

Investors Mutual Limited
Managed Investment Schemes
Financial reports for the period ended 30 June 2023

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The Responsible Entity of the Schemes listed below is Investors Mutual Limited (ABN 14 078 030 752) The Responsible Entity's registered office is:

Investors Mutual Limited
Level 24
25 Bligh Street
Sydney, NSW 2000

The financial reports consist of 9 separate Schemes:

Investors Mutual All Industrials Share Fund
ARSN 093 182 195

Investors Mutual Australian Share Fund
ARSN 093 182 695

Investors Mutual Concentrated Australian Share Fund
ARSN 145 759 879

Investors Mutual Equity Income Fund
ARSN 107 095 438

Investors Mutual Future Leaders Fund
ARSN 093 182 828

Investors Mutual Private Portfolio Fund
ARSN 624 888 035

Investors Mutual Small Cap Fund
ARSN 122 918 496

Investors Mutual Australian Smaller Companies Fund
ARSN 093 182 471

IML Sustainable Future Fund
ARSN 663 590 243

Directors' report

The directors of Investors Mutual Limited, the Responsible Entity of the following Schemes:

| Statutory name | Referred to in this documents as | Financial reporting period |
|---|------------------------------------|----------------------------------|
| Investors Mutual All Industrials Share Fund | All Industrials Share Fund | 1 July 2022 to 30 June 2023 |
| Investors Mutual Australian Share Fund | Australian Share Fund | 1 July 2022 to 30 June 2023 |
| Investors Mutual Concentrated Australian Share Fund | Concentrated Australian Share Fund | 1 July 2022 to 30 June 2023 |
| Investors Mutual Equity Income Fund | Equity Income Fund | 1 July 2022 to 30 June 2023 |
| Investors Mutual Future Leaders Fund | Future Leaders Fund | 1 July 2022 to 30 June 2023 |
| Investors Mutual Private Portfolio Fund | Private Portfolio Fund | 1 July 2022 to 30 June 2023 |
| Investors Mutual Small Cap Fund | Small Cap Fund | 1 July 2022 to 30 June 2023 |
| Investors Mutual Australian Smaller Companies Fund | Smaller Companies Fund | 1 July 2022 to 30 June 2023 |
| IML Sustainable Future Fund | Sustainable Future Fund | 20 December 2022 to 30 June 2023 |

present their report together with the financial reports of the Schemes for the period ended 30 June 2023 and the audit report thereon.

Responsible Entity

The Responsible Entity of the Schemes is Investors Mutual Limited (ABN 14 078 030 752). The Responsible Entity's registered office is:

Investors Mutual Limited
Level 24
25 Bligh Street
Sydney, NSW 2000

Principal activities

During the period, the Schemes continued to invest in accordance with target asset allocations as set out in the governing documents of the Schemes and in accordance with the provisions of the Schemes' Constitutions.

The Schemes did not have any employees during the period.

There were no significant changes in the nature of the Schemes' activities during the period.

Directors' report (Continued)

Directors

The following persons held office as directors of Investors Mutual Limited during the period or since the end of the period and up to the date of this report:

Anton Tagliaferro (resigned 5 Jan 2023)
Hugh Giddy
Simon Conn
Fabrice Chemouny (resigned 8 May 2023)
Jerome Urvoy (appointed 8 May 2023)
James Orfanos
Damon Hambly
Eric Ward

Review and results of operations

The performance of the Schemes, as represented by the results of their operations, were as follows:

| | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|--------------------------------|----------------------------|---------------------------|---------------------------|---------------------------|------------------------------------|---------------------------|
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Net operating profit/(loss) | 15,433 | 2,547 | 154,339 | 38,773 | 20,742 | 6,532 |
| Distributions | | | | | | |
| Distributions paid and payable | 8,395 | 16,499 | 89,971 | 170,308 | 4,524 | 3,665 |
| Distributions (cents per unit) | 9.17 | 16.58 | 18.12 | 31.53 | 4.18 | 3.30 |

Directors' report (Continued)

Review and results of operations (continued)

| | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|--------------------------------------|---------------------------|
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Net operating profit/(loss) | 52,743 | 44,111 | 14,654 | (34,830) | 3,918 | 1,556 |
| Distributions – Class A | | | | | | |
| Distributions paid and payable | 34,121 | 32,917 | 13,663 | 45,160 | 2,783 | 2,210 |
| Distributions (cents per unit) | 6.25 | 5.79 | 3.89 | 11.66 | 7.60 | 6.47 |
| Distributions – Class B | | | | | | |
| Distributions paid and payable | – | – | – | – | 437 | 93 |
| Distributions (cents per unit) | – | – | – | – | 7.65 | 4.66 |
| | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund ² | |
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$ ¹ | |
| Net operating profit/(loss) | 1,262 | (2,834) | 5,971 | (11,335) | 464,978 | |
| Distributions | | | | | | |
| Distributions paid and payable | 941 | 605 | 4,950 | 19,373 | 125,420 | |
| Distributions (cents per unit) | 5.24 | 2.77 | 6.37 | 26.19 | 1.67 | |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

Directors' report (continued)

Significant changes in the state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Schemes that occurred during the financial period.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect:

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

Likely developments and expected results of operations

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

The results of the Schemes' operations will be affected by a number of factors, including the performance of investment markets in which the Schemes invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information on likely developments in the operation of the Schemes 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 Schemes.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Schemes in regards to insurance cover provided to either the officers of Investors Mutual Limited or the auditors of the Schemes. So long as the officers of Investors Mutual Limited act in accordance with the Schemes' Constitutions and the Law, the officers remain indemnified out of the assets of the Schemes against losses incurred while acting on behalf of the Schemes. The auditors of the Schemes are in no way indemnified out of the assets of the Schemes.

Fees paid to and interests held in the Schemes by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of the Schemes' property during the financial period are disclosed in Note 10 of the financial reports.

No fees were paid out of Schemes' property to the directors of the Responsible Entity during the financial period.

The number of interests in the Schemes held by the Responsible Entity or its associates as at the end of the financial period are disclosed in Note 10 of the financial reports.

Directors' report (continued)

Interests in the Schemes

The movement in units on issue in the Schemes during the financial period is disclosed in Note 4 of the financial reports.

The value of the Schemes' assets and liabilities is disclosed on the statements of financial position and derived using the basis set out in Note 2 of the financial reports.

Environmental regulation

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

Rounding of amounts to the nearest thousand dollars

The Schemes are entities of the kind referred to in *Australian Securities and Investments Commission ("ASIC") (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars or nearest dollar, unless otherwise indicated.

Single set of financial statements

The Schemes are of the kind referred to in *ASIC Corporations (Related Scheme Reports) Instrument 2015/839* issued by the ASIC and in accordance with that ASIC Instrument, Schemes with a common Responsible Entity (or related responsible entities) can include their financial statements in adjacent columns in a single set of financial statements

Proceeds from redeeming units in a Scheme can be applied to acquire units in other Schemes included in these financial statements. All the Schemes are open-ended.

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 8.

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



Damon Hambly
Director

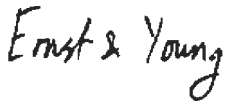
Sydney
15 September 2023

Auditor's Independence Declaration to the Directors of Investors Mutual Limited, as Responsible Entity for the following Schemes

- ▶ Investors Mutual Australian Share Fund
- ▶ Investors Mutual Equity Income Fund
- ▶ Investors Mutual Australian Smaller Companies Fund
- ▶ Investors Mutual All Industrials Share Fund
- ▶ IML Sustainable Future Fund
- ▶ Investors Mutual Future Leaders Fund
- ▶ Investors Mutual Small Cap Fund
- ▶ Investors Mutual Concentrated Australian Share Fund
- ▶ Investors Mutual Private Portfolio Fund

As lead auditor for the audits of the financial reports of the Schemes listed above for the relevant financial period ended 30 June 2023, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Ernst & Young



Luke Slater
Partner
15 September 2023

Investors Mutual Limited
Managed Investment Schemes
Statements of profit or loss and other comprehensive income
For the period ended 30 June 2023

Statements of profit or loss and other comprehensive income

| | | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|--|-------|----------------------------|-----------------|-----------------------|-----------------|------------------------------------|-----------------|
| | | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Investment Income | | | | | | | |
| Interest income | 3 | 158 | 1 | 1,144 | 10 | 766 | 7 |
| Dividend and distribution income | | 5,533 | 6,174 | 57,755 | 60,728 | 6,293 | 5,972 |
| Net gains/(losses) in the fair value of investments | | 11,349 | (1,570) | 111,044 | (3,524) | 15,962 | 2,775 |
| Other operating income | | 1 | 3 | 54 | 65 | — | 30 |
| Total investment income | | 17,041 | 4,608 | 169,997 | 57,279 | 23,021 | 8,784 |
| Expenses | | | | | | | |
| Interest expenses | | — | 2 | 26 | 22 | 6 | 8 |
| Responsible Entity's fees | 10 | 1,491 | 1,783 | 14,706 | 17,096 | 2,155 | 2,162 |
| Transaction costs | | 117 | 276 | 926 | 1,388 | 118 | 82 |
| Total operating expenses | | 1,608 | 2,061 | 15,658 | 18,506 | 2,279 | 2,252 |
| Operating profit/(loss) | | 15,433 | 2,547 | 154,339 | 38,773 | 20,742 | 6,532 |
| Total comprehensive income for the financial period | 4 | 15,433 | 2,547 | 154,339 | 38,773 | 20,742 | 6,532 |

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

Investors Mutual Limited
Managed Investment Schemes
Statements of profit or loss and other comprehensive income
For the period ended 30 June 2023

Statements of profit or loss and other comprehensive income

| | | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
|--|-------|--------------------|-----------------|---------------------|-----------------|------------------------|-----------------|
| | | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Investment Income | | | | | | | |
| Interest income | 3 | 1,368 | 239 | 228 | 4 | 275 | 10 |
| Dividend and distribution income | | 21,909 | 20,395 | 15,395 | 13,403 | 1,639 | 968 |
| Net gains/(losses) in the fair value of investments | | 35,380 | 29,820 | 2,674 | (42,856) | 2,859 | 1,262 |
| Other operating income | | — | 1 | 90 | 57 | 32 | 10 |
| Total investment income | | 58,657 | 50,455 | 18,387 | (29,392) | 4,805 | 2,250 |
| Expenses | | | | | | | |
| Interest expenses | | 103 | 163 | — | — | 23 | — |
| Responsible Entity's fees | 10 | 5,082 | 5,267 | 3,376 | 4,698 | 402 | 332 |
| Performance fees | 10 | — | — | — | — | 200 | 95 |
| Transaction costs | | 729 | 914 | 357 | 740 | 241 | 230 |
| Short selling expenses | | — | — | — | — | 3 | 11 |
| Other operating expenses | | — | — | — | — | 18 | 26 |
| Total operating expenses | | 5,914 | 6,344 | 3,733 | 5,438 | 887 | 694 |
| Operating profit/(loss) | | 52,743 | 44,111 | 14,654 | (34,830) | 3,918 | 1,556 |
| Total comprehensive income for the financial period | 4 | 52,743 | 44,111 | 14,654 | (34,830) | 3,918 | 1,556 |

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

Investors Mutual Limited
Managed Investment Schemes
Statements of profit or loss and other comprehensive income
For the period ended 30 June 2023

Statements of profit or loss and other comprehensive income

| | | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund ² |
|--|-------|---------------------------|---------------------------|---------------------------|---------------------------|--------------------------------------|
| | | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$ ¹ |
| | Notes | | | | | |
| Investment Income | | | | | | |
| Interest income | 3 | 11 | — | 189 | 2 | 12,475 |
| Dividend and distribution income | | 1,221 | 946 | 4,285 | 3,700 | 144,325 |
| Net gains/(losses) in the fair value of investments | | 372 | (3,307) | 2,714 | (13,372) | 365,494 |
| Other operating income | | 8 | 5 | 32 | 26 | — |
| Total investment income | | 1,612 | (2,356) | 7,220 | (9,644) | 522,294 |
| Expenses | | | | | | |
| Responsible Entity's fees | 10 | 313 | 418 | 1,111 | 1,440 | 41,176 |
| Transaction costs | | 37 | 60 | 138 | 251 | 16,140 |
| Total operating expenses | | 350 | 478 | 1,249 | 1,691 | 57,316 |
| Operating profit/(loss) | | 1,262 | (2,834) | 5,971 | (11,335) | 464,978 |
| Total comprehensive income for the financial period | 4 | 1,262 | (2,834) | 5,971 | (11,335) | 464,978 |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

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

Investors Mutual Limited
Managed Investment Schemes
Statements of financial position
As at 30 June 2023

Statements of financial position

| | | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|--|-------|----------------------------|-----------------|-----------------------|------------------|------------------------------------|-----------------|
| | | As at | | As at | | As at | |
| | | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Assets | | | | | | | |
| Cash and cash equivalents | 6 | 3,887 | 27,083 | 25,769 | 87,537 | 36,951 | 39,374 |
| Other receivables | | 28 | 38 | 293 | 339 | 42 | 42 |
| Due from brokers - receivable for securities sold | | — | — | — | 17,113 | — | 265 |
| Application receivable | | 34 | 26 | 451 | 550 | 167 | 117 |
| Dividends/distributions receivable | | 662 | 669 | 3,311 | 3,752 | 280 | 319 |
| Financial assets at fair value through profit or loss | 7 | 143,228 | 130,247 | 1,399,750 | 1,472,237 | 196,223 | 175,868 |
| Total assets | | 147,839 | 158,063 | 1,429,574 | 1,581,528 | 233,663 | 215,985 |
| Liabilities | | | | | | | |
| Distributions payable | 5 | 7,268 | 12,353 | 59,025 | 136,555 | 2,460 | 1,477 |
| Due to brokers - payable for securities purchased | | — | 628 | — | 1,144 | 407 | 447 |
| Redemptions payable | | 69 | 132 | 1,138 | 1,518 | 250 | 407 |
| Other payables | | 120 | 130 | 1,165 | 1,302 | 189 | 175 |
| Financial liabilities at fair value through profit or loss | 8 | — | 13 | 636 | 227 | — | — |
| Total liabilities | | 7,457 | 13,256 | 61,964 | 140,746 | 3,306 | 2,506 |
| Net assets attributable to unitholders - equity | 4 | 140,382 | 144,807 | 1,367,610 | 1,440,782 | 230,357 | 213,479 |

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

Investors Mutual Limited
Managed Investment Schemes
Statements of financial position
As at 30 June 2023

Statements of financial position

| | | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund ¹ | |
|--|-------|--------------------|-----------------|---------------------|-----------------|-------------------------------------|-----------------|
| | | As at | | As at | | As at | |
| | | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Assets | | | | | | | |
| Cash and cash equivalents | 6 | 60,589 | 85,387 | 13,960 | 26,155 | 13,708 | 15,721 |
| Other receivables | | 98 | 227 | 64 | 94 | 12 | 50 |
| Due from brokers - receivable for securities sold | | 192 | 75 | 1,474 | 65 | 135 | 2,340 |
| Application receivable | | 398 | 108 | 98 | 146 | 21 | — |
| Dividends/distributions receivable | | 2,535 | 1,619 | 191 | 262 | 211 | 78 |
| Financial assets at fair value through profit or loss | 7 | 453,358 | 428,847 | 299,547 | 358,112 | 35,091 | 23,228 |
| Total assets | | 517,170 | 516,263 | 315,334 | 384,834 | 49,178 | 41,417 |
| Liabilities | | | | | | | |
| Distributions payable | 5 | 8,611 | 9,308 | 6,304 | 33,044 | 2,051 | 1,659 |
| Due to brokers - payable for securities purchased | | 70 | 5,184 | 218 | 449 | 128 | 588 |
| Redemptions payable | | 528 | 758 | 734 | 422 | 30 | — |
| Other payables | | 416 | 417 | 255 | 321 | 237 | 156 |
| Financial liabilities at fair value through profit or loss | 8 | 3,385 | 3,078 | — | — | 1,328 | 2,001 |
| Total liabilities | | 13,010 | 18,745 | 7,511 | 34,236 | 3,774 | 4,404 |
| Net assets attributable to unitholders - equity | 4 | 504,160 | 497,518 | 307,823 | 350,598 | 45,404 | 37,013 |

¹ Net assets attributable to unitholders for the Private Portfolio Fund are liabilities and not equity.

