

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

ARSN 631 537 810

**Interim financial report for the half-year ended  
31 December 2023**

# Daintree Core Income Fund (Managed Fund) (formerly elInvest Core Income Fund (Managed Fund))

ARSN 631 537 810

## Interim financial report for the half-year ended 31 December 2023

### Contents

	<b>Page</b>
Directors' report	2
Auditor's independence declaration	4
Statement of comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9
Director's declaration	13
Independent auditor's review report to the unitholders of Daintree Core Income Fund (Managed Fund) (formerly elInvest Core Income Fund (Managed Fund))	14

This interim financial report does not include all the notes of the type normally included in a set of annual financial statements. Accordingly, this interim report should be read in conjunction with the annual financial statements for the year ended 30 June 2023 and any public announcements made in respect of Daintree Core Income Fund (Managed Fund) during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This financial report covers Daintree Core Income Fund (Managed Fund) as an individual entity.

The Responsible Entity of Daintree Core Income Fund (Managed Fund) is Perennial Investment Management Limited (ABN 13 108 747 637). 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 Daintree Core Income Fund (Managed Fund) (the "Fund"), present their report together with the interim financial report of the Fund for the half-year ended 31 December 2023.

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 reporting period or since the end of the reporting period and up to the date of this report, unless otherwise stated:

A. Patterson

C. Love

M. Bennett

### Review and results of operations

The Fund continued to invest funds in accordance with target asset allocations as set out in the governing documents of the Fund and in accordance with the provisions of the Fund's Constitution.

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

	<b>For the half-year ended</b>	
	<b>31 December 2023</b>	31 December 2022
Total comprehensive income for the half-year (\$'000)	<b>802</b>	91
Distributions paid and payable to unitholders (\$'000)	<b>334</b>	48
Distributions (cents per unit – ("CPU"))	<b>89.00</b>	12.25

Distributions to unitholders are disclosed in note 3 of the financial statements.

### Significant changes in state of affairs

Effective 27 July 2023, the Fund was renamed Daintree Core Income Fund (Managed Fund) and a new Product Disclosure Statement was issued on the same date.

Effective 26 August 2023, HSBC Bank Australia Limited replaced NAB Asset Servicing as custodian. Effective 28 October 2023, HSBC Bank Australia Limited replaced Apex Fund Services Pty Ltd as administrator.

Effective 28 October 2023 OneVue Fund Services Pty Limited replaced Link Market Services Limited as unit registry.

In the opinion of the Responsible Entity, there were no other significant changes in the state of affairs of the Fund that occurred during the financial reporting period.

## **Directors' report (continued)**

### **Events occurring after the reporting period**

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect:

- (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.

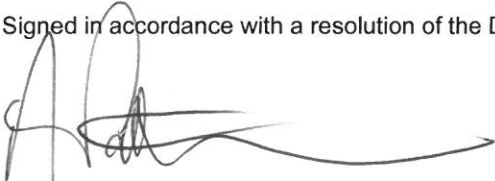
### **Rounding of amounts to the nearest thousand dollars**

Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, unless otherwise indicated.

### **Auditor's independence declaration**

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 2023.

Signed in accordance with a resolution of the Directors of Perennial Investment Management Limited.



A. Patterson

Director

Perennial Investment Management Limited

Sydney

12 March 2024



# 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 Daintree Core Income Fund (Managed Fund) (formerly eInvest Core Income Fund (Managed Fund))

I declare that, to the best of my knowledge and belief, in relation to the review of Daintree Core Income Fund (Managed Fund) (formerly eInvest Core Income Fund (Managed Fund)) for the half-year ended 31 December 2023 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

KPMG

Joshua Pearse  
*Partner*

Melbourne

12 March 2024

**Daintree Core Income Fund (Managed Fund)**  
**(formerly elinvest Core Income Fund (Managed Fund))**  
**Statement of comprehensive income**  
**For the half-year ended 31 December 2023**

**Statement of comprehensive income**

	Notes	For the half-year ended	
		31 December	31 December
		2023	2022
		\$'000	\$'000
<b>Investment income</b>			
Interest income		3	1
Dividend/distribution income		392	130
Other income		48	34
Net gains/(losses) on financial instruments at fair value through profit or loss		406	(32)
<b>Total investment income</b>		<u>849</u>	<u>133</u>
<b>Expenses</b>			
Responsible Entity fees		38	33
Other expenses		9	9
<b>Total expenses</b>		<u>47</u>	<u>42</u>
<b>Total comprehensive income for the half-year</b>		<u>802</u>	<u>91</u>

