 1 month	1-6 months	6-12 months	Over 12 months
	\$	\$	\$	\$
At 30 June 2010				
Payables	-	365,713	-	-
Net assets attributable to unitholders	<u>9,581,733</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total financial liabilities	<u>9,581,733</u>	<u>365,713</u>	<u>-</u>	<u>-</u>
At 30 June 2009				
Payables	-	354,870	-	-
Net assets attributable to unitholders	<u>2,454,534</u>	<u>-</u>	<u>-</u>	<u>8,173,883</u>
Total financial liabilities	<u>2,454,534</u>	<u>354,870</u>	<u>-</u>	<u>8,173,883</u>

(d) Fair value estimation

The carrying amounts of all the Scheme's financial assets and liabilities at the end of reporting period approximated their fair value.

Financial assets and liabilities held at fair value through the profit or loss are measured initially at fair value excluding any transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets or financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised on the income statement.

The limited partnership is valued based on the Scheme's ownership percentage of the underlying investments in the partnership.

The Scheme's investment in the underlying partnership is valued at the most recent fair value based on the Scheme's interest in the net assets of the partnership as advised by the DLJ Merchant Banking Partners IV (Pacific). The partnership's investment in portfolio companies are valued at fair value which requires the Partnership manager to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes, the actual results could differ from these estimates. However, because of the inherent uncertainty of the valuation, those estimates values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

3 Financial risk management (continued)

(e) Fair value hierarchy

The Scheme has adopted the amendments to AASB 7, effective 1 July 2009. This requires the Scheme to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. 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).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement by the Responsible Entity. The Responsible Entity considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below sets out the Scheme's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2010. Comparative information has not been provided as permitted by the transitional provisions of the AIFRS.

As at 30 June 2010	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Financial assets designated at fair value through profit or loss at inception:				
Limited Partnership Investment	-	-	<u>7,324,576</u>	<u>7,324,576</u>
Total	<u>-</u>	<u>-</u>	<u>7,324,576</u>	<u>7,324,576</u>

3 Financial risk management (continued)

(e) Fair value hierarchy (continued)

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. Level 3 instruments include the Limited Partnership. As observable prices are not available for these securities, the Responsible Entity has used valuation techniques to derive fair value.

The following table presents the movement in level 3 instruments for the year ended 30 June 2010 by class of financial instrument.

As at 30 June 2010	Limited Partnership Investment \$
Opening balance	8,173,883
Purchases	640,670
Sales	(390,316)
Gains and losses recognised in profit and loss	<u>(1,099,661)</u>
Closing balance	<u>7,324,576</u>
Total gains or losses for the year included in the for financial assets and liabilities held at the end of the year	<u>(1,099,661)</u>

4 Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Scheme:

	Year ended	
	30 June 2010	30 June 2009
	\$	\$
(a) Audit services		
<i>Audit services</i>		
KPMG		
Audit of financial reports	15,687	15,364
Total remuneration for audit services	15,687	15,364
(b) Non-audit services		
<i>Other services</i>		
KPMG		
Tax compliance services	4,792	5,602
Other Services	-	2,106
Total remuneration for non-audit services	4,792	7,708
 Total remuneration for auditor	 20,479	 23,072

Auditors' remuneration for the Scheme is paid by the Responsible Entity. The relevant amounts have been recharged to the Scheme.

5 Net changes in financial instruments held at fair value through profit or loss

Net changes recognised in relation to financial assets held at fair value through profit or loss:

	Year ended	
	30 June 2010	30 June 2009
	\$	\$
Financial assets		
Net gain/(loss) on financial assets designated at fair value through profit or loss	(1,202,563)	(1,906,684)
Net changes in financial assets held at fair value through profit or loss	(1,202,563)	(1,906,684)
 Total net changes in financial instruments held at fair value through profit or loss	 (1,202,563)	 (1,906,684)

6 Net assets attributable to unitholders

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

As stipulated within the Scheme's Constitution, each unit represents a right to an individual share in the Scheme and does not extend to a right to the underlying assets of the Scheme. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Scheme.