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

Investors Mutual Limited
Managed Investment Schemes
Statements of financial position
As at 30 June 2023

Statements of financial position

| | | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund ² |
|--|---|----------------|---------------|------------------------|----------------|--------------------------------------|
| | | As at | | As at | | As at |
| | | 30 June | 30 June | 30 June | 30 June | 30 June |
| | | 2023 | 2022 | 2023 | 2022 | 2023 |
| Notes | | \$'000 | \$'000 | \$'000 | \$'000 | \$ ¹ |
| Assets | | | | | | |
| Cash and cash equivalents | 6 | 743 | 1,142 | 8,712 | 13,985 | 794,388 |
| Other receivables | | 6 | 9 | 23 | 27 | 1,493 |
| Due from brokers - receivable for securities sold | | 183 | 71 | 842 | 172 | – |
| Application receivable | | 2 | – | 12 | 24 | – |
| Dividends/distributions receivable | | 13 | 34 | 29 | 55 | 30,898 |
| Financial assets at fair value through profit or loss | 7 | 22,379 | 29,666 | 99,392 | 102,377 | 7,144,644 |
| Total assets | | 23,326 | 30,922 | 109,010 | 116,640 | 7,971,423 |
| Liabilities | | | | | | |
| Distributions payable | 5 | 363 | 384 | 2,937 | 14,211 | 125,420 |
| Due to brokers - payable for securities purchased | | 34 | 156 | 133 | 443 | – |
| Redemptions payable | | 31 | 12 | 56 | 70 | – |
| Other payables | | 22 | 30 | 88 | 96 | 6,445 |
| Total liabilities | | 450 | 582 | 3,214 | 14,820 | 131,865 |
| Net assets attributable to unitholders - equity | 4 | 22,876 | 30,340 | 105,796 | 101,820 | 7,839,558 |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

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

Investors Mutual Limited
Managed Investment Schemes
Statements of changes in equity
For the period ended 30 June 2023

Statements of changes in equity

| | | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|--|-------|----------------------------|-----------------|-----------------------|-----------------|------------------------------------|-----------------|
| | | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Total equity at the beginning of the financial period | | 144,807 | 196,350 | 1,440,782 | 1,757,812 | 213,479 | 216,254 |
| Comprehensive income for the period | | | | | | | |
| Profit/(loss) for the period | | 15,433 | 2,547 | 154,339 | 38,773 | 20,742 | 6,532 |
| Other comprehensive income | | — | — | — | — | — | — |
| Total comprehensive income | | 15,433 | 2,547 | 154,339 | 38,773 | 20,742 | 6,532 |
| Transactions with unitholders | | | | | | | |
| Applications | 4 | 10,545 | 10,711 | 173,143 | 173,898 | 65,098 | 43,810 |
| Redemptions | 4 | (22,242) | (48,437) | (335,449) | (375,401) | (64,564) | (49,682) |
| Reinvestment of distributions | 4 | 234 | 135 | 24,766 | 16,008 | 126 | 230 |
| Distributions paid and payable | 4,5 | (8,395) | (16,499) | (89,971) | (170,308) | (4,524) | (3,665) |
| Total transactions with unitholders | | (19,858) | (54,090) | (227,511) | (355,803) | (3,864) | (9,307) |
| Total equity at the end of the financial period | | 140,382 | 144,807 | 1,367,610 | 1,440,782 | 230,357 | 213,479 |

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

Investors Mutual Limited
Managed Investment Schemes
Statements of changes in equity
For the period ended 30 June 2023

Statements of changes in equity

| | | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund ¹ | |
|--|-------|--------------------|-----------------|---------------------|-----------------|-------------------------------------|-----------------|
| | | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Total equity at the beginning of the financial period | | 497,518 | 535,785 | 350,598 | 485,737 | 37,013 | 23,740 |
| Comprehensive income for the period | | | | | | | |
| Profit/(loss) for the period | | 52,743 | 44,111 | 14,654 | (34,830) | 3,918 | 1,556 |
| Other comprehensive income | | — | — | — | — | — | — |
| Total comprehensive income | | 52,743 | 44,111 | 14,654 | (34,830) | 3,918 | 1,556 |
| Transactions with unitholders | | | | | | | |
| Applications | 4 | 100,279 | 95,758 | 41,254 | 44,608 | 14,982 | 21,159 |
| Redemptions | 4 | (112,714) | (145,615) | (88,030) | (100,771) | (7,289) | (7,142) |
| Reinvestment of distributions | 4 | 455 | 396 | 3,010 | 1,014 | — | 3 |
| Distributions paid and payable | 4,5 | (34,121) | (32,917) | (13,663) | (45,160) | (3,220) | (2,303) |
| Total transactions with unitholders | | (46,101) | (82,378) | (57,429) | (100,309) | 4,473 | 11,717 |
| Total equity at the end of the financial period | | 504,160 | 497,518 | 307,823 | 350,598 | 45,404 | 37,013 |

¹ Net assets attributable to unitholders for the Private Portfolio Fund are liabilities and not equity.

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

Investors Mutual Limited
Managed Investment Schemes
Statements of changes in equity
For the period ended 30 June 2023

Statements of changes in equity

| | | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund ² |
|--|-------|-----------------|-----------------|------------------------|-----------------|--------------------------------------|
| | | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$ ¹ |
| Total equity at the beginning of the financial period | | 30,340 | 36,361 | 101,820 | 153,763 | – |
| Comprehensive income for the period | | | | | | |
| Profit/(loss) for the period | | 1,262 | (2,834) | 5,971 | (11,335) | 464,978 |
| Other comprehensive income | | – | – | – | – | – |
| Total comprehensive income | | 1,262 | (2,834) | 5,971 | (11,335) | 464,978 |
| Transactions with unitholders | | | | | | |
| Applications | 4 | 1,846 | 4,323 | 21,084 | 19,995 | 7,500,000 |
| Redemptions | 4 | (9,692) | (6,932) | (20,269) | (43,858) | – |
| Reinvestment of distributions | 4 | 61 | 27 | 2,140 | 2,628 | – |
| Distributions paid and payable | 4,5 | (941) | (605) | (4,950) | (19,373) | (125,420) |
| Total transactions with unitholders | | (8,726) | (3,187) | (1,995) | (40,608) | 7,374,580 |
| Total equity at the end of the financial period | | 22,876 | 30,340 | 105,796 | 101,820 | 7,839,558 |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

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

Investors Mutual Limited
Managed Investment Schemes
Statements of cash flows
For the period ended 30 June 2023

Statements of cash flows

| | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|---|----------------------------|-----------------|-----------------------|------------------|------------------------------------|-----------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash flows from operating activities | | | | | | |
| Proceeds from sale of investments | 69,048 | 117,237 | 378,187 | 512,636 | 27,319 | 41,485 |
| Cash paid for purchase of investments | (71,321) | (58,073) | (178,279) | (213,861) | (31,485) | (15,739) |
| Transaction cost paid | (117) | (276) | (926) | (1,388) | (118) | (82) |
| Dividend/distribution received | 5,540 | 6,091 | 58,196 | 60,043 | 6,332 | 5,846 |
| Interest received | 158 | 1 | 1,144 | 10 | 766 | 7 |
| Other income received | 15 | 3 | 74 | 84 | — | 30 |
| Responsible Entity's fee paid | (1,505) | (1,815) | (14,843) | (17,300) | (2,141) | (2,165) |
| Payment of other expenses | — | (2) | — | (22) | (6) | (8) |
| Net cash inflow/(outflow) from operating activities | 1,818 | 63,166 | 243,553 | 340,202 | 667 | 29,374 |
| 14(a) | | | | | | |
| Cash flows from financing activities | | | | | | |
| Proceeds from applications by unitholders | 10,537 | 10,718 | 173,242 | 173,738 | 65,048 | 43,815 |
| Payments for redemptions by unitholders | (22,305) | (48,434) | (335,829) | (376,138) | (64,721) | (49,586) |
| Distributions paid | (13,246) | (5,126) | (142,735) | (94,398) | (3,416) | (3,750) |
| Net cash inflow/(outflow) from financing activities | (25,014) | (42,842) | (305,322) | (296,798) | (3,089) | (9,521) |
| Net increase/(decrease) in cash and cash equivalents | (23,196) | 20,324 | (61,769) | 43,404 | (2,422) | 19,853 |
| Cash and cash equivalents at the beginning of the period | 27,083 | 6,759 | 87,538 | 44,133 | 39,373 | 19,521 |
| Cash and cash equivalents at the end of the period | 3,887 | 27,083 | 25,769 | 87,537 | 36,951 | 39,374 |
| 14(b), 6 | | | | | | |

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

Investors Mutual Limited
Managed Investment Schemes
Statements of cash flows
For the period ended 30 June 2023

Statements of cash flows

| | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
|---|--------------------|-----------------|---------------------|-----------------|------------------------|-----------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash flows from operating activities | | | | | | |
| Proceeds from sale of investments | 136,957 | 242,364 | 129,352 | 322,138 | 40,133 | 64,398 |
| Cash paid for purchase of investments | (131,013) | (176,446) | (69,753) | (252,880) | (48,043) | (70,430) |
| Transaction cost paid | (729) | (914) | (357) | (740) | (241) | (230) |
| Dividend/distribution received | 20,993 | 20,163 | 15,466 | 13,752 | 1,485 | 955 |
| Interest received | 1,386 | 118 | 228 | 4 | 262 | — |
| Other income received | — | 1 | 120 | 64 | 60 | 9 |
| Responsible Entity's fee paid | (5,083) | (5,294) | (3,442) | (4,777) | (420) | (344) |
| Payment of other expenses | 8 | (167) | — | — | (122) | (243) |
| Net cash inflow/(outflow) from operating activities | 22,519 | 79,825 | 71,614 | 77,561 | (6,886) | (5,885) |
| Cash flows from financing activities | | | | | | |
| Proceeds from applications by unitholders | 99,989 | 96,110 | 41,302 | 44,668 | 14,961 | 21,159 |
| Payments for redemptions by unitholders | (112,943) | (146,195) | (87,718) | (100,876) | (7,259) | (7,162) |
| Distributions paid | (34,363) | (29,875) | (37,393) | (14,050) | (2,829) | (1,268) |
| Net cash inflow/(outflow) from financing activities | (47,317) | (79,960) | (83,809) | (70,258) | 4,873 | 12,729 |
| Net increase/(decrease) in cash and cash equivalents | (24,798) | (135) | (12,195) | 7,303 | (2,013) | 6,844 |
| Cash and cash equivalents at the beginning of the period | 85,387 | 85,522 | 26,155 | 18,852 | 15,721 | 8,877 |
| Cash and cash equivalents at the end of the period | 60,589 | 85,387 | 13,960 | 26,155 | 13,708 | 15,721 |

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

Investors Mutual Limited
Managed Investment Schemes
Statements of cash flows
For the period ended 30 June 2023

Statements of cash flows

| | | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund ² |
|---|----------|-----------------|-----------------|------------------------|-----------------|--------------------------------------|
| | | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$ ¹ |
| Cash flows from operating activities | | | | | | |
| Proceeds from sale of investments | | 13,882 | 19,379 | 41,510 | 106,364 | 567,435 |
| Cash paid for purchase of investments | | (6,456) | (17,127) | (36,791) | (71,186) | (7,346,585) |
| Transaction cost paid | | (37) | (60) | (138) | (251) | (16,140) |
| Dividend/distribution received | | 1,242 | 965 | 4,311 | 3,844 | 113,427 |
| Interest received | | 11 | — | 189 | 2 | 12,475 |
| Other income received | | 11 | 6 | 36 | 33 | — |
| Responsible Entity's fee paid | | (321) | (423) | (1,119) | (1,477) | (34,731) |
| Payment of other expenses | | — | — | — | — | (1,493) |
| Net cash inflow/(outflow) from operating activities | 14(a) | 8,332 | 2,740 | 7,998 | 37,329 | (6,705,612) |
| Cash flows from financing activities | | | | | | |
| Proceeds from applications by unitholders | | 1,844 | 4,322 | 21,096 | 19,983 | 7,500,000 |
| Payments for redemptions by unitholders | | (9,673) | (7,034) | (20,283) | (44,326) | — |
| Distributions paid | | (902) | (432) | (14,084) | (13,289) | — |
| Net cash inflow/(outflow) from financing activities | | (8,731) | (3,144) | (13,271) | (37,632) | 7,500,000 |
| Net increase/(decrease) in cash and cash equivalents | | (399) | (404) | (5,273) | (303) | 794,388 |
| Cash and cash equivalents at the beginning of the period | | 1,142 | 1,546 | 13,985 | 14,288 | — |
| Cash and cash equivalents at the end of the period | 14(b), 6 | 743 | 1,142 | 8,712 | 13,985 | 794,388 |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

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

1 General information

These financial reports cover the following Schemes (the "Schemes") which are Australian registered managed investment Schemes. The Schemes were constituted on the dates set out below, and will terminate on the dates set out below unless terminated earlier in accordance with the provisions of the Schemes' Constitutions.

| | Constituted Date | Termination Date | Financial reporting period |
|------------------------------------|------------------|------------------|----------------------------------|
| All Industrials Share Fund | 29 June 1998 | 28 June 2078 | 1 July 2022 to 30 June 2023 |
| Australian Share Fund | 29 June 1998 | 28 June 2078 | 1 July 2022 to 30 June 2023 |
| Concentrated Australian Share Fund | 11 August 2010 | 10 August 2090 | 1 July 2022 to 30 June 2023 |
| Equity Income Fund | 17 November 2003 | 16 November 2083 | 1 July 2022 to 30 June 2023 |
| Future Leaders Fund | 29 June 1998 | 28 June 2078 | 1 July 2022 to 30 June 2023 |
| Private Portfolio Fund | 22 March 2018 | 21 March 2098 | 1 July 2022 to 30 June 2023 |
| Small Cap Fund | 28 November 2006 | 27 November 2086 | 1 July 2022 to 30 June 2023 |
| Smaller Companies Fund | 29 June 1998 | 28 June 2078 | 1 July 2022 to 30 June 2023 |
| Sustainable Future Fund | 16 November 2022 | 16 November 2102 | 20 December 2022 to 30 June 2023 |

The Responsible Entity of the Schemes listed above is Investors Mutual Limited (the "Responsible Entity") which is incorporated and domiciled in Australia. The Responsible Entity's registered office is Level 24, 25 Bligh Street, Sydney, NSW 2000.