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

**Daintree Core Income Fund (Managed Fund)**  
**(formerly elinvest Core Income Fund (Managed Fund))**  
**Statement of financial position**  
**As at 31 December 2023**

**Statement of financial position**

	Notes	As at	
		31 December 2023 \$'000	30 June 2023 \$'000
<b>Assets</b>			
Cash and cash equivalents		625	172
Receivables		21	27
Financial assets at fair value through profit or loss	4	17,671	18,978
<b>Total assets</b>		18,317	19,177
<b>Liabilities</b>			
Distributions payable		63	219
Payables		9	8
<b>Total liabilities</b>		72	227
<b>Net assets attributable to unitholders - equity</b>	2	18,245	18,950

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

**Daintree Core Income Fund (Managed Fund)**  
**(formerly elinvest Core Income Fund (Managed Fund))**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2023**

**Statement of changes in equity**

	Notes	For the half-year ended	
		31 December	31 December
		2023	2022
		\$'000	\$'000
<b>Total equity at the beginning of the half-year</b>		18,950	18,377
<b>Comprehensive income for the half-year</b>			
Profit for the half-year		802	91
Other comprehensive income for the half-year		-	-
<b>Total comprehensive income for the half-year</b>		<u>802</u>	<u>91</u>
<b>Transactions with unitholders</b>			
Applications	2	492	950
Redemptions	2	(1,679)	(709)
Reinvestment of distributions	2	14	-
Distributions to unitholders	2	<u>(334)</u>	<u>(48)</u>
<b>Total equity at the end of the half-year</b>		<u>18,245</u>	<u>18,661</u>

Changes in net assets attributable to unitholders are disclosed in note 2 of the financial statements.

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



**Daintree Core Income Fund (Managed Fund)**  
**(formerly elinvest Core Income Fund (Managed Fund))**  
**Statement of cash flows**  
**For the half-year ended 31 December 2023**

**Statement of cash flows**

	<b>For the half-year ended</b>	
<b>Notes</b>	<b>31 December 2023 \$'000</b>	<b>31 December 2022 \$'000</b>
<b><i>Cash flows from operating activities</i></b>		
Proceeds from sale of financial instruments at fair value through profit or loss	1,746	712
Payments for the purchase of financial instruments at fair value through profit or loss	-	(945)
Dividend/distribution received	392	130
Interest received	3	1
Other income received	24	10
Responsible Entity fees paid	(40)	(32)
Other expenses paid	(9)	(8)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>2,116</b>	<b>(132)</b>
<b><i>Cash flows from financing activities</i></b>		
Proceeds from applications by unitholders	492	950
Payments for redemptions by unitholders	(1,665)	(709)
Distributions paid	(490)	(651)
<b>Net cash outflow from financing activities</b>	<b>(1,663)</b>	<b>(410)</b>
<b><i>Net increase/(decrease) in cash and cash equivalents</i></b>	<b>453</b>	<b>(542)</b>
Cash and cash equivalents at the beginning of the half-year	172	630
<b>Cash and cash equivalents at the end of the half-year</b>	<b>625</b>	<b>88</b>

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

## **1 Basis of preparation of interim financial report**

This interim financial report for the half-year ended 31 December 2023 has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*.

This interim financial report does not include all the notes of the type normally included in a set of annual financial statements. Accordingly, this report should be read in conjunction with the annual financial statements for the reporting period ended 30 June 2023.

The financial statements were authorised for issue by the Directors on 12 March 2024. The Directors of the Responsible Entity have the power to amend and reissue the financial statements.

The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim reporting period except for the adoption of any new and amended standards as set out below.

### *Compliance with International Financial Reporting Standards*

Compliance with AASB 134 ensures that the interim financial report of the Fund, comprising the financial statements and notes thereto, complies with International Accounting Standard IAS 34 *Interim Financial Reporting*.

#### **(a) New and amended standards and interpretations adopted by the Fund**

There are no new accounting standards, interpretations amendments to existing standards that are effective for the first time for the period beginning 1 July 2023 that have a material impact on the amounts recognized in the prior periods or will affect the current or future periods.

