

**eInvest Core Income Fund (Managed Fund)**

ARSN 631 537 810

**Interim report**

**For the half-year ended 31 December 2022**

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## Interim report For the half-year ended 31 December 2022

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This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made in respect of eInvest Core Income Fund (Managed Fund) during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The Responsible Entity of eInvest Core Income Fund (Managed Fund) is Perennial Investment Management Limited (ABN 13 108 747 637) (AFSL 275101).

The Responsible Entity's registered office is:  
Level 27, 88 Phillip Street  
Sydney NSW 2000.

## Directors' report

The Directors of Perennial Investment Management Limited, the Responsible Entity of eInvest Core Income Fund (Managed Fund) (the "Fund"), present their report together with the interim financial statements of the Fund for the half-year ended 31 December 2022.

The Fund is a registered managed investment scheme domiciled in Australia.

## Directors

The following persons held office as Directors of Perennial Investment Management Limited during the half-year or since the end of the half-year and up to the date of this report:

A Patterson  
C Love  
M Bennett

## Review and results of operations

The Fund continued investing its funds in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

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

	Half-year ended	
	31 December 2022	31 December 2021
Operating profit/(loss) for the half-year (\$'000)	91	(92)
Distributions paid and payable (\$'000)	48	75
Distributions (cents per unit ("CPU"))	12.25	21.00

## Significant changes in the 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 reporting period.

## Events occurring after the reporting period

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may have a significant effect on:

- (i) the operations of the Fund in future reporting periods;
- (ii) the results of those operations in future reporting periods; or
- (iii) the state of affairs of the Fund in future reporting periods.

## Rounding of amounts to the nearest thousand dollars

The Fund is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* issued by the Australian Securities and Investments Commission ("ASIC") relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with that ASIC Instrument, unless otherwise indicated.

**Auditor's independence declaration**

A copy of the lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4 and forms part of the Directors' Report for the half-year ended 31 December 2022.

This report is made in accordance with a resolution of the Directors of Perennial Investment Management Limited.



Anthony Patterson  
Director  
Perennial Investment Management Limited

Sydney  
1 March 2023



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

To the Directors of Perennial Investment Management Limited, the Responsible Entity of eInvest Core Income Fund (Managed Fund)

I declare that, to the best of my knowledge and belief, in relation to the review of eInvest Core Income Fund (Managed Fund) for the half-year ended 31 December 2022 there have been:

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

KPMG

Joshua Pearce  
*Partner*

Melbourne

1 March 2023

**eInvest Core Income Fund (Managed Fund)**  
**Statement of comprehensive income**  
**For the half-year ended 31 December 2022**

**Statement of comprehensive income**

		<b>Half-year ended</b>	
		<b>31 December</b>	31 December
		<b>2022</b>	2021
		<b>\$000</b>	\$000
	Note		
<b>Investment income</b>			
Distribution income		130	220
Interest income		1	-
Other income		23	-
Net gains/(losses) on financial instruments held at fair value through profit or loss	4	<u>(32)</u>	<u>(276)</u>
<b>Total investment income/(loss)</b>		<u>122</u>	<u>(56)</u>
<b>Expenses</b>			
Responsible Entity fees		22	27
Other expenses		<u>9</u>	<u>9</u>
<b>Total expenses</b>		<u>31</u>	<u>36</u>
<b>Operating profit/(loss) for the half-year</b>		<u>91</u>	<u>(92)</u>
Other comprehensive income		-	-
<b>Total comprehensive income/(loss) for the half-year</b>		<u>91</u>	<u>(92)</u>

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

**eInvest Core Income Fund (Managed Fund)**  
**Statement of financial position**  
**As at 31 December 2022**

**Statement of financial position**

		<b>As at</b>	
	<b>Note</b>	<b>31 December 2022 \$000</b>	<b>30 June 2022 \$000</b>
<b>Assets</b>			
Cash and cash equivalents		88	630
Receivables	8	25	1
Financial assets at fair value through profit or loss	5	18,564	18,363
<b>Total assets</b>		<b>18,677</b>	<b>18,994</b>
<b>Liabilities</b>			
Distributions payable		7	610
Payables	9	9	7
<b>Total liabilities</b>		<b>16</b>	<b>617</b>
<b>Net assets attributable to unitholders – equity</b>	6	<b>18,661</b>	<b>18,377</b>