The financial reports were authorised for issue by the directors on 15 September 2023. The directors of the Responsible Entity have the power to amend and reissue the financial reports.

2 Summary of significant accounting policies

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

(a) Basis of preparation

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

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

The financial reports are prepared on a historical cost basis except for investments which have been measured at fair value.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

The Statements of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial assets and liabilities at fair value through profit or loss and net assets attributable to unitholders. The amount expected to be recovered or settled within twelve months in relation to these balances cannot be reliably determined.

The financial reports are presented in Australian dollars.

(i) *Compliance with International Financial Reporting Standards*

The financial reports also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

(ii) *New and amended standards adopted by the Schemes*

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial period 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) New accounting standards and interpretations

A number of new standards, amendments to standards and interpretations are effective for annual periods after 1 July 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Schemes.

(c) Investment entity exception

The Schemes, where applicable, have multiple investments which are controlled by them. However, management determines that the Schemes, where applicable, are a qualifying investment entity due to the following factors:

- The Schemes obtain and manage funds for the purpose of providing investors of the Schemes with investment management services.
- The Schemes' business purpose, which is communicated directly to the investors, is to invest funds solely for returns from capital appreciation and investment income. The Schemes measure and evaluate the performance of substantially all of its investments on a fair value basis.
- The Schemes have multiple investments and multiple investors.
- The Schemes also meet all of the typical characteristics of an investment entity. As a consequence, the Schemes do not consolidate these investments, but accounts for them at fair value through profit or loss.

2 Summary of significant accounting policies (continued)

(c) Investment entity exception (continued)

These separate financial statements are the only financial statements presented by the Schemes.

(d) Structured entities

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. Structured entities are generally created to achieve a narrow and well defined objective with restrictions around their ongoing activities. Depending on the Schemes' power over the activities of the entity and their exposure to and ability to influence its own returns, they may control the entity. In other cases they may have exposure to such an entity but not control it.

An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Schemes.

The Schemes typically have no other involvement with the structured entity other than the securities they hold as part of trading activities and its maximum exposure to loss is restricted to the carrying value of the asset.

Exposure to trading assets are managed in accordance with financial risk management practices as set out in Note 11, which includes an indication of changes in risk measures compared to prior period.

(e) Investments

Financial instruments at fair value through profit or loss

Investments of the Schemes which are considered to be financial instruments at fair value through profit and loss are equity securities, units in managed investment schemes, derivative financial instruments such as futures and options and some interest bearing securities which have been acquired principally for the purpose of selling in the near term.

(i) Recognition/derecognition

Purchases and sales of financial instruments that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised on the trade date, i.e. the date that the Schemes commit to purchase or sell the assets.

(ii) Initial Measurement

All investments are initially recognised at fair value, being the fair value of the consideration paid excluding transaction costs.

2 Summary of significant accounting policies (continued)

(e) Investments (continued)

(iii) Subsequent Measurement

After initial recognition, the financial instruments are revalued to fair value at each reporting date.

For investments that are actively traded in organised financial markets, fair value is determined by reference to exchange quoted market bid prices at the close of business on the reporting date.

For investments with no active market, fair values are determined using valuation techniques. Such techniques include: using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flows analysis and option pricing models making as much use of available and supportable market data as possible and keeping judgmental inputs to a minimum.

The fair value of units in the Schemes are determined by reference to published bid prices at the close of business on the reporting date being the redemption prices as established by the underlying Scheme's Responsible Entity. The floating rate notes are valued at gross (including interest) rather than net of interest. Fixed interest securities are valued at fair value through profit or loss, and interest income is recognised on the date that the Schemes are entitled to receive the interest coupon.

Changes in fair value of investments are recognised in the statements of profit or loss and other comprehensive income.

The Schemes do not designate any derivatives as hedges in a hedging relationship.

Offsetting financial instruments

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

(f) Net assets attributable to unitholders

Net assets attributable to unitholders comprise units on issue and undistributed reserves. In order to allow the Scheme to elect into the Attribution Managed Investment Trust ("AMIT") tax regime, the Scheme's Constitution has been amended and other conditions required to adopt the AMIT tax regime have also been met. The amendment of the Scheme's Constitution removes the Responsible Entity's contractual obligation to distribute trust income to unitholders. As the Responsible Entity no longer has any contractual obligations to pay distributions, and the units on issue, for all Schemes except for Private Portfolio Fund, comprise one class of units with identical features which are equally subordinate to any other financial instruments on issue, the Scheme's net assets attributable to unitholders have been classified as equity in accordance with AASB 132 *Financial Instruments: Presentation*.

Net assets attributable to unitholders for the Private Portfolio Fund are liabilities and not equity.

The Schemes' capital is represented by the units, which are redeemable at the unitholders' option however the Responsible Entity may suspend redemption if it is in the best interest of unitholders.

2 Summary of significant accounting policies (continued)

(f) Net assets attributable to unitholders (continued)

Quantitative information about the Schemes' capital is provided in the statements of changes in equity and in Note 4. The units are entitled to dividends when declared and to payment of a proportionate share of the Schemes' net asset value on the redemption date or upon winding up of the Schemes.

A reconciliation of the number of units outstanding at the beginning and the end of each reporting period is provided in Note 4.

(g) Cash and cash equivalents

For statements of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, high liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings on the statements of financial position.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Schemes' main income generating activity.

Impairment

The Schemes record expected credit losses ("ECLs") on all of their receivables, amounts due from brokers, margin accounts and cash and cash equivalents, either on a 12-month or lifetime basis.

At 30 June 2023 and 30 June 2022, all receivables, amounts due from brokers, margin accounts and cash and cash equivalents are either callable on demand or due to be settled within 6 months. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Schemes.

(h) Investment income

Interest income is recognised in the statements of profit or loss and other comprehensive income for all financial instruments at amortised cost and at fair value through profit and loss. Breakdown of this income is shown in Note 3.

Interest income from financial assets measured at amortised cost is earned on cash and cash equivalents and margin accounts and is calculated 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 or interest expense 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 Schemes estimate 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.

2 Summary of significant accounting policies (continued)

(h) Investment income (continued)

Interest income from financial assets measured at fair value through profit or loss is income earned on fixed interest securities and floating rate note and is recognised on the date that the Scheme is entitled to receive the interest coupon.

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense.

Dividends declared on securities sold short are recorded as a dividend expense on the ex-dividend date.

Trust distributions are recognised on an entitlement basis.

(i) Expenses

All expenses, including Responsible Entity's fees and reimbursable expenses, are recognised in the statements of profit or loss and other comprehensive income on an accruals basis.

(j) Income tax

Under current legislation, the Schemes are not subject to income tax since the Responsible Entity has elected into the AMIT tax regime and unitholders are attributed the income of each 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 Schemes are not subject to capital gains tax.

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

The Schemes currently incur withholding tax imposed by certain countries on investment income. Such income is recorded net of withholding tax in the statements of profit or loss and other comprehensive income.

(k) Distributions

Distributions are payable as set out in the Schemes' Constitution. Such distributions are determined by the Responsible Entity of the Schemes. Distributable income includes capital gains arising from the disposal of financial assets and liabilities held for trading. Unrealised gains and losses on financial assets and liabilities held for trading that are recognised as income are transferred to net assets attributable to unitholders and are not assessable and distributable until realised. Capital losses are not distributed to unitholders but are retained to be offset against any realised capital gains.

(l) Unit price

The unit price is based on unit price accounting outlined in the Schemes' Constitutions and Product Disclosure Statements.

2 Summary of significant accounting policies (continued)

(m) Foreign currency translation

(i) Functional and presentation currency

Items included in the Schemes' financial reports 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 Schemes compete for funds and is regulated. The Australian dollar is also the Schemes' 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 period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of profit or loss and other comprehensive income.

(n) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the period. Trades are recorded on trade date, and normally settled within three business days. Refer to Note 2(g) for details around estimated credit losses treatment.

(o) Receivables

Receivables may include amounts for dividends, interest and trust distributions. Dividends and 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 Note 2(h) above. Amounts are generally received within 30 days of being recorded as receivables. Refer to Note 2(g) for details around estimated credit losses treatment.

(p) Payables

Payables includes liabilities and accrued expenses owing by the Schemes which are unpaid as at the end of the reporting period.

Trades are recorded on trade date, and normally settled within two business days. Purchases of financial instruments that are unsettled at reporting date are included in payables.

The distribution amount payable to unitholders as at the reporting date is recognised separately on the statements of financial position when distributions to unitholders are declared.

(q) Applications and redemptions

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

2 Summary of significant accounting policies (continued)

(r) Goods and Services Tax ("GST")

The GST incurred on the costs of various services provided to the Schemes by third parties such as custodial services and investment management fees have been passed onto the Schemes. The Schemes qualify for Reduced Input Tax Credits ("RITCs") at a rate of at least 55%; hence investment management fees, custodial fees and other expenses have been recognised in statements of profit or loss and other comprehensive income 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 statements of financial position. Cash flows relating to GST are included in the statements of cash flows on a gross basis.

(s) Use of estimates

The Schemes make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Schemes' financial instruments, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and yearly reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(t) Rounding of amounts to the nearest thousand dollars

The Schemes are entities of the kind referred to in *Australian Securities and Investments Commission ("ASIC") (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars or nearest dollar, unless otherwise indicated.

(u) Comparatives

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

3 Interest income

| | Average \$'000 | 30 June 2023 Interest \$'000 | Average % | Average \$'000 | 30 June 2022 Interest \$'000 | Average % |
|---|-------------------|---------------------------------------|--------------|-------------------|---------------------------------------|--------------|
| All Industrials Share Fund | | | | | | |
| Cash and cash equivalents | 5,950 | 158 | 2.66 | 7,341 | 1 | 0.02 |
| | | <u>158</u> | | | <u>1</u> | |
| Australian Share Fund | | | | | | |
| Cash and cash equivalents | 43,724 | 1,144 | 2.62 | 51,161 | 10 | 0.02 |
| | | <u>1,144</u> | | | <u>10</u> | |
| Concentrated Australian Share Fund | | | | | | |
| Cash and cash equivalents | 31,325 | 766 | 2.44 | 26,469 | 7 | 0.03 |
| | | <u>766</u> | | | <u>7</u> | |

Refer to Note 2(h) to the financial report on interest income recognition. Interest on cash and cash equivalents is calculated using the EIR method.

3 Interest income (continued)

| | Average \$'000 | 30 June 2023 Interest \$'000 | Average % | Average \$'000 | 30 June 2022 Interest \$'000 | Average % |
|-----------------------------------|-------------------|---------------------------------------|--------------|-------------------|---------------------------------------|--------------|
| Equity Income Fund | | | | | | |
| Cash and cash equivalents | 67,110 | 1,490 | 2.07 | 72,825 | 10 | 0.01 |
| Interest bearing securities | — | (122) | — | 5,234 | 229 | 4.38 |
| | | <u>1,368</u> | | | <u>239</u> | |
| Future Leaders Fund | | | | | | |
| Cash and cash equivalents | 9,361 | 228 | 2.44 | 16,457 | 4 | 0.03 |
| | | <u>228</u> | | | <u>4</u> | |
| Private Portfolio Fund | | | | | | |
| Cash and cash equivalents | 12,724 | 258 | 1.84 | 13,578 | (16) | (0.12) |
| Interest bearing securities | 985 | 17 | 1.73 | 835 | 26 | 3.11 |
| | | <u>275</u> | | | <u>10</u> | |

Refer to Note 2(h) to the financial report on interest income recognition. Interest on cash and cash equivalents is calculated using the EIR method.

Investors Mutual Limited
Managed Investment Schemes
Notes to the financial reports
For the period ended 30 June 2023
(continued)

3 Interest income (continued)

| | Average \$'000 | 30 June 2023 Interest \$'000 | Average % | Average \$'000 | 30 June 2022 Interest \$'000 | Average % |
|--|----------------------------|--|--------------|-------------------|---------------------------------------|--------------|
| Small Cap Fund | | | | | | |
| Cash and cash equivalents | 373 | 11 | 2.83 | 1,193 | — | 0.03 |
| | | <u>11</u> | | | <u>—</u> | |
| | | | | | | |
| | Average \$'000 | 30 June 2023 Interest \$'000 | Average % | Average \$'000 | 30 June 2022 Interest \$'000 | Average % |
| Smaller Companies Fund | | | | | | |
| Cash and cash equivalents | 7,335 | 189 | 2.58 | 7,073 | 2 | 0.02 |
| | | <u>189</u> | | | <u>2</u> | |
| | | | | | | |
| | Average \$ ¹ | 30 June 2023 Interest \$ ¹ | Average % | | | |
| Sustainable Future Fund² | | | | | | |
| Cash and cash equivalents | 777,686 | 12,475 | 1.60 | | | |
| | | <u>12,475</u> | | | | |

Refer to Note 2(h) to the financial report on interest income recognition. Interest on cash and cash equivalents is calculated using the EIR method.