	30 June 2010 No.	30 June 2009 No.	30 June 2010 \$	30 June 2009 \$
Opening balance	15,140,375	15,164,885	10,628,417	12,936,740
Redemptions	-	(24,510)	-	(20,909)
Increase/(decrease) in net assets attributable to unitholders	-	-	(1,042,569)	(2,287,414)
Closing balance	15,140,375	15,140,375	9,585,848	10,628,417

Capital risk management

The Scheme considers its net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The Scheme is a close end scheme that does not accept new investments after an initial appearance. Private equity investments, such as those to be made by the Limited Partnership, are generally illiquid investments and as a consequence, the Scheme has been structured so that investors in the Scheme cannot redeem their units during the Term of the Scheme (10 years from 30 June 2006).

7 Cash and cash equivalents

	As at	
	30 June 2010 \$	30 June 2009 \$
Cash and cash equivalents	2,411,360	66,800
	2,411,360	66,800

8 Financial assets held at fair value through profit or loss

	As at	
	30 June 2010 Fair value \$	30 June 2009 Fair value \$
Designated at fair value through profit or loss		
DLJ Merchant Banking Partners IV (Pacific), Limited Partnership Investment	7,324,576	8,173,883
Credit Suisse Institutional Money Market Fund	-	2,568,596
Total designated at fair value through profit or loss	7,324,576	10,742,479
Total financial assets held at fair value through profit or loss	7,324,576	10,742,479

An overview of the risk exposures relating to financial assets held at fair value through profit or loss is included in Note 3.

9 Receivables

	As at	
	30 June 2010 \$	30 June 2009 \$
Distributions receivable	124,481	125,546
Interest receivable	4,116	-
Other receivables	<u>66,661</u>	<u>48,462</u>
	<u>195,258</u>	<u>174,008</u>

10 Payables

	As at	
	30 June 2010 \$	30 June 2009 \$
Management fees payable	<u>345,346</u>	<u>354,870</u>
	<u>345,346</u>	<u>354,870</u>

11 Related party transactions

Responsible Entity

Prior to 1 June 2010, the Responsible Entity of the Scheme was Credit Suisse Investment (Australia) Limited (ACN 44 119 605 373). The Responsible Entity was a wholly owned subsidiary of Credit Suisse. The ultimate parent entity of Credit Suisse is Credit Suisse Group, a company incorporated in Switzerland.

Effective from 1 June 2010, the name of the Responsible Entity of the Scheme changed to Challenger Investment Services Limited (ABN 44 119 605 373)

Key management personnel of the Responsible Entity

(a) Directors

The directors of Challenger Investment Services Limited up to the date of this report are as follows:

RW Adams (Executive Director)	appointed 31 May 2010
BR Benari (Executive Director)	appointed 31 May 2010
BJ O'Connor (Executive Director)	appointed 31 May 2010
RJ Woods (Executive Director)	appointed 31 May 2010
PD Rogan (Chairman)	appointed 31 May 2010
DD Trude (Executive Director)	resigned on 31 May 2010
SJ Pearson (Executive Director, Member of Audit Risk and Compliance Committee)	resigned on 31 May 2010
PC Noble (Executive Director)	resigned on 31 May 2010
FM Sedillo (Executive Director)	resigned on 31 May 2010
JJ Gumsey (Executive Director)	resigned on 31 May 2010

(b) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Scheme, directly or indirectly during the financial year.

Key management personnel unitholdings

At 30 June 2010 no key management personnel held units in the Scheme (2009: Nil).

11 Related party transactions (continued)

Key management personnel compensation

The Scheme does not employ personnel in its own right. However, it is required to have an incorporated Responsible Entity to manage the activities of the Scheme and this is considered the Key Management Personnel (the "KMP"). The directors of the Responsible Entity are KMP of that company and have been disclosed in Note 11(a).

The Responsible Entity is entitled to a management fee which is calculated as a proportion of net assets attributable to unitholders.