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

**eInvest Core Income Fund (Managed Fund)**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2022**

**Statement of changes in equity**

	Note	Half-year ended	
		31 December 2022 \$000	31 December 2021 \$000
<b>Total equity at the beginning of the half-year</b>		<b>18,377</b>	9,486
<b>Comprehensive income for the half-year</b>			
Profit/(loss) for the half-year		91	(92)
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>91</b>	<b>(92)</b>
<b>Transactions with unitholders</b>			
Applications	6	950	9,627
Redemptions	6	(709)	-
Distributions paid and payable	6	(48)	(75)
<b>Total transactions with unitholders</b>		<b>193</b>	<b>9,552</b>
<b>Total equity at the end of the half-year</b>		<b>18,661</b>	<b>18,946</b>

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



**eInvest Core Income Fund (Managed Fund)**  
**Statement of cash flows**  
**For the half-year ended 31 December 2022**

**Statement of cash flows**

	Half-year ended	
	31 December	31 December
	2022	2021
	\$000	\$000
<b>Cash flows from operating activities</b>		
Proceeds from sale of financial instruments at fair value through profit or loss	712	-
Payments for the purchase of financial instruments at fair value through profit or loss	(945)	(11,147)
Distribution income received	130	220
Interest received	1	-
Responsible Entity fees paid	(21)	(24)
Other expenses paid	(9)	(9)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(132)</b>	<b>(10,960)</b>
<b>Cash flows from financing activities</b>		
Proceeds from applications by unitholders	950	11,149
Payments for redemptions by unitholders	(709)	-
Distributions paid to unitholders	(651)	(94)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(410)</b>	<b>11,055</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(542)</b>	<b>95</b>
Cash and cash equivalents at the beginning of the half-year	630	48
<b>Cash and cash equivalents at the end of the half-year</b>	<b>88</b>	<b>143</b>

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

## 1 General information

These interim financial statements cover eInvest Core Income Fund (Managed Fund) (the "Fund") as an individual entity. The Fund was constituted on 27 September 2018, registered with the Australian Securities and Investments Commission on 15 February 2019 and commenced operations on 21 November 2019 and will terminate on 27 September 2028. The Fund's units commenced trading on the Cboe Australia Pty Ltd exchange (code: ECOR) on 22 November 2019.

The interim financial statements were authorised for issue by the Directors on the date the Directors' declaration was signed. The Directors of the Responsible Entity have the power to amend and reissue the interim financial statements.

## 2 Basis of preparation

These interim financial statements have been prepared in accordance with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 *Interim Financial Reporting*.

These interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these interim financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2022.

### (a) Significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied to the Fund's financial statements for the year ended 30 June 2022.

#### **New and amended standards adopted by the Fund**

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2022 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

### (b) Impact of standards issued but not yet applied by the Fund

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2022 reporting period and have not been applied in the financial statements. The directors' of the Responsible Entity assessment of these new standards (to the extent relevant to the Fund) and interpretations are set out below:

*i) AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*

*AASB 2021-2 amends AASB Standards to improve accounting policy disclosures and clarify the distinction between accounting policies and accounting estimates. Specifically, AASB 2021-2 amends:*

- AASB 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
- AASB 101, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- AASB 108, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
- AASB 134, to identify material accounting policy information as a component of a complete set of financial statements; and
- AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

*(ii) AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments*

*This standard amends:*

- AASB 1, to simplify the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences;
- AASB 3, to update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations;
- AASB 9, to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability;
- AASB 116, to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset;
- AASB 137, to specify the costs that an entity includes when assessing whether a contract will be loss-making; and
- AASB 141, to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

These standards applies to annual reporting periods beginning on or after 1 January 2023. These amendments are not expected to have significant impact on the Fund's financial statement.

There are no other new accounting standards and other authoritative pronouncements that are expected to have a material impact on the Fund.

### 3 Fair value measurement

The Fund measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- 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 or indirectly (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

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

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

Investments in unlisted unit trusts are recorded at the net asset value per unit as reported by the investment managers of such funds. The Fund may make adjustments to the value based on considerations such as: liquidity of the Investee Fund or its underlying investments, the value date of the net asset value provided, or any restrictions on redemptions and the basis of accounting.

#### (b) Recognised fair value measurements

The table below presents the Fund's financial assets and liabilities measured and recognised at fair value as at 31 December 2022 and 30 June 2022.

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
<b>As at 31 December 2022</b>				
<b>Financial assets</b>				
Unlisted unit trust	-	18,564	-	18,564
<b>Total financial assets</b>	-	18,564	-	18,564
<b>As at 30 June 2022</b>				
<b>Financial assets</b>				
Unlisted unit trust	-	18,363	-	18,363
<b>Total financial assets</b>	-	18,363	-	18,363

#### (c) Transfer between levels

Management's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels in the fair value hierarchy during the half-year ended 31 December 2022 (30 June 2022: Nil).