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

4 Net assets attributable to unitholders

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Schemes shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

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

| All Industrials Share Fund | 30 June 2023 No.('000) | 30 June 2022 No.('000) | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
|---|---------------------------------------|---------------------------------------|------------------------------------|------------------------------------|
| Opening balance | 98,231 | 120,683 | 144,807 | 196,350 |
| Applications | 6,773 | 6,421 | 10,545 | 10,711 |
| Redemptions | (14,214) | (28,955) | (22,242) | (48,437) |
| Units issued upon reinvestment of distributions | 158 | 82 | 234 | 135 |
| Distributions paid and payable | — | — | (8,395) | (16,499) |
| Total comprehensive income for the period | — | — | 15,433 | 2,547 |
| Closing balance | 90,948 | 98,231 | 140,382 | 144,807 |
| Australian Share Fund | 30 June 2023 No.('000) | 30 June 2022 No.('000) | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Opening balance | 534,802 | 595,780 | 1,440,782 | 1,757,812 |
| Applications | 61,130 | 57,421 | 173,143 | 173,898 |
| Redemptions | (117,892) | (123,777) | (335,449) | (375,401) |
| Units issued upon reinvestment of distributions | 9,133 | 5,378 | 24,766 | 16,008 |
| Distributions paid and payable | — | — | (89,971) | (170,308) |
| Total comprehensive income for the period | — | — | 154,339 | 38,773 |
| Closing balance | 487,173 | 534,802 | 1,367,610 | 1,440,782 |

4 Net assets attributable to unitholders (continued)

| Concentrated Australian Share Fund | 30 June 2023 No.('000) | 30 June 2022 No.('000) | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
|---|---------------------------------------|---------------------------------------|------------------------------------|------------------------------------|
| Opening balance | 113,480 | 116,464 | 213,479 | 216,254 |
| Applications | 32,698 | 22,616 | 65,098 | 43,810 |
| Redemptions | (33,393) | (25,720) | (64,564) | (49,682) |
| Units issued upon reinvestment of distributions | 66 | 120 | 126 | 230 |
| Distributions paid and payable | — | — | (4,524) | (3,665) |
| Total comprehensive income for the period | — | — | 20,742 | 6,532 |
| Closing balance | 112,851 | 113,480 | 230,357 | 213,479 |
| Equity Income Fund | 30 June 2023 No.('000) | 30 June 2022 No.('000) | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Opening balance | 552,034 | 606,283 | 497,518 | 535,785 |
| Applications | 107,323 | 104,281 | 100,279 | 95,758 |
| Redemptions | (120,977) | (158,964) | (112,714) | (145,615) |
| Units issued upon reinvestment of distributions | 503 | 434 | 455 | 396 |
| Distributions paid and payable | — | — | (34,121) | (32,917) |
| Total comprehensive income for the period | — | — | 52,743 | 44,111 |
| Closing balance | 538,883 | 552,034 | 504,160 | 497,518 |
| Future Leaders Fund | 30 June 2023 No.('000) | 30 June 2022 No.('000) | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Opening balance | 381,622 | 429,350 | 350,598 | 485,737 |
| Applications | 44,209 | 38,300 | 41,254 | 44,608 |
| Redemptions | (95,649) | (86,878) | (88,030) | (100,771) |
| Units issued upon reinvestment of distributions | 3,317 | 850 | 3,010 | 1,014 |
| Distributions paid and payable | — | — | (13,663) | (45,160) |
| Total comprehensive income for the period | — | — | 14,654 | (34,830) |
| Closing balance | 333,499 | 381,622 | 307,823 | 350,598 |

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4 Net assets attributable to unitholders (continued)

| Private Portfolio Fund | 30 June 2023 No.('000) | 30 June 2022 No.('000) | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
|--|---------------------------------------|---------------------------------------|------------------------------------|------------------------------------|
| Class A | | | | |
| Opening balance | 35,051 | 23,476 | 35,156 | 23,740 |
| Applications | 8,321 | 18,332 | 8,687 | 19,140 |
| Redemptions | (6,716) | (6,760) | (6,883) | (7,117) |
| Units issued upon reinvestment of distributions | — | 3 | — | 3 |
| Distributions paid and payable | — | — | (2,783) | (2,210) |
| Total comprehensive income for the period | — | — | 3,594 | 1,600 |
| Closing balance – classified as liability | 36,656 | 35,051 | 37,771 | 35,156 |
| Class B | | | | |
| Opening balance | 1,999 | — | 1,857 | — |
| Applications | 6,388 | 2,025 | 6,295 | 2,019 |
| Redemptions | (414) | (26) | (406) | (25) |
| Distributions paid and payable | — | — | (437) | (93) |
| Total comprehensive income for the period | — | — | 324 | (44) |
| Closing balance – classified as liability | 7,973 | 1,999 | 7,633 | 1,857 |
| Small Cap Fund | | | | |
| | 30 June 2023 No.('000) | 30 June 2022 No.('000) | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Opening balance | 21,678 | 23,260 | 30,340 | 36,361 |
| Applications | 1,280 | 2,628 | 1,846 | 4,323 |
| Redemptions | (6,852) | (4,226) | (9,692) | (6,932) |
| Units issued upon reinvestment of distributions | 45 | 16 | 61 | 27 |
| Distributions paid and payable | — | — | (941) | (605) |
| Total comprehensive income for the period | — | — | 1,262 | (2,834) |
| Closing balance | 16,151 | 21,678 | 22,876 | 30,340 |

4 Net assets attributable to unitholders (continued)

| Smaller Companies Fund | 30 June 2023 No.('000) | 30 June 2022 No.('000) | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
|---|------------------------------|------------------------------|---------------------------|---------------------------|
| Opening balance | 74,053 | 84,572 | 101,820 | 153,763 |
| Applications | 14,675 | 10,667 | 21,084 | 19,995 |
| Redemptions | (14,486) | (22,609) | (20,269) | (43,858) |
| Units issued upon reinvestment of distributions | 1,566 | 1,423 | 2,140 | 2,628 |
| Distributions paid and payable | — | — | (4,950) | (19,373) |
| Total comprehensive income for the period | — | — | 5,971 | (11,335) |
| Closing balance | 75,808 | 74,053 | 105,796 | 101,820 |

| Sustainable Future Fund ² | 30 June 2023 No. ¹ | 30 June 2023 \$ ¹ |
|---|-------------------------------------|------------------------------------|
| Opening balance | — | — |
| Applications | 7,500,000 | 7,500,000 |
| Distributions paid and payable | — | (125,420) |
| Total comprehensive income for the period | — | 464,978 |
| Closing balance | 7,500,000 | 7,839,558 |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

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

For the period ended 30 June 2023, there were two separate classes of units in the Private Portfolio Fund and each unit has the same right attaching to it as all other units in the same class of this Scheme. Unitholders of A class and B class units are both entitled to being notified of any general meetings regarding of the Fund, voting rights and dividends. The difference between the class units is in regards to fees as outlined in the Product Disclosure Statement and Information Memorandum.

Units are redeemed on demand at the unitholder's option. However, 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.

4 Net assets attributable to unitholders (continued)

Capital risk management

The Schemes consider net assets attributable to unitholders as capital. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Schemes are subject to daily applications and redemptions at the discretion of unitholders.

The Responsible Entity monitors the impact of applications and redemptions relative to the liquid assets in the Schemes.

Capital gains/(losses)

At the reporting date, the Schemes had the following net unrealised taxable capital gains/(losses) and realised capital losses available to offset against future assessable capital gains.

| | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|-----------------------------------|----------------------------|--------------|-----------------------|--------------|------------------------------------|--------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Unrealised capital gains/(losses) | 22,068 | 17,937 | 308,026 | 275,347 | 19,226 | 10,453 |
| Realised capital (losses) | — | — | — | — | (1,864) | (783) |

| | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
|-----------------------------------|--------------------|--------------|---------------------|--------------|------------------------|--------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Unrealised capital gains/(losses) | (36,615) | (74,885) | (51,637) | (45,913) | 395 | (113) |
| Realised capital (losses) | (85,272) | (67,710) | — | — | (119) | — |

4 Net assets attributable to unitholders (continued)

Capital gains/(losses) (continued)

| | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund ² |
|-----------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|--------------------------------------|
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$ ¹ |
| Unrealised capital gains/(losses) | (5,489) | (5,798) | (18,130) | (19,295) | 168,894 |
| Realised capital (losses) | (3,683) | (3,740) | — | — | — |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

5 Distribution to unitholders

The distributions for the period were as follows:

| | 30 June 2023 \$'000 | 30 June 2023 CPU | 30 June 2022 \$'000 | 30 June 2022 CPU |
|-----------------------------------|---------------------------|------------------------|---------------------------|------------------------|
| All Industrials Share Fund | | | | |
| Distributions | | | | |
| Distributions paid - December | 1,127 | 1.18 | 4,146 | 4.00 |
| Distributions payable - June | 7,268 | 7.99 | 12,353 | 12.58 |
| | 8,395 | | 16,499 | |
| Australian Share Fund | | | | |
| Distributions | | | | |
| Distributions paid - December | 30,946 | 6.00 | 33,753 | 6.00 |
| Distributions payable - June | 59,025 | 12.12 | 136,555 | 25.53 |
| | 89,971 | | 170,308 | |

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5 Distribution to unitholders (continued)

| Concentrated Australian Share Fund | 30 June 2023 \$'000 | 30 June 2023 CPU | 30 June 2022 \$'000 | 30 June 2022 CPU |
|---|------------------------------------|---------------------------------|------------------------------------|---------------------------------|
| Distributions | | | | |
| Distributions paid - December | 2,064 | 2.00 | 2,188 | 2.00 |
| Distributions payable - June | 2,460 | 2.18 | 1,477 | 1.30 |
| | 4,524 | | 3,665 | |
| Equity Income Fund | 30 June 2023 \$'000 | 30 June 2023 CPU | 30 June 2022 \$'000 | 30 June 2022 CPU |
| Distributions | | | | |
| Distributions paid - September | 8,260 | 1.50 | 8,279 | 1.40 |
| Distributions paid - December | 8,238 | 1.50 | 8,059 | 1.40 |
| Distributions paid - March | 9,011 | 1.65 | 7,271 | 1.30 |
| Distributions payable - June | 8,612 | 1.60 | 9,308 | 1.69 |
| | 34,121 | | 32,917 | |
| Future Leaders Fund | 30 June 2023 \$'000 | 30 June 2023 CPU | 30 June 2022 \$'000 | 30 June 2022 CPU |
| Distributions | | | | |
| Distributions paid - December | 7,359 | 2.00 | 12,116 | 3.00 |
| Distributions payable - June | 6,304 | 1.89 | 33,044 | 8.66 |
| | 13,663 | | 45,160 | |
| Private Portfolio Fund | 30 June 2023 \$'000 | 30 June 2023 CPU | 30 June 2022 \$'000 | 30 June 2022 CPU |
| Distributions – Class A | | | | |
| Distributions paid - December | 1,098 | 3.00 | 644 | 2.00 |
| Distributions payable - June | 1,685 | 4.60 | 1,566 | 4.47 |
| | 2,783 | | 2,210 | |
| Distributions – Class B | | | | |
| Distributions paid – December | 66 | 3.00 | – | – |
| Distributions payable - June | 371 | 4.65 | 93 | 4.66 |
| | 437 | | 93 | |

5 Distribution to unitholders (continued)

| | 30 June 2023 \$'000 | 30 June 2023 CPU | 30 June 2022 \$'000 | 30 June 2022 CPU |
|--|---------------------------|------------------------|---------------------------|------------------------|
| Small Cap Fund | | | | |
| Distributions | | | | |
| Distributions paid - December | 578 | 3.00 | 221 | 1.00 |
| Distributions payable - June | 363 | 2.24 | 384 | 1.77 |
| | 941 | | 605 | |
| | | | | |
| Smaller Companies Fund | | | | |
| Distributions | | | | |
| Distributions paid - December | 2,013 | 2.50 | 5,162 | 7.00 |
| Distributions payable - June | 2,937 | 3.87 | 14,211 | 19.19 |
| | 4,950 | | 19,373 | |
| | | | | |
| Sustainable Future Fund² | | | | |
| Distributions | | | | |
| Distributions payable - June | 125,420 | 1.67 | | |
| | 125,420 | | | |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

6 Cash and cash equivalents

| | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|----------------------------------|----------------------------|---------------------------|-------------------------------|---------------------------|--|---------------------------|
| | As at | | As at | | As at | |
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Cash and cash equivalents | | | | | | |
| Cash at bank | 3,633 | 26,698 | 19,212 | 84,432 | 34,617 | 36,747 |
| Margin accounts* | 254 | 385 | 6,557 | 3,105 | 2,334 | 2,627 |
| | 3,887 | 27,083 | 25,769 | 87,537 | 36,951 | 39,374 |
| | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
| | As at | | As at | | As at | |
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Cash and cash equivalents | | | | | | |
| Cash at bank | 32,578 | 35,487 | 13,821 | 26,019 | 6,629 | 10,889 |
| Margin accounts* | 28,011 | 49,900 | 139 | 136 | 7,079 | 4,832 |
| | 60,589 | 85,387 | 13,960 | 26,155 | 13,708 | 15,721 |
| | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund² | |
| | As at | | As at | | As at | |
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$ ¹ | |
| Cash and cash equivalents | | | | | | |
| Cash at bank | 736 | 1,135 | 8,712 | 13,963 | 794,388 | |
| Margin accounts* | 7 | 7 | — | 22 | — | |
| | 743 | 1,142 | 8,712 | 13,985 | 794,388 | |

*These margin accounts are held by brokers.

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

7 Financial assets at fair value through profit or loss

| | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|---|----------------------------|---------------------------|---------------------------|---------------------------|------------------------------------|---------------------------|
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Financial assets at fair value through profit and loss | | | | | | |
| Listed equities | 138,152 | 124,016 | 1,366,226 | 1,419,559 | 191,650 | 168,376 |
| Listed unit trusts | 5,076 | 5,040 | 31,814 | 44,434 | 4,573 | 7,492 |
| Preference shares | — | — | 1,710 | 1,696 | — | — |
| Futures | — | 22 | — | 308 | — | — |
| Options | — | 1,169 | — | 6,240 | — | — |
| Total financial assets at fair value through profit and loss | 143,228 | 130,247 | 1,399,750 | 1,472,237 | 196,223 | 175,868 |

| | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Financial assets at fair value through profit and loss | | | | | | |
| Listed equities | 407,102 | 387,139 | 283,848 | 337,767 | 27,030 | 18,723 |
| Listed unit trusts | 42,960 | 32,693 | 15,699 | 20,345 | 4,354 | 2,394 |
| Preference shares | 3,296 | 2,490 | — | — | 2,385 | 2,394 |
| Interest bearing securities | — | 6,525 | — | — | 1,275 | 1,931 |
| Futures | — | — | — | — | 10 | 70 |
| Options | — | — | — | — | 36 | 110 |
| Total financial assets at fair value through profit and loss | 453,358 | 428,847 | 299,547 | 358,112 | 35,090 | 23,228 |

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

| | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund ² |
|---|---------------------------|---------------------------|---------------------------|---------------------------|--------------------------------------|
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$ ¹ |
| Financial assets at fair value through profit and loss | | | | | |
| Listed equities | 21,084 | 27,687 | 92,465 | 95,069 | 6,762,135 |
| Listed unit trusts | 1,295 | 1,979 | 6,927 | 7,308 | 382,509 |
| Total financial assets at fair value through profit and loss | 22,379 | 29,666 | 99,392 | 102,377 | 7,144,644 |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

8 Financial liabilities at fair value through profit or loss

| | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|--|----------------------------|---------------------------|---------------------------|---------------------------|------------------------------------|---------------------------|
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| Financial liabilities at fair value through profit and loss | | | | | | |
| Futures | – | – | 276 | – | – | – |
| Options | – | 13 | 360 | 227 | – | – |
| Total financial liabilities at fair value through profit and loss | – | 13 | 636 | 227 | – | – |

| | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 30 June 2022 \$'000 | 30 June 2021 \$'000 | 30 June 2022 \$'000 | 30 June 2022 \$'000 | 30 June 2022 \$'000 | 30 June 2022 \$'000 |
| Financial liabilities at fair value through profit and loss | | | | | | |
| Listed equities | – | – | – | – | – | 692 |
| Options | 3,385 | 3,078 | – | – | 1,328 | 1,309 |
| Total financial liabilities at fair value through profit and loss | 3,385 | 3,078 | – | – | 1,328 | 2,001 |

9 Derivative financial instruments

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

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

Derivative transactions include many different instruments, such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Schemes' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

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

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

The Schemes hold the following derivative instruments:

(a) Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised financial market.