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

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

**Daintree Core Income Fund (Managed Fund)**  
**(formerly elinvest Core Income Fund (Managed Fund))**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2023**  
**(continued)**

## 2 Net assets attributable to unitholders

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

Units are redeemed on demand at the unitholders' option. The holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

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

	For the half-year ended			
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	No. '000	No. '000	\$'000	\$'000
Opening balance	394	387	18,950	18,377
Applications	10	40	492	950
Redemptions	(35)	(35)	(1,679)	(709)
Reinvestment of distributions	-	-	14	-
Distributions paid and payable	-	-	(334)	(48)
Profit for the half-year	-	-	802	91
<b>Closing balance</b>	<b>369</b>	<b>392</b>	<b>18,245</b>	<b>18,661</b>

## 3 Distributions to unitholders

The distributions paid and payable for the half-year were paid as follows:

	For the half-year ended			
	31 December	31 December	31 December	31 December
	2023	2023	2022	2022
	\$'000	CPU	\$'000	CPU
<b>Distributions</b>				
July	16	4.00	13	3.50
August	67	17.00	7	1.75
September	64	17.00	7	1.75
October	61	17.00	7	1.75
November	63	17.00	7	1.75
December (payable)	63	17.00	7	1.75
<b>Total distributions</b>	<b>334</b>	<b>89.00</b>	<b>48</b>	<b>12.25</b>

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

	As at	
	31 December	30 June
	2023	2023
	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>		
Unlisted unit trust	17,671	18,978
<b>Total financial assets at fair value through profit or loss</b>	<b>17,671</b>	<b>18,978</b>

## 5 Fair value measurement

The Fund is required 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:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: 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); quoted prices for similar securities in active and/or inactive markets; market-corroborated inputs; inputs that are developed based on available market data and reflect assumptions that markets would use when pricing similar securities.
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

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 Fund's financial assets measured at fair value according to the fair value hierarchy at the reporting date.

All fair value measurements disclosed are recurring fair value measurements.

	Level 1	Level 2	Level 3	Total
As at 31 December 2023	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>				
Unlisted unit trust	-	17,671	-	17,671
<b>Total</b>	<b>-</b>	<b>17,671</b>	<b>-</b>	<b>17,671</b>
As at 30 June 2023	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>				
Unlisted unit trust	-	18,978	-	18,978
<b>Total</b>	<b>-</b>	<b>18,978</b>	<b>-</b>	<b>18,978</b>

The pricing for the majority of the Fund's investments is generally sourced from independent pricing sources, the relevant Investment Managers or reliable brokers' quotes.

Investments whose values are based on quoted market prices in active markets, e.g. recognised stock exchanges, and therefore classified within level 1, include exchange traded derivatives.

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. The observable inputs include prices and/or those derived from prices.

Level 2 investments could include those that are not traded in active markets and/or are subject to transfer restrictions (e.g. redemption restrictions). Valuations for these investments may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. Typically, prices of units in unlisted managed investment trusts that are either published on the investment manager's website and/or circulated among market participants as executable quotes are categorised as level 2.

## **5 Fair value measurement (continued)**

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. Level 3 instruments include certain unlisted unit trusts and corporate debt securities. As observable prices are not available for these securities, valuation techniques are used to derive fair value.

Where a valuation model technique is used, the Responsible Entity considers other liquidity, credit and market risk factors, and adjusts the model as deemed necessary.

There were no level 1 and 3 instruments as at 31 December 2023 (30 June 2023: Nil).

There were no transfers between any levels as at 31 December 2023 (30 June 2023: Nil).

## **6 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 Fund disclosed in the statement of financial position as at 31 December 2023 or on the results and cash flows of the Fund for the half-year ended on that date.

## **7 Contingent assets, liabilities and commitments**

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2023 and 30 June 2023.

## **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 2023 and of its performance, as represented by the results of its operations and cash flows, for the half-year ended on that date; and
- (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.



A. Patterson

Director

Perennial Investment Management Limited

Sydney

12 March 2024



# Independent Auditor's Review Report

To the Unitholders of Daintree Core Income Fund (Managed Fund) (formerly eInvest Core Income Fund (Managed Fund))

## Conclusion

We have reviewed the accompanying **Interim Financial Report** of Daintree Core Income Fund (Managed Fund) (formerly 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 Daintree Core Income Fund (Managed Fund) (formerly 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 2023 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 2023;
- Statement of profit or loss and other comprehensive income for the Interim Period ended on that date;
- Notes 1 to 7 comprising material accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Interim Period** is the 6 months ended on 31 December 2023.

## 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 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
- for 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 responsibility 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 Scheme's financial position as at 31 December 2023 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 Pearce  
*Partner*

Melbourne

12 March 2024