### 4 Net gains on financial instruments at fair value through profit or loss

Net gains/(losses) recognised in relation to financial assets and liabilities at fair value through profit or loss:

	Half-year ended	
	31 December 2022 \$000	31 December 2021 \$000
<b>Financial assets</b>		
Net gain/(loss) on financial assets at fair value through profit or loss	(32)	(276)
<b>Total net gains/(losses) on financial instruments at fair value through profit or loss</b>	(32)	(276)

### 5 Financial assets at fair value through profit or loss

	As at	
	31 December 2022 \$000	30 June 2022 \$000
Unlisted unit trust	18,564	18,363
<b>Total financial assets at fair value through profit or loss</b>	18,564	18,363

**eInvest Core Income Fund (Managed Fund)**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2022**  
**(continued)**

**6 Net assets attributable to unitholders**

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

	<b>31 December</b>	<b>For the half-year ended</b>		<b>31 December</b>
	<b>2022</b>	<b>31 December</b>	<b>2022</b>	<b>2021</b>
	<b>No. '000</b>	<b>\$'000</b>	<b>No. '000</b>	<b>\$'000</b>
Opening balance	387	18,377	187	9,486
Applications	40	950	190	9,627
Redemptions	(35)	(709)	-	-
Distributions paid and payable	-	(48)	-	(75)
Profit/(loss) for the half-year	-	91	-	(92)
<b>Closing balance</b>	<b>392</b>	<b>18,661</b>	<b>377</b>	<b>18,946</b>

**7 Distributions to unitholders**

	<b>31 December</b>	<b>For the half-year ended</b>		<b>31 December</b>
	<b>2022</b>	<b>31 December</b>	<b>2021</b>	<b>2021</b>
	<b>\$'000</b>	<b>CPU</b>	<b>\$'000</b>	<b>CPU</b>
<b>Distributions</b>				
July	13	3.50	16	3.50
August	7	1.75	9	3.50
September	7	1.75	12	3.50
October	7	1.75	12	3.50
November	7	1.75	13	3.50
December (payable)	7	1.75	13	3.50
<b>Total distributions</b>	<b>48</b>	<b>12.25</b>	<b>75</b>	<b>21.00</b>

**8 Receivables**

	<b>As at</b>	
	<b>31 December</b>	<b>30 June</b>
	<b>2022</b>	<b>2022</b>
	<b>\$000</b>	<b>\$000</b>
Sundry debtors	24	-
GST receivable	1	1
<b>Total receivables</b>	<b>25</b>	<b>1</b>

**9 Payables**

	<b>As at</b>	
	<b>31 December</b>	<b>30 June</b>
	<b>2022</b>	<b>2022</b>
	<b>\$000</b>	<b>\$000</b>
Responsible Entity fees payable	6	5
Recoverable expenses payable	2	2
Withholding tax payable	1	-
<b>Total payables</b>	<b>9</b>	<b>7</b>

**10 Events occurring after the reporting period**

No significant events have occurred since the end of the half-year which would impact on the financial position of the Fund as disclosed in the statement of financial position as at 31 December 2022 or on the results and cash flows of the Fund for the half-year ended on that date.

**11 Contingent assets and liabilities and commitments**

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2022 and 30 June 2022.

**Directors' declaration**

In the opinion of the Directors of the Responsible Entity:

- (a) The financial statements and notes set out on pages 5 to 12 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standards as it relates to AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Fund's financial position as at 31 December 2022 and of its performance, as represented by the results of its operations and cash flows, for the half-year ended on that date.
- (b) There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable;
- (c) The financial statements are in accordance with the Fund's Constitution.

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



Anthony Patterson  
Director  
Perennial Investment Management Limited

Sydney  
1 March 2023



## Independent Auditor's Review Report

### To the Unitholders of eInvest Core Income Fund (Managed Fund)

#### Conclusion

We have reviewed the accompanying **Interim Financial Report** of eInvest Core Income Fund (Managed Fund) (the Scheme).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of eInvest Core Income Fund (Managed Fund) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Scheme's financial position as at 31 December 2022 and of its performance for the **Interim Period** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Statement of financial position as at 31 December 2022;
- Statement of profit or loss and other comprehensive income for the Interim Period ended on that date;
- Notes 1 to 11 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Interim Period** is the 6 months ended on 31 December 2022.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Scheme 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



### Responsibilities of the Directors for the Interim Financial Report

The Directors of Perennial Investment Management Limited (the Responsible Entity) are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Registered Scheme's financial position as at 31 December 2022 and its performance for the interim period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Joshua Pearse  
Partner

Melbourne

1 March 2023