(b) Options

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

9 Derivative financial instruments

| | All Industrials Share Fund | | | | | | Australian Share Fund | | | Concentrated Australian Share Fund | | |
|---------|----------------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|------------------------------------|--------------------------|-------------------------------|
| | 30 June 2023 | | 30 June 2022 | | 30 June 2023 | | 30 June 2022 | | 30 June 2023 | | 30 June 2022 | |
| | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 |
| Futures | - | - | 22 | - | - | 276 | 308 | - | - | - | - | - |
| Options | - | - | 1,169 | 13 | - | 360 | 6,240 | 227 | - | - | - | - |
| | - | - | 1,191 | 13 | - | 636 | 6,548 | 227 | - | - | - | - |

| | Equity Income Fund | | | | Future Leaders Fund | | | | Private Portfolio Fund | | | |
|---------|--------------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|-------------------------------|
| | 30 June 2023 | | 30 June 2022 | | 30 June 2023 | | 30 June 2022 | | 30 June 2023 | | 30 June 2022 | |
| | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 | Fair value Assets \$'000 | Fair value Liabilities \$'000 |
| Futures | - | - | - | - | - | - | - | - | 10 | - | 70 | - |
| Options | - | 3,385 | - | 3,078 | - | - | - | - | 36 | 1,328 | 110 | 1,309 |
| | - | 3,385 | - | 3,078 | - | - | - | - | 46 | 1,328 | 180 | 1,309 |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

An overview of the risk exposures relating to derivatives is included in Note 11.

10 Related party transactions

Responsible entity

The Responsible Entity of the following Schemes is Investors Mutual Limited, whose immediate and ultimate holding company is Natixis Investment Managers Participations 1.

- All Industrial Share Fund
- Australian Share Fund
- Concentrated Australian Share Fund
- Equity Income Fund
- Future Leaders Fund
- Private Portfolio Fund
- Small Cap Fund
- Smaller Companies Fund
- Sustainable Future Fund

Details of Key management personnel

(a) Responsible Entity

Investors Mutual Limited, the Responsible Entity of the Schemes, is considered to be Key Management Personnel with the authority for the strategic direction and management of the Schemes.

(b) Directors

The Directors of the Responsible Entity in office during the period and up to the date of the report are:

Anton Tagliaferro (resigned 5 Jan 2023)
Hugh Giddy
Simon Conn
Fabrice Chemouny (resigned 8 May 2023)
Jerome Urvoy (appointed 8 May 2023)
James Orfanos
Damon Hambly
Eric Ward

10 Related party transactions (continued)

Related party unitholdings

Parties related to the Schemes (including Investors Mutual Limited, its related parties and other schemes managed by Investors Mutual Limited), held units in the Schemes as follows:

| | Number of units held opening (Units) | Number of units held closing (Units) | Interest held % | Number of units acquired (Units) | Number of units disposed (Units) | Distributions declared by the Scheme \$ |
|---|---|---|-----------------------|---|---|---|
| Concentrated Australian Share Fund | | | | | | |
| 2023 | | | | | | |
| Unitholder | | | | | | |
| Cannae Birdies Pty Limited | 94,672 | 96,659 | 0.09 | 1,987 | - | 3,978 |
| Total | 94,672 | 96,659 | | 1,987 | - | 3,978 |
| 2022 | | | | | | |
| Unitholder | | | | | | |
| Cannae Birdies Pty Limited | 93,079 | 94,672 | 0.08 | 1,593 | - | 3,085 |
| Total | 93,079 | 94,672 | | 1,593 | - | 3,085 |

10 Related party transactions (continued)

Related party unitholdings (continued)

| | Number of units held opening (Units) | Number of units held closing (Units) | Interest held % | Number of units acquired (Units) | Number of units disposed (Units) | Distributions declared by the Scheme \$ |
|---|---|---|-----------------------|---|---|---|
| Private Portfolio Fund (Class A) | | | | | | |
| 2023 | | | | | | |
| Unitholder | | | | | | |
| AKAT Investments ATF Tag Family Trust | 2,269,506 | - | - | - | 2,269,506 | - |
| Total | 2,269,506 | - | | - | 2,269,506 | - |
| 2022 | | | | | | |
| Unitholder | | | | | | |
| AKAT Investments ATF Tag Family Trust | 4,146,735 | 2,269,506 | 6.13 | - | 1,877,229 | 184,306 |
| Total | 4,146,735 | 2,269,506 | | - | 1,877,229 | 184,306 |
| Small Cap Fund | | | | | | |
| 2023 | | | | | | |
| Unitholder | | | | | | |
| Hotchpotch Investments P/L ATF Conn Family Super Fund | 48,607 | 50,503 | 0.31 | 1,896 | - | 2,574 |
| Total | 48,607 | 50,503 | | 1,896 | - | 2,574 |
| 2022 | | | | | | |
| Unitholder | | | | | | |
| Hotchpotch Investments P/L ATF Conn Family Super Fund | 47,723 | 48,607 | 0.22 | 885 | - | 1,328 |
| Total | 47,723 | 48,607 | | 885 | - | 1,328 |

10 Related party transactions (continued)

Related party unitholdings (continued)

There were no related parties holding units in All Industrials Share Fund, Australian Share Fund, Equity Income Fund, Future Leaders Fund, Smaller Companies Fund and Sustainable Future Fund.

Key management personnel unitholdings

At 30 June 2023 and 30 June 2022, no key management personnel held units in the Schemes except the Concentrated Australian Share Fund and Small Cap Fund as noted above.

Key management personnel compensation

No amount is paid by the Schemes directly to the Directors of the Responsible Entity. Consequently, no compensation as defined in AASB 124 "Related Party Disclosures" is paid by the Schemes to the Directors as key management personnel.

Compensation is paid to the Responsible Entity in the form of fees as discussed below.

Key management personnel loan disclosures

The Schemes have 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.

Investments

The Schemes did not hold investments in Schemes which are also managed by Investors Mutual Limited or its related parties.

Other transactions within the Schemes

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

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

10 Related party transactions (continued)

Responsible Entity's fees and other transactions

For the period ended 30 June 2023, in accordance with the Schemes' Constitutions, the Responsible Entity received management fees based on the percentage below of the respective Schemes' net asset value (inclusive of GST, net of RITC available to the Schemes) per annum as follows:

All Industrials Share Fund 0.993% (2022: 0.993%)

Australian Share Fund 0.993% (2022: 0.993%)

Concentrated Australian Share Fund 0.993% (2022: 0.993%)

Equity Income Fund 0.993% (2022: 0.993%)

Future Leaders Fund 0.993% (2022: 0.993%)

Private Portfolio Fund (Class A) 0.993% (2022: 0.993%)

Private Portfolio Fund (Class B) 0.7% (2022: 0.7%)

Small Cap Fund 1.15% (2022: 1.15%)

Smaller Companies Fund 0.993% (2022: 0.993%)

Sustainable Future Fund 0.993%

10 Related party transactions (continued)

Responsible Entity's fees and other transactions (continued)

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

| | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|---|----------------------------|-----------------|------------------------|-----------------|--------------------------------------|-----------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Fees earned by the Responsible Entity for the management of investments | 1,491,471 | 1,783,592 | 14,705,723 | 17,095,585 | 2,155,456 | 2,162,157 |
| Fees payable to the Responsible Entity as at reporting date | 119,815 | 129,650 | 1,165,159 | 1,301,680 | 188,966 | 175,228 |
| | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Fees earned by the Responsible Entity for the management of investments | 5,082,578 | 5,267,321 | 3,375,303 | 4,698,616 | 401,554 | 331,911 |
| Fees payable to the Responsible Entity as at reporting date | 416,167 | 416,906 | 254,671 | 320,925 | 36,637 | 54,688 |
| | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund ¹ | |
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | |
| | \$ | \$ | \$ | \$ | \$ | |
| Fees earned by the Responsible Entity for the management of investments | 313,028 | 418,782 | 1,110,768 | 1,440,001 | 41,176 | |
| Fees payable to the Responsible Entity as at reporting date | 21,700 | 29,720 | 87,918 | 95,987 | 6,445 | |

¹ There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

\$200,202 (2022: \$95,069) performance fee was incurred in 2023 of which \$200,202 (2022: \$95,069) is payable as at 30 June 2023 by the Private Portfolio Fund to Investors Mutual Limited.

11 Financial risk management

The Schemes' overall risk management program focuses on ensuring compliance with the Schemes' Product Disclosure Statements and seeks to maximise the returns derived for the level of risk to which the Schemes are exposed. Financial risk management is carried out by an investment manager under policies approved by the investment manager.

(a) Strategy in using financial instruments

The allocation of assets between the various types of financial instruments is determined by the Schemes' investment manager as identified in the Schemes' Product Disclosure Statement who manages the Schemes' assets to achieve the Schemes' investment objectives. The monitoring of asset allocations and the composition of the assets is also monitored by the Schemes' investment manager on at least a monthly basis. The custody of assets is outsourced to Citigroup Pty Limited since 27 November 2021.

Financial instruments of the Schemes comprise of investments in financial assets for the purpose of generating a return on the investment made by the unitholders, in addition to derivatives (used from time to time), cash and cash equivalents, net assets attributable to unitholders, and other financial instruments such as trade debtors and creditors, which arise directly from its operations.

The Responsible Entity is responsible for identifying and controlling the risks that arise from these financial instruments. The Schemes' investing activities expose it to the following risks from its use of financial instruments:

- market risk
- credit risk
- liquidity risk

This note presents information about the Schemes' exposure to each of the above risks, the Schemes' objectives, policies and processes for measuring and managing risk.

The Responsible Entity has overall responsibility for the establishment and oversight of the Schemes' financial risk management framework.

The Responsible Entity oversees how management monitors compliance with the Schemes' financial risk management policies and procedures. The Responsible Entity also ensures the continued adequacy of the financial risk management framework.

Information is prepared and reported to relevant parties within the Responsible Entity on a regular basis as deemed appropriate, including the investment manager, compliance manager, other key management and ultimately the directors of the Responsible Entity.

11 Financial risk management (continued)

(a) Strategy in using financial instruments (continued)

The use of derivatives is considered to be part of the investment and asset management processes and is not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- As a substitute for physical securities until the physical position can be established;
- Adjusting asset exposures within the parameters set in the investment strategy; and
- Adjusting the duration of fixed interest assets or the weighted average maturity of cash assets.

Derivatives are not used to gear (leverage) an asset. Gearing an asset would occur if the level of exposure to the markets exceeds the underlying value of the Schemes.

(b) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other market prices will affect the Schemes' income or the carrying value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Schemes are exposed, particularly in equity assets, to market risks. The Schemes also utilise derivatives. The Schemes invest in securities traded on global markets, market risk is a risk to which exposure is unavoidable. The risk is mitigated through diversification of the portfolio that is captured by investments in various industries.

(i) Foreign exchange risk

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

The Schemes may enter into transactions denominated in currencies other than Australian dollars. The Schemes are therefore exposed to risks that the exchange rate of the Australian dollar relative to other foreign currencies may change and have an adverse effect on the Schemes' assets and liabilities denominated in currencies other than the Australian dollar.

At 30 June 2023 and 30 June 2022 none of the Schemes are exposed to foreign exchange risk. Foreign currency exposure is monitored by the investment managers. The investment managers aim to remove effect of foreign currency on the Schemes' investments wherever it is possible and prudent to do so.

11 Financial risk management (continued)

(b) Market risk (continued)

(ii) 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 Schemes are exposed to interest rate risk on its cash holdings and margin accounts. Interest income from cash holdings and margin accounts is earned at variable interest rates. Investments in cash holdings are at call.

The Schemes' exposure to interest rate risk and the effective weighted average interest rate of classes of financial assets and financial liabilities is set out below:

| All Industrials Share Fund | Weight Average interest rate | Floating interest rate | More than 1 and less than 3 months | More than 3 and less than 12 months | 1 to 5 years | Greater than 5 years | Total |
|----------------------------|---------------------------------|---------------------------|--|---|-----------------|-------------------------|--------|
| 30 June 2023 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 2.66 | 3,887 | - | - | - | - | 3,887 |
| Net exposure | | 3,887 | - | - | - | - | 3,887 |
| 30 June 2022 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 0.02 | 27,083 | - | - | - | - | 27,083 |
| Net exposure | | 27,083 | - | - | - | - | 27,083 |

Sensitivity analysis

An increase of 0.75% (2022: 0.75%) in interest rates applicable at reporting date would have increased operating profit or loss in 2023 by \$44,622.34 (2022: \$55,057). A decrease of 0.75% (2022: 0.75%) would have the equal but opposite effect to the amounts shown. There will be no impact on net assets attributable to unitholders other than the change in operating profit or loss. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis in 2022.

11 Financial risk management (continued)

(b) Market risk (continued)

(ii) Interest rate risk (continued)

| Australian Share Fund | Weight Average interest rate | Floating interest rate | More than 1 and less than 3 months | More than 3 and less than 12 months | 1 to 5 years | Greater than 5 years | Total |
|---------------------------|---------------------------------|---------------------------|--|---|-----------------|-------------------------|--------|
| 30 June 2023 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 2.62 | 25,769 | — | — | — | — | 25,769 |
| Net exposure | | 25,769 | — | — | — | — | 25,769 |
| 30 June 2022 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 0.02 | 87,537 | — | — | — | — | 87,537 |
| Net exposure | | 87,537 | — | — | — | — | 87,537 |

Sensitivity analysis

An increase of 0.75% (2022: 0.75%) in interest rates applicable at reporting date would have increased operating profit or loss in 2023 by \$327,930 (2022: \$383,709). A decrease of 0.75% (2022: 0.75%) would have the equal but opposite effect to the amounts shown. There was no impact on net assets attributable to unitholders other than the change in operating profit or loss. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis in 2022.

11 Financial risk management (continued)

(b) Market risk (continued)

(ii) Interest rate risk (continued)

| Concentrated Australian Share Fund | Weight Average interest rate | Floating interest rate | More than 1 and less than 3 months | More than 3 and less than 12 months | 1 to 5 years | Greater than 5 years | Total |
|------------------------------------|---------------------------------|---------------------------|--|---|-----------------|-------------------------|--------|
| | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 30 June 2023 | | | | | | | |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 2.44 | 36,951 | — | — | — | — | 36,951 |
| Net exposure | | 36,951 | — | — | — | — | 36,951 |
| 30 June 2022 | | | | | | | |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 0.03 | 39,374 | — | — | — | — | 39,374 |
| Net exposure | | 39,374 | — | — | — | — | 39,374 |

Sensitivity analysis

An increase of 0.75% (2022: 0.75%) in interest rates applicable at reporting date would have increased operating profit or loss in 2023 by \$234,940 (2022: \$198,519). A decrease of 0.75% (2022: 0.75%) would have the equal but opposite effect to the amounts shown. There will be no impact on net assets attributable to unitholders other than the change in operating profit or loss. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis in 2022.