No compensation is paid to directors or directly by the Scheme to any KMP of the Responsible Entity.

Key management personnel loan disclosures

The Scheme has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

Other transactions within the Scheme

From time to time directors of the Responsible Entity, or their direct or related entities, may invest in or withdraw from the Scheme. These investments or withdrawals are on the same terms and conditions as those entered into by other Scheme investors.

Apart from the details disclosed in this note, no key management personnel have entered into a material contract with the Scheme since the end of the previous financial year and there were no material contracts involving director's interests subsisting at year end.

Responsible Entity's/manager's fees and other transactions

Under the terms of the Scheme's Constitution and the current Product Disclosure Statement for the Scheme, the Responsible Entity is entitled to receive management fees monthly of up to 2.96% per annum (2009: 2.96%) in total of the aggregate portfolio value of the Scheme.

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

	30 June 2010	30 June 2009
	\$	\$
Management fees for the year incurred by the Scheme	297,215	288,536
Management fees payable by the Scheme at the end of the reporting period	345,346	354,870

Related party schemes' unitholdings

Parties related to the Scheme (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity), did not hold any units in the Scheme (2009: Nil).

11 Related party transactions (continued)

Investments

The Scheme invests in the DLJ Merchant Banking Partners IV (Pacific), L.P.. In 2009, the Scheme invests in the Credit Suisse Institutional Money Market Fund, an associate of the Responsible Entity. Details of these investments are set out below:

	Fair value of investment		Distributions received/receivable	
	2010	2009	2010	2009
	\$	\$	\$	\$
DLJ Merchant Banking Partners IV (Pacific), L.P.	7,324,576	8,173,883	-	-
Credit Suisse Institutional Money Market Fund	-	2,568,596	1,856	66,014

12 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	Year ended	
	30 June 2010	30 June 2009
	\$	\$
Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities		
Profit/(loss) for the year	-	-
Increase/(decrease) in net assets attributable to unitholders	(1,042,569)	(2,287,414)
Net changes in financial instruments held at fair value through profit or loss	1,202,563	1,906,684
Net changes in receivables	(21,250)	(16,894)
Net changes in payables	(9,524)	(57,645)
Net cash inflow/(outflow) from operating activities	<u>129,220</u>	<u>(455,269)</u>

13 Events occurring after the reporting period

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Scheme disclosed in the statement of financial position as at 30 June 2010 or on the results and cash flows of the Scheme for the year ended on that date.

14 Contingent assets and liabilities and commitments

There are no outstanding contingent assets and liabilities or commitments as at 30 June 2010 and 30 June 2009.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 6 to 24 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Scheme's financial position as at 30 June 2010 and of its performance, for the financial year ended on that date; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a); and
- (c) there are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



BJ O'Connor
Director

Sydney
21 September 2010



Independent auditor's report to the unitholders of Credit Suisse Global Private Equity Fund

Report on the financial report

We have audited the accompanying financial report of Credit Suisse Global Private Equity Fund (the Scheme), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes 1 to 14 and the directors' declaration.

Directors' responsibility for the financial report

The directors of Challenger Investment Services Limited (the Responsible Entity) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 2, the directors of the Responsible Entity also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Scheme's preparation and fair presentation of the financial report 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 Scheme's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Responsible Entity, as well as evaluating the overall presentation of the financial report.



We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards (including the Australian Accounting Interpretations) a view which is consistent with our understanding of the Scheme's financial position, and of its performance.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of Credit Suisse Global Private Equity Fund is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Scheme's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.

KPMG

KPMG

Peter Russell
Partner

Sydney

21 September 2010

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Directory

Responsible Entity

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ABN 44 119 605 373
AFSL 320505

Registered office and principal place of business

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SYDNEY NSW 2000

Custodian

State Street Australia Limited
Level 18
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SYDNEY NSW 2000

Auditor

For the Responsible Entity and the Trust
KPMG
10 Shelley Street
SYDNEY NSW 2000