11 Financial risk management (continued)

(b) Market risk (continued)

(ii) Interest rate risk (continued)

| Equity Income Fund | Weight Average interest rate | Floating interest rate | More than 1 and less than 3 months | More than 3 and less than 12 months | 1 to 5 years | Greater than 5 years | Total |
|-----------------------------|---------------------------------|---------------------------|--|---|-----------------|-------------------------|---------------|
| 30 June 2023 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | 2.07 | 60,589 | — | — | — | — | 60,589 |
| Cash and cash equivalents | — | — | — | — | — | — | — |
| Interest bearing securities | — | — | — | — | — | — | — |
| Net exposure | | 60,589 | — | — | — | — | 60,589 |
| 30 June 2022 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 0.01 | 85,387 | — | — | — | — | 85,387 |
| Interest bearing securities | 4.38 | — | — | — | — | 6,525 | 6,525 |
| Net exposure | | 85,387 | — | — | — | 6,525 | 91,912 |

Sensitivity analysis

An increase of 0.75% (2022: 0.75%) in interest rates applicable at reporting date would have increased operating profit or loss in 2023 by \$503,327 (2022: \$546,186). A decrease of 0.75% (2022: 0.75%) would have the equal but opposite effect to the amounts shown. There will be no impact on net assets attributable to unitholders other than the change in operating profit or loss. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis in 2022.

11 Financial risk management (continued)

(b) Market risk (continued)

(ii) Interest rate risk (continued)

| Future Leaders Fund | Weight Average interest rate | Floating interest rate | More than 1 and less than 3 months | More than 3 and less than 12 months | 1 to 5 years | Greater than 5 years | Total |
|---------------------------|---------------------------------|---------------------------|--|---|-----------------|-------------------------|--------|
| 30 June 2023 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 2.44 | 13,960 | — | — | — | — | 13,960 |
| Net exposure | | 13,960 | — | — | — | — | 13,960 |
| 30 June 2022 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 0.03 | 26,155 | — | — | — | — | 26,155 |
| Net exposure | | 26,155 | — | — | — | — | 26,155 |

Sensitivity analysis

An increase of 0.75% (2022: 0.75%) in interest rates applicable at reporting date would have increased operating profit or loss in 2023 by \$70,210 (2022: \$123,426). A decrease of 0.75% (2022: 0.75%) would have the equal but opposite effect to the amounts shown. There will be no impact on net assets attributable to unitholders other than the change in operating profit or loss. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis in 2022.

11 Financial risk management (continued)

(b) Market risk (continued)

(ii) Interest rate risk (continued)

| Private Portfolio Fund | Weight Average interest rate | Floating interest rate | More than 1 and less than 3 months | More than 3 and less than 12 months | 1 to 5 years | Greater than 5 years | Total |
|-----------------------------|---------------------------------|---------------------------|--|---|-----------------|-------------------------|--------|
| 30 June 2023 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 1.84 | 13,708 | — | — | — | — | 13,708 |
| Interest bearing securities | 1.73 | — | — | 597 | 678 | — | 1,275 |
| Net exposure | | 13,708 | — | 597 | 678 | — | 14,983 |
| 30 June 2022 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | (0.12) | 15,721 | — | — | — | — | 15,721 |
| Interest bearing securities | 3.11 | — | — | — | — | 1,931 | 1,931 |
| Net exposure | | 15,721 | — | — | — | 1,931 | 17,652 |

Sensitivity analysis

An increase of 0.75% (2022: 0.75%) in interest rates applicable at reporting date would have increased operating profit or loss in 2023 by \$95,430 (2022: \$101,838). A decrease of 0.75% (2022: 0.75%) would have the equal but opposite effect to the amounts shown. There will be no impact on net assets attributable to unitholders other than the change in operating profit or loss. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis in 2022.

11 Financial risk management (continued)

(b) Market risk (continued)

(ii) Interest rate risk (continued)

| Small Cap Fund | Weight Average interest rate | Floating interest rate | More than 1 and less than 3 months | More than 3 and less than 12 months | 1 to 5 years | Greater than 5 years | Total |
|---------------------------|---------------------------------|---------------------------|--|---|-----------------|-------------------------|--------|
| 30 June 2023 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 2.83 | 743 | — | — | — | — | 743 |
| Net exposure | | 743 | — | — | — | — | 743 |
| 30 June 2022 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 0.03 | 1,142 | — | — | — | — | 1,142 |
| Net exposure | | 1,142 | — | — | — | — | 1,142 |

Sensitivity analysis

An increase of 0.75% (2022: 0.75%) in interest rates applicable at reporting date would have increased operating profit or loss in 2023 by \$2,799 (2022: \$8,944). A decrease of 0.75% (2022: 0.75%) would have the equal but opposite effect to the amounts shown. There will be no impact on net assets attributable to unitholders other than the change in operating profit or loss. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis in 2022.

11 Financial risk management (continued)

(b) Market risk (continued)

(ii) Interest rate risk (continued)

| Smaller Companies Fund | Weight Average interest rate | Floating interest rate | More than 1 and less than 3 months | More than 3 and less than 12 months | 1 to 5 years | Greater than 5 years | Total |
|---------------------------|---------------------------------|---------------------------|--|---|-----------------|-------------------------|--------|
| 30 June 2023 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 2.58 | 8,712 | - | - | - | - | 8,712 |
| Net exposure | | 8,712 | - | - | - | - | 8,712 |
| 30 June 2022 | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 0.02 | 13,985 | - | - | - | - | 13,985 |
| Net exposure | | 13,985 | - | - | - | - | 13,985 |

Sensitivity analysis

An increase of 0.75% (2022: 0.75%) in interest rates applicable at reporting date would have increased operating profit or loss in 2023 by \$55,014 (2022: \$53,049). A decrease of 0.75% (2022: 0.75%) would have the equal but opposite effect to the amounts shown. There will be no impact on net assets attributable to unitholders other than the change in operating profit or loss. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis in 2022.

11 Financial risk management (continued)

(b) Market risk (continued)

(ii) Interest rate risk (continued)

| Sustainable Future Fund ² | Weight Average interest rate | Floating interest rate | More than 1 and less than 3 months | More than 3 and less than 12 months | 1 to 5 years | Greater than 5 years | Total |
|--------------------------------------|---------------------------------|---------------------------|--|---|-----------------|-------------------------|-----------------|
| 30 June 2023 | % | \$ ¹ | \$ ¹ | \$ ¹ | \$ ¹ | \$ ¹ | \$ ¹ |
| Financial Assets | | | | | | | |
| Cash and cash equivalents | 1.60 | 794,388 | — | — | — | — | 794,388 |
| Net exposure | | 794,388 | — | — | — | — | 794,388 |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

Sensitivity analysis

An increase of 0.75% in interest rates applicable at reporting date would have increased operating profit or loss in 2023 by \$5,833. A decrease of 0.75% would have the equal but opposite effect to the amounts shown. There will be no impact on net assets attributable to unitholders other than the change in operating profit or loss. This analysis assumes that all other variables remain constant.

(iii) Price risk

Price risk is the risk that the fair values of equities, listed unit trusts or equity-linked derivatives decrease as a result of changes in the levels of market indices and the value of individual shares. The price risk exposure arises from the Schemes' investments in financial instruments.

Management's best estimate of the effect on profit/(loss) for the period due to a reasonably possible change in market indices, with all other variables held constant is indicated in the table below. There is no effect on 'other comprehensive income' as the Schemes have no assets classified as fair value through other comprehensive income or designated hedging instruments. In practice the actual trading results may differ from the sensitivity analysis below and the difference could be material.

As the majority of the Schemes' investments are carried at fair value with fair value changes recognised in the statements of profit or loss and other comprehensive income, all changes in market conditions will directly affect net investment income.

11 Financial risk management (continued)

(b) Market risk (continued)

(iii) Price risk (continued)

Risk management techniques are used in the selection of investments. Securities/investments (including derivatives) are only purchased that meet investment criteria.

Sensitivity analysis

The sensitivity analysis is based on a generic approach using +/- 10%, which gives the user/investor a benchmark to demonstrate how sensitive each portfolio is in relation to changes in various risk parameters. The sensitivity analysis includes all underlying investments in financial assets and financial liabilities.

An increase of 10% (2022: 10%) at the reporting date of the underlying investments' prices for All Industrials Share Fund would have increased operating profit attributable to unitholders in 2023 by \$14,322,761 (2022: \$13,023,371). This analysis assumes that all other variables remain constant.

An increase of 10% (2022: 10%) at the reporting date of the underlying investments' prices for Australian Share Fund would have increased operating profit attributable to unitholders in 2023 by \$139,911,422 (2022: \$147,200,965). This analysis assumes that all other variables remain constant.

An increase of 10% (2022: 10%) at the reporting date of the underlying investments' prices for Concentrated Australian Share Fund would have increased operating profit attributable to unitholders in 2023 by \$19,622,342 (2022: \$17,586,817). This analysis assumes that all other variables remain constant.

An increase of 10% (2022: 10%) at the reporting date of the underlying investments' prices for Equity Income Fund would have increased operating profit attributable to unitholders in 2023 by \$45,335,821 (2022: \$41,924,477). This analysis assumes that all other variables remain constant.

An increase of 10% (2022: 10%) at the reporting date of the underlying investments' prices for Future Leaders Fund would have decreased operating loss attributable to unitholders in 2023 by \$29,954,705 (2022: \$35,811,238). This analysis assumes that all other variables remain constant.

An increase of 10% (2022: 10%) at the reporting date of the underlying investments' prices for Private Portfolio Fund would have increased operating profit attributable to unitholders in 2023 by \$2,947,308 (2022: \$1,929,586). This analysis assumes that all other variables remain constant.

An increase of 10% (2022: 10%) at the reporting date of the underlying investments' prices for Small Cap Fund would have decreased operating loss attributable to unitholders in 2023 by \$2,237,932 (2022: \$2,966,572). This analysis assumes that all other variables remain constant.

An increase of 10% (2022: 10%) at the reporting date of the underlying investments' prices for Smaller Companies Fund would have decreased operating loss attributable to unitholders in 2023 by \$9,939,207 (2022: \$10,237,643). This analysis assumes that all other variables remain constant.

An increase of 10% at the reporting date of the underlying investments' prices for Sustainable Future Fund would have increased operating profit attributable to unitholders in 2023 by \$714,465. This analysis assumes that all other variables remain constant.

A decrease of 10% (2022: 10%) would have the equal, but opposite effect to the amounts shown above, on the basis that all other variable remain constant.

11 Financial risk management (continued)

(c) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Schemes. The Schemes' investment managers have a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

With respect to credit risk arising from the financial assets of the Schemes, other than derivatives, the Schemes' exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these instruments as disclosed on the statements of financial position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the reporting date.

The Schemes hold no collateral as security or any other credit enhancements. There are no financial assets that are past due or impaired, or otherwise be past due or impaired except for the terms having been renegotiated.

Credit risk is not considered to be a major risk to the Schemes as any cash held by the Schemes are invested with financial institutions that have very strong credit ratings. The balance of investments are held in listed securities and derivatives are entered into with reputable financial institutions.

Other credit risk arises from cash and cash equivalents and amounts due from brokers. At 30 June 2023 and 30 June 2022, all receivables, amounts due from brokers and cash and cash equivalents are either callable on demand or due to be settled within 6 months. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Schemes.

The clearing and depository operations for the Schemes' security transactions are mainly concentrated with one counterparty, namely Citigroup Pty Limited. Citigroup Pty Limited at 30 June 2023 had a credit rating of A (2022: A). At 30 June 2023, substantially all cash and cash equivalents, balances due from broker and investments are held in custody by Citigroup Pty Limited.

(d) Liquidity risk

Liquidity risk is the risk that the Schemes will not be able to meet their financial obligations as they fall due. The risk is controlled through the Schemes' investment in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Schemes maintain sufficient cash and cash equivalents to meet normal operating requirements.

Maturity analysis for financial liabilities

Financial liabilities of the Schemes comprise of trade and other payables and distributions payable. Trade and other payables and distributions payable have no contractual maturities but are typically settled within 30 days.

Net assets attributable to unitholders are entirely payable on demand.

11 Financial risk management (continued)

(d) Liquidity risk (continued)

The tables below summarise the maturity profile of the Schemes' financial liabilities, gross settled derivatives and redeemable shares based on contractual undiscounted cash flows.

All Industrials Share Fund

| | Carrying amount \$'000 | Contractual cash flow \$'000 | Less than a month \$'000 | 1-6 months \$'000 | 6-12 months \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
|---|------------------------------|------------------------------------|--------------------------------|-------------------------|--------------------------|------------------------|--------------------------------|
| 30 June 2023 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 7,268 | 7,268 | 7,268 | — | — | — | — |
| Due to brokers - payable for securities purchased | — | — | — | — | — | — | — |
| Redemptions payable | 69 | 69 | — | 69 | — | — | — |
| Other payables | 120 | 120 | — | 120 | — | — | — |
| Subtotal | 7,268 | 7,268 | 7,268 | 189 | — | — | — |
| Derivative financial liabilities | | | | | | | |
| Investments in financial liabilities at fair value through profit or loss | — | — | — | — | — | — | — |
| Subtotal | — | — | — | — | — | — | — |
| 30 June 2022 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 12,353 | 12,353 | 12,353 | — | — | — | — |
| Due to brokers - payable for securities purchased | 628 | 628 | — | 628 | — | — | — |
| Redemptions payable | 132 | 132 | — | 132 | — | — | — |
| Other payables | 130 | 130 | — | 130 | — | — | — |
| Subtotal | 13,243 | 13,243 | 12,353 | 890 | — | — | — |
| Derivative financial liabilities | | | | | | | |
| Investments in financial liabilities at fair value through profit or loss | 13 | 13 | 7 | 6 | — | — | — |
| Subtotal | 13 | 13 | 7 | 6 | — | — | — |

11 Financial risk management (continued)

(d) Liquidity risk (continued)

Australian Share Fund

| | Carrying amount \$'000 | Contractual cash flow \$'000 | Less than a month \$'000 | 1-6 months \$'000 | 6-12 months \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
|--|------------------------------|------------------------------------|--------------------------------|-------------------------|--------------------------|------------------------|--------------------------------|
| 30 June 2023 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 59,025 | 59,025 | 59,025 | - | - | - | - |
| Redemptions payable | 1,138 | 1,138 | 1,138 | - | - | - | - |
| Other payables | 1,165 | 1,165 | 1,165 | - | - | - | - |
| Subtotal | 61,328 | 61,328 | 61,328 | - | - | - | - |
| Derivative financial liabilities | | | | | | | |
| Investments in financial liabilities at fair value through profit or loss | 636 | 636 | 636 | - | - | - | - |
| Subtotal | 636 | 636 | 636 | - | - | - | - |
| 30 June 2022 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 136,555 | 136,555 | 136,555 | - | - | - | - |
| Redemptions payable | 1,518 | 1,518 | - | 1,518 | - | - | - |
| Other payables | 2,446 | 2,446 | - | 2,446 | - | - | - |
| Subtotal | 140,519 | 140,519 | 136,555 | 3,964 | - | - | - |
| Derivative financial liabilities | | | | | | | |
| Investments in financial liabilities at fair value through profit or loss | 227 | 227 | 136 | 91 | - | - | - |
| Subtotal | 227 | 227 | 136 | 91 | - | - | - |

11 Financial risk management (continued)

(d) Liquidity risk (continued)

Concentrated Australian Share Fund

| | Carrying amount \$'000 | Contractual cash flow \$'000 | Less than a month \$'000 | 1-6 months \$'000 | 6-12 months \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
|---|------------------------------|------------------------------------|--------------------------------|-------------------------|--------------------------|------------------------|--------------------------------|
| 30 June 2023 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 2,460 | 2,460 | 2,460 | — | — | — | — |
| Due to brokers - payable for securities purchased | 407 | 407 | — | 407 | — | — | — |
| Redemptions payable | 250 | 250 | — | 250 | — | — | — |
| Other payables | 189 | 189 | — | 189 | — | — | — |
| Subtotal | 3,306 | 3,306 | 2,460 | 846 | — | — | — |
| 30 June 2022 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 1,477 | 1,477 | 1,477 | — | — | — | — |
| Redemptions payable | 407 | 407 | — | 407 | — | — | — |
| Other payables | 622 | 622 | — | 622 | — | — | — |
| Subtotal | 2,506 | 2,506 | 1,477 | 1,029 | — | — | — |

11 Financial risk management (continued)

(d) Liquidity risk (continued)

Equity Income Fund

| | Carrying amount \$'000 | Contractual cash flow \$'000 | Less than a month \$'000 | 1-6 months \$'000 | 6-12 months \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
|---|------------------------------|------------------------------------|--------------------------------|-------------------------|--------------------------|------------------------|--------------------------------|
| 30 June 2023 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 8,611 | 8,611 | 8,611 | — | — | — | — |
| Due to brokers - payable for securities purchased | 70 | 70 | 70 | — | — | — | — |
| Redemptions payable | 528 | 528 | — | 528 | — | — | — |
| Other payables | 416 | 416 | — | 416 | — | — | — |
| Subtotal | 9,625 | 9,625 | 8,681 | 944 | — | — | — |
| Derivative financial liabilities | | | | | | | |
| Investments in financial liabilities at fair value through profit or loss | 3,385 | 3,385 | 1,710 | 1,675 | — | — | — |
| Subtotal | 3,385 | 3,385 | 1,710 | 1,675 | — | — | — |
| 30 June 2022 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 9,308 | 9,308 | 9,308 | — | — | — | — |
| Redemptions payable | 758 | 758 | — | 758 | — | — | — |
| Other payables | 5,601 | 5,601 | — | 5,601 | — | — | — |
| Subtotal | 15,667 | 15,667 | 9,308 | 6,359 | — | — | — |
| Derivative financial liabilities | | | | | | | |
| Investments in financial liabilities at fair value through profit or loss | 3,078 | 3,078 | 711 | 2,367 | — | — | — |
| Subtotal | 3,078 | 3,078 | 711 | 2,367 | — | — | — |

11 Financial risk management (continued)

(d) Liquidity risk (continued)

Future Leaders Fund

| | Carrying amount \$'000 | Contractual cash flow \$'000 | Less than a month \$'000 | 1-6 months \$'000 | 6-12 months \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
|---|------------------------------|------------------------------------|--------------------------------|-------------------------|--------------------------|------------------------|--------------------------------|
| 30 June 2023 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 6,304 | 6,304 | 6,304 | – | – | – | – |
| Due to brokers - payable for securities purchased | 218 | 218 | – | 218 | – | – | – |
| Redemptions payable | 734 | 734 | – | 734 | – | – | – |
| Other payables | 255 | 255 | – | 255 | – | – | – |
| Subtotal | 7,511 | 7,511 | 6,304 | 1,207 | – | – | – |

30 June 2022

| | | | | | | | |
|---|--------|--------|--------|-------|---|---|---|
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 33,044 | 33,044 | 33,044 | – | – | – | – |
| Due to brokers - payable for securities purchased | 449 | 449 | – | 449 | – | – | – |
| Redemptions payable | 422 | 422 | – | 422 | – | – | – |
| Other payables | 321 | 321 | – | 321 | – | – | – |
| Subtotal | 34,236 | 34,236 | 33,044 | 1,192 | – | – | – |

11 Financial risk management (continued)

(d) Liquidity risk (continued)

Private Portfolio Fund

| | Carrying amount \$'000 | Contractual cash flow \$'000 | Less than a month \$'000 | 1-6 months \$'000 | 6-12 months \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
|--|------------------------------|------------------------------------|--------------------------------|-------------------------|--------------------------|------------------------|--------------------------------|
| 30 June 2023 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 2,051 | 2,051 | 2,051 | – | – | – | – |
| Redemption payable | 30 | 30 | – | 30 | – | – | – |
| Due to brokers - payable for securities purchased | 128 | 128 | 128 | – | – | – | – |
| Other payables | 237 | 237 | – | 237 | – | – | – |
| Subtotal | 2,446 | 2,446 | 2,179 | 267 | – | – | – |
| Derivative financial liabilities | | | | | | | |
| Investments in financial liabilities at fair value through profit or loss | 1,328 | 1,328 | 513 | 815 | – | – | – |
| Subtotal | 1,328 | 1,328 | 513 | 815 | – | – | – |
| 30 June 2022 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 1,659 | 1,659 | 1,659 | – | – | – | – |
| Due to brokers - payable for securities purchased | 588 | 588 | – | 588 | – | – | – |
| Other payables | 156 | 156 | – | 156 | – | – | – |
| Subtotal | 2,403 | 2,403 | 1,659 | 744 | – | – | – |
| Derivative financial liabilities | | | | | | | |
| Investments in financial liabilities at fair value through profit or loss | 2,001 | 2,001 | 715 | 1,286 | – | – | – |
| Subtotal | 2,001 | 2,001 | 715 | 1,286 | – | – | – |

11 Financial risk management (continued)

(d) Liquidity risk (continued)

Small Cap Fund

| | Carrying amount \$'000 | Contractual cash flow \$'000 | Less than a month \$'000 | 1-6 months \$'000 | 6-12 months \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
|---|------------------------------|------------------------------------|--------------------------------|-------------------------|--------------------------|------------------------|--------------------------------|
| 30 June 2023 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 363 | 363 | 363 | — | — | — | — |
| Due to brokers - payable for securities purchased | 34 | 34 | 34 | — | — | — | — |
| Redemptions payable | 31 | 31 | — | 31 | — | — | — |
| Other payables | 22 | 22 | — | 22 | — | — | — |
| Subtotal | 450 | 450 | 397 | 53 | — | — | — |
| 30 June 2022 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 384 | 384 | 384 | — | — | — | — |
| Due to brokers - payable for securities purchased | 156 | 156 | 156 | — | — | — | — |
| Redemptions payable | 12 | 12 | — | 12 | — | — | — |
| Other payables | 30 | 30 | — | 30 | — | — | — |
| Subtotal | 582 | 582 | 540 | 42 | — | — | — |

11 Financial risk management (continued)

(d) Liquidity risk (continued)

Smaller Companies Fund

| | Carrying amount \$'000 | Contractual cash flow \$'000 | Less than a month \$'000 | 1-6 months \$'000 | 6-12 months \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
|---|------------------------------|------------------------------------|--------------------------------|-------------------------|--------------------------|------------------------|--------------------------------|
| 30 June 2023 | | | | | | | |
| Non-Derivative financial liabilities | 2,937 | 2,937 | 2,937 | - | - | - | - |
| Distributions payable | 133 | 133 | - | 133 | - | - | - |
| Due to brokers - payable for securities purchased | 56 | 56 | - | 56 | - | - | - |
| Redemption payables | 88 | 88 | - | 88 | - | - | - |
| Other payables | 3,214 | 3,214 | 2,937 | 277 | - | - | - |
| Subtotal | | | | | | | |
| 30 June 2022 | | | | | | | |
| Non-Derivative financial liabilities | 14,211 | 14,211 | 14,211 | - | - | - | - |
| Distributions payable | - | - | - | - | - | - | - |
| Due to brokers - payable for securities purchased | 70 | 70 | - | 70 | - | - | - |
| Redemption payables | 539 | 539 | - | 539 | - | - | - |
| Other payables | 14,820 | 14,820 | 14,211 | 609 | - | - | - |
| Subtotal | | | | | | | |

11 Financial risk management (continued)

(d) Liquidity risk (continued)

Sustainable Future Fund²

| | Carrying amount \$ ¹ | Contractual cash flow \$ ¹ | Less than a month \$ ¹ | 1-6 months \$ ¹ | 6-12 months \$ ¹ | 1-5 years \$ ¹ | More than 5 years \$ ¹ |
|---|---------------------------------------|---|---|----------------------------------|-----------------------------------|---------------------------------|---|
| 30 June 2023 | | | | | | | |
| Non-Derivative financial liabilities | | | | | | | |
| Distributions payable | 125,420 | 125,420 | 125,420 | — | — | — | — |
| Other payables | 6,445 | 6,445 | — | 6,445 | — | — | — |
| Subtotal | <u>131,865</u> | <u>131,865</u> | <u>125,420</u> | <u>6,445</u> | <u>—</u> | <u>—</u> | <u>—</u> |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

12 Offsetting financial assets and financial liabilities

For certain financial assets and liabilities they are subject to legally enforceable master netting arrangements, such as an International Swaps and Derivatives Association ("ISDA") master netting agreement. In particular circumstances, for example, when a credit event such as a default occurs, all outstanding transactions under an ISDA agreement are terminated, the termination value is assessed and only a single net amount is receivable/payable in settlement of all transactions. As the Schemes do not presently have a legally enforceable right of set-off, these amounts have not been offset in the statement of financial position. The gross and net positions of financial assets and liabilities that have been offset in the balance sheet are disclosed in the first three columns of the tables below.

The Future Leaders Fund, Small Cap Fund, Smaller Companies Fund and Sustainable Future Fund did not hold any derivatives during the current period and prior period. Hence, the offsetting tables for these periods have not been shown for these Schemes.

| All Industrials Share Fund | Effects of offsetting on the statement of financial position | | | Related amounts not offset | | |
|----------------------------------|--|--|---|--|------------------------|-------------|
| | Gross amounts of financial assets and financial liabilities | Gross amounts set off in the statement of position | Net amount of financial assets presented in the statement of financial position | Amounts subject to master netting arrangements | Cash collateral pledge | Net amounts |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 30 June 2023 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| 30 June 2022 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | 1,191 | - | 1,191 | - | - | 1,191 |
| Total | 1,191 | - | 1,191 | - | - | 1,191 |
| 30 June 2023 | | | | | | |
| Financial liabilities | | | | | | |
| Derivative financial instruments | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| 30 June 2022 | | | | | | |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (13) | - | (13) | - | - | (13) |
| Total | (13) | - | (13) | - | - | (13) |

12 Offsetting financial assets and financial liabilities (continued)

| Australian Share Fund | Effects of offsetting on the statement of financial position | | | Related amounts not offset | | |
|----------------------------------|--|--|---|--|------------------------|-------------|
| | Gross amounts of financial assets and financial liabilities | Gross amounts set off in the statement of position | Net amount of financial assets presented in the statement of financial position | Amounts subject to master netting arrangements | Cash collateral pledge | Net amounts |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 30 June 2023 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| 30 June 2022 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | 6,548 | - | 6,548 | - | - | 6,548 |
| Total | 6,548 | - | 6,548 | - | - | 6,548 |
| 30 June 2023 | | | | | | |
| Financial liabilities | | | | | | |
| Derivative financial instruments | 636 | - | 636 | - | - | 636 |
| Total | 636 | - | 636 | - | - | 636 |
| 30 June 2022 | | | | | | |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (277) | - | (277) | - | - | (277) |
| Total | (277) | - | (277) | - | - | (277) |

12 Offsetting financial assets and financial liabilities (continued)

| Equity Income Fund | Effects of offsetting on the statement of financial position | | | Related amounts not offset | | |
|----------------------------------|--|--|---|--|------------------------|-------------|
| | Gross amounts of financial assets and financial liabilities | Gross amounts set off in the statement of position | Net amount of financial assets presented in the statement of financial position | Amounts subject to master netting arrangements | Cash collateral pledge | Net amounts |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 30 June 2023 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| 30 June 2022 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| 30 June 2023 | | | | | | |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (3,385) | - | (3,385) | - | - | (3,385) |
| Total | (3,385) | - | (3,385) | - | - | (3,385) |
| 30 June 2022 | | | | | | |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (3,078) | - | (3,078) | - | - | (3,078) |
| Total | (3,078) | - | (3,078) | - | - | (3,078) |

12 Offsetting financial assets and financial liabilities (continued)

| Private Portfolio Fund | Effects of offsetting on the statement of financial position | | | Related amounts not offset | | |
|----------------------------------|--|--|---|--|------------------------|----------------|
| | Gross amounts of financial assets and financial liabilities | Gross amounts set off in the statement of position | Net amount of financial assets presented in the statement of financial position | Amounts subject to master netting arrangements | Cash collateral pledge | Net amounts |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 30 June 2023 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | 46 | — | 46 | — | — | 46 |
| Total | 46 | — | 46 | — | — | 46 |
| 30 June 2022 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | 180 | — | 180 | — | — | 180 |
| Total | 180 | — | 180 | — | — | 180 |
| 30 June 2023 | | | | | | |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (1,328) | — | (1,328) | — | — | (1,328) |
| Total | (1,328) | — | (1,328) | — | — | (1,328) |
| 30 June 2022 | | | | | | |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (1,309) | — | (1,309) | — | — | (1,309) |
| Total | (1,309) | — | (1,309) | — | — | (1,309) |

13 Fair value measurements

The Schemes measure and recognise financial assets and liabilities held at fair value through profit or loss on a recurring basis.

AASB 13 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 (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Fair value estimation

The carrying amounts of the Schemes' assets and liabilities at the end of each reporting period approximate their fair values.

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

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and 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 in the statements of profit or loss and other comprehensive income.

(i) Fair value in an active market (Level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

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

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

13 Fair value measurements (continued)

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

The fair value of financial assets and liabilities that are not traded in an active market 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.

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

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

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

Valuation process for Level 3 valuations

Valuations are the responsibility of the Board of Directors of the Responsible Entity.

The investment committee considers the appropriateness of the valuation methods and inputs, and may request that alternative valuation methods are applied to support the valuation arising from the method chosen. Any changes in valuation methods are discussed and agreed with the Responsible Entity's Board of Directors.

The valuations are also subject to quality assurance procedures performed within the valuation department. The valuation department verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to relevant documents and market information. In addition, the accuracy of the computation is tested. The latest valuation is also compared with the valuations in the four preceding quarters as well as with the valuations of the two preceding annual periods. If fair value changes (positive or negative) are more than certain thresholds set, the changes are further considered by the investment committee.

There were no changes in valuation techniques during the period.

13 Fair value measurements (continued)

(iii) Recognised fair value measurements

The tables below set out the Schemes' financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy as at 30 June 2023 and 30 June 2022:

| All Industrials Share Fund | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|---|-------------------|-------------------|-------------------|-----------------|
| As at 30 June 2023 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 138,152 | - | - | 138,152 |
| Listed unit trusts | 5,076 | - | - | 5,076 |
| Total | 143,228 | - | - | 143,228 |
| Financial liabilities | | | | |
| Financial liabilities at fair value through profit or loss: | | | | |
| Options | - | - | - | - |
| Total | - | - | - | - |
| As at 30 June 2022 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 124,016 | - | - | 124,016 |
| Listed unit trusts | 5,040 | - | - | 5,040 |
| Futures | 22 | - | - | 22 |
| Options | 1,169 | - | - | 1,169 |
| Total | 130,247 | - | - | 130,247 |
| Financial liabilities | | | | |
| Financial liabilities at fair value through profit or loss: | | | | |
| Options | 13 | - | - | 13 |
| Total | 13 | - | - | 13 |

13 Fair value measurements (continued)

(iii) Recognised fair value measurements (continued)

| Australian Share Fund | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|---|-------------------|-------------------|-------------------|------------------|
| As at 30 June 2023 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 1,366,226 | — | — | 1,366,226 |
| Listed unit trusts | 31,814 | — | — | 31,814 |
| Preference shares | 1,710 | — | — | 1,710 |
| Total | 1,399,750 | — | — | 1,399,750 |
| Financial liabilities | | | | |
| Financial liabilities at fair value through profit or loss: | | | | |
| Futures | 276 | — | — | 276 |
| Options | 360 | — | — | 360 |
| Total | 636 | — | — | 636 |
| As at 30 June 2022 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 1,419,559 | — | — | 1,419,559 |
| Listed unit trusts | 44,434 | — | — | 44,434 |
| Preference shares | 1,696 | — | — | 1,696 |
| Futures | 308 | — | — | 308 |
| Options | 6,240 | — | — | 6,240 |
| Total | 1,472,237 | — | — | 1,472,237 |
| Financial liabilities | | | | |
| Financial liabilities at fair value through profit or loss: | | | | |
| Futures | — | — | — | — |
| Options | 227 | — | — | 227 |
| Total | 227 | — | — | 227 |

13 Fair value measurements (continued)

(iii) Recognised fair value measurements (continued)

| Concentrated Australian Share Fund | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|--|-------------------|-------------------|-------------------|-----------------|
| As at 30 June 2023 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 191,650 | — | — | 191,650 |
| Listed unit trusts | 4,573 | — | — | 4,573 |
| Total | 196,223 | — | — | 196,223 |
| As at 30 June 2022 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 168,376 | — | — | 168,376 |
| Listed unit trusts | 7,492 | — | — | 7,492 |
| Total | 175,868 | — | — | 175,868 |

13 Fair value measurements (continued)

(iii) Recognised fair value measurements (continued)

| Equity Income Fund | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|---|-------------------|-------------------|-------------------|-----------------|
| As at 30 June 2023 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 407,102 | - | - | 407,102 |
| Listed unit trusts | 42,960 | - | - | 42,960 |
| Preference shares | 3,296 | - | - | 3,296 |
| Total | 453,358 | - | - | 453,358 |
| Financial liabilities | | | | |
| Financial liabilities at fair value through profit or loss: | | | | |
| Options | 3,385 | - | - | 3,385 |
| Total | 3,385 | - | - | 3,385 |
| As at 30 June 2022 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 387,139 | - | - | 387,139 |
| Listed unit trusts | 32,693 | - | - | 32,693 |
| Preference shares | 2,490 | - | - | 2,490 |
| Interest bearing securities | - | 6,525 | - | 6,525 |
| Total | 422,322 | 6,525 | - | 428,847 |
| Financial liabilities | | | | |
| Financial liabilities at fair value through profit or loss: | | | | |
| Options | 3,078 | - | - | 3,078 |
| Total | 3,078 | - | - | 3,078 |

13 Fair value measurements (continued)

(iii) Recognised fair value measurements (continued)

| Future Leaders Fund | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|--|-------------------|-------------------|-------------------|-----------------|
| As at 30 June 2023 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 283,848 | — | — | 283,848 |
| Listed unit trusts | 15,699 | — | — | 15,699 |
| Total | 299,547 | — | — | 299,547 |
| As at 30 June 2022 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 337,767 | — | — | 337,767 |
| Listed unit trusts | 20,345 | — | — | 20,345 |
| Total | 358,112 | — | — | 358,112 |

13 Fair value measurements (continued)

(iii) Recognised fair value measurements (continued)

| Private Portfolio Fund | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|---|-------------------|-------------------|-------------------|-----------------|
| As at 30 June 2023 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 27,030 | — | — | 27,030 |
| Listed unit trusts | 4,354 | — | — | 4,354 |
| Preference shares | 2,385 | — | — | 2,385 |
| Futures | 10 | — | — | 10 |
| Options | 36 | — | — | 36 |
| Interest bearing securities | — | 1,275 | — | 1,275 |
| Total | 33,815 | 1,275 | — | 35,090 |
| Financial liabilities | | | | |
| Financial liabilities at fair value through profit or loss: | | | | |
| Options | 1,328 | — | — | 1,328 |
| Total | 1,328 | — | — | 1,328 |
| As at 30 June 2022 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 18,723 | — | — | 18,723 |
| Listed unit trusts | 2,394 | — | — | 2,394 |
| Futures | 70 | — | — | 70 |
| Options | 110 | — | — | 110 |
| Interest bearing securities | — | 1,931 | — | 1,931 |
| Total | 21,297 | 1,931 | — | 23,228 |
| Financial liabilities | | | | |
| Financial liabilities at fair value through profit or loss: | | | | |
| Listed equities | 692 | — | — | 692 |
| Options | 1,309 | — | — | 1,309 |
| Total | 2,001 | — | — | 2,001 |

13 Fair value measurements (continued)

(iii) Recognised fair value measurements (continued)

| Small Cap Fund | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|--|-------------------|-------------------|-------------------|-----------------|
| As at 30 June 2023 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 21,084 | - | - | 21,084 |
| Listed unit trusts | 1,295 | - | - | 1,295 |
| Total | 22,379 | - | - | 22,379 |
| As at 30 June 2022 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 27,687 | - | - | 27,687 |
| Listed unit trusts | 1,979 | - | - | 1,979 |
| Total | 29,666 | - | - | 29,666 |

13 Fair value measurements (continued)

(iii) Recognised fair value measurements (continued)

| Smaller Companies Fund | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|--|-------------------|-------------------|-------------------|-----------------|
| As at 30 June 2023 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 92,465 | – | – | 92,465 |
| Listed unit trusts | 6,927 | – | – | 6,927 |
| Total | 99,392 | – | – | 99,392 |
| As at 30 June 2022 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 95,069 | – | – | 95,069 |
| Listed unit trusts | 7,308 | – | – | 7,308 |
| Total | 102,377 | – | – | 102,377 |

13 Fair value measurements (continued)

(iii) Recognised fair value measurements (continued)

| | Level 1 \$ ¹ | Level 2 \$ ¹ | Level 3 \$ ¹ | Total \$ ¹ |
|--|----------------------------|----------------------------|----------------------------|--------------------------|
| Sustainable Future Fund² | | | | |
| As at 30 June 2023 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Listed equities | 6,762,135 | – | – | 6,762,135 |
| Listed unit trusts | 382,509 | – | – | 382,509 |
| Total | 7,144,644 | – | – | 7,144,644 |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

(iv) Transfers between levels

During the period there were no transfers between levels.

There were no level 3 instruments held during the period ended 30 June 2023 (2022: nil)

(v) Fair value of financial instruments not carried at fair value

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Schemes for similar financial instruments.

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

| | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|---|----------------------------|---------------------------|---------------------------|---------------------------|------------------------------------|---------------------------|
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| (a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities | | | | | | |
| Profit/(loss) for the period | 15,433 | 2,547 | 154,339 | 38,773 | 20,742 | 6,532 |
| Net changes in the fair value of assets | (11,349) | 1,570 | (111,044) | 3,524 | (15,962) | (2,775) |
| Proceeds from sale of investments | 69,048 | 117,237 | 378,187 | 512,636 | 27,319 | 41,485 |
| Purchase of financial instruments | (71,321) | (58,073) | (178,279) | (213,861) | (31,485) | (15,739) |
| Net change in dividends/distributions receivable | 7 | (68) | 441 | (633) | 39 | (126) |
| Dividends reinvested | – | (15) | – | (52) | – | – |
| Net change in other receivables | 10 | – | 46 | 19 | – | – |
| Net change in payables and other liabilities | (10) | (32) | (137) | (204) | 14 | (3) |
| Net cash inflow/(outflow) from operating activities | 1,818 | 63,166 | 243,553 | 340,202 | 667 | 29,374 |
| (b) Cash and cash equivalents | | | | | | |
| Cash at bank | 3,633 | 26,698 | 19,212 | 84,432 | 34,617 | 36,747 |
| Margin accounts | 254 | 385 | 6,557 | 3,105 | 2,334 | 2,627 |
| | 3,887 | 27,083 | 25,769 | 87,537 | 36,951 | 39,374 |
| (c) Non-cash financing and investing activities | | | | | | |
| Distributions reinvested | 234 | 135 | 24,766 | 16,008 | 126 | 230 |

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

| | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 | 30 June 2023 \$'000 | 30 June 2022 \$'000 |
| (a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities | | | | | | |
| Profit/(loss) for the period | 52,743 | 44,111 | 14,654 | (34,830) | 3,918 | 1,556 |
| Net changes in the fair value of assets | (35,380) | (29,820) | (2,674) | 42,856 | (2,859) | (1,262) |
| Proceeds from sale of investments | 136,957 | 242,364 | 129,352 | 322,138 | 40,133 | 64,398 |
| Purchase of financial instruments | (131,013) | (176,446) | (69,753) | (252,880) | (48,043) | (70,430) |
| Net change in dividends/distributions receivable | (916) | (99) | 71 | 349 | (133) | (13) |
| Dividends reinvested | — | (132) | — | — | (21) | — |
| Net change in other receivables | 129 | (125) | 30 | 7 | 38 | (46) |
| Net change in payables and other liabilities | (1) | (28) | (66) | (79) | 81 | (88) |
| Net cash inflow/(outflow) from operating activities | 22,519 | 79,825 | 71,614 | 77,561 | (6,886) | (5,885) |
| (b) Cash and cash equivalents | | | | | | |
| Cash at bank | 32,578 | 35,487 | 13,821 | 26,019 | 6,629 | 10,889 |
| Margin accounts | 28,011 | 49,900 | 139 | 136 | 7,079 | 4,832 |
| | 60,589 | 85,387 | 13,960 | 26,155 | 13,708 | 15,721 |
| (c) Non-cash financing and investing activities | | | | | | |
| Distributions reinvested | 455 | 396 | 3,010 | 1,014 | — | 3 |

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

| | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund ² |
|---|-----------------|-----------------|------------------------|-----------------|--------------------------------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$ ¹ |
| (a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities | | | | | |
| Profit/(loss) for the period | 1,262 | (2,834) | 5,971 | (11,335) | 464,978 |
| Net changes in the fair value of assets | (372) | 3,307 | (2,714) | 13,372 | (365,494) |
| Proceeds from sale of investments | 13,882 | 19,379 | 41,510 | 106,364 | 567,435 |
| Purchase of financial instruments | (6,456) | (17,127) | (36,791) | (71,186) | (7,346,585) |
| Net change in dividends/distributions receivable | 21 | 19 | 26 | 144 | (30,898) |
| Net change in other receivables | 3 | 1 | 4 | 7 | (1,493) |
| Net change in payables and other liabilities | (8) | (5) | (8) | (37) | 6,445 |
| Net cash inflow/(outflow) from operating activities | 8,332 | 2,740 | 7,998 | 37,329 | (6,705,612) |
| (b) Cash and cash equivalents | | | | | |
| Cash at bank | 736 | 1,135 | 8,712 | 13,963 | 794,388 |
| Margin accounts | 7 | 7 | — | 22 | — |
| | 743 | 1,142 | 8,712 | 13,985 | 794,388 |
| (c) Non-cash financing and investing activities | | | | | |
| Distributions reinvested | 61 | 27 | 2,140 | 2,628 | — |

¹ Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

² There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

15 Auditor's remuneration

| | All Industrials Share Fund | | Australian Share Fund | | Concentrated Australian Share Fund | |
|--|-----------------------------------|---------------------|-------------------------------|---------------------|--|---------------------|
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Audit and other assurance service | | | | | | |
| Audit and review of financial reports | 9,070 | 8,450 | 15,050 | 14,020 | 9,070 | 8,450 |
| Audit of compliance plan | 5,210 | 4,850 | 5,210 | 4,850 | 5,210 | 4,850 |
| Total remuneration for audit services | 14,280 | 13,300 | 20,260 | 18,870 | 14,280 | 13,300 |
| | Equity Income Fund | | Future Leaders Fund | | Private Portfolio Fund | |
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Audit and other assurance service | | | | | | |
| Audit and review of financial reports | 15,050 | 14,020 | 15,050 | 14,020 | 9,070 | 8,450 |
| Audit of compliance plan | 5,210 | 4,850 | 5,210 | 4,850 | 5,210 | 4,850 |
| Total remuneration for audit services | 20,260 | 18,870 | 20,260 | 18,870 | 14,280 | 13,300 |
| | Small Cap Fund | | Smaller Companies Fund | | Sustainable Future Fund¹ | |
| | 30 June 2023 | 30 June 2022 | 30 June 2023 | 30 June 2022 | 30 June 2023 | |
| | \$ | \$ | \$ | \$ | \$ | |
| Audit and other assurance service | | | | | | |
| Audit and review of financial reports | 9,070 | 8,450 | 15,050 | 14,020 | 15,050 | |
| Audit of compliance plan | 5,210 | 4,850 | 5,210 | 4,850 | 5,210 | |
| Total remuneration for audit services | 14,280 | 13,300 | 20,260 | 18,870 | 20,260 | |

¹ There was no comparative amount for Sustainable Future Fund. The Fund was registered on 16 November 2022 and commenced trading on 20 December 2022.

Auditor's remuneration is payable by the Responsible Entity. The auditor of the Schemes is Ernst & Young.

16 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 Schemes disclosed in the statements of financial position as at 30 June 2023 and 30 June 2022 or on the results and cash flows of the Schemes for the period ended on that date.

17 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2023 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 9 to 92 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Schemes' financial position as at 30 June 2023 and of their performance for the period ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (b) the financial statements and notes also comply with International Financial Reporting Standards as issues by the International Accounting Standards Board as disclosed in Note 2(a); and
- (c) there are reasonable grounds to believe that the Schemes will be able to pay their debts as and when they become due and payable.

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



Damon Hambly
Director

Sydney
15 September 2023

Independent auditor's report to the unitholders of Investors Mutual Limited's managed investment schemes

Opinion

- | | |
|--|---|
| ▶ Investors Mutual Australian Share Fund | ▶ Investors Mutual Future Leaders Fund |
| ▶ Investors Mutual Equity Income Fund | ▶ Investors Mutual Small Cap Fund |
| ▶ Investors Mutual Australian Smaller Companies Fund | ▶ Investors Mutual Concentrated Australian Share Fund |
| ▶ Investors Mutual All Industrials Share Fund | ▶ Investors Mutual Private Portfolio Fund |
| ▶ IML Sustainable Future Fund | |

We have audited the financial reports of the above Schemes, which comprises the statements of financial position as at 30 June 2023, the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the relevant period then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- a. Giving a true and fair view of the Schemes' financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Schemes in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

The directors of Investors Mutual Limited as Responsible Entity ("Responsible Entity") are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

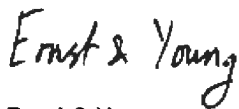
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

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

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Schemes' internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Schemes to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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



Ernst & Young



Luke Slater
Partner
Melbourne
15 September 2023