



Half-year Report

For the period ended 31 December 2023

Raiz Property Fund, ARSN 659 208 152

Putting a roof over your future



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Directors' Report

The Directors of Instreet Investment Limited, (the "Responsible Entity"), the Responsible Entity of Raiz Property Fund ("the Scheme") present their report together with the financial report of the Scheme, for the period 1 July 2023 to 31 December 2023 and the auditors' review report thereon.

Directors

The names of the Directors of Instreet Investment Limited, who were in office at any time during or since the end of the period, are as follows:

Mr Brendan Barry Malone	Managing Director
Ms Kelly Humphreys	Director
Mr Robert Hines	Director (Appointed on 28 November 2023)
Mr Harvey Kalman	Director (Resigned 31 August 2023)
Ms Philippa Taylor	Director (Resigned 28 November 2023)

Information on current Directors

Director	Special Responsibilities	Experience
Mr Brendan Barry Malone	Managing Director	Over 25 years industry experience in financial, tax and business advisory. Brendan has extensive experience in investment banking, compliance, driving innovative strategies and working across various regulatory environments.
Ms Kelly Humphreys	Director	Kelly is an experienced non-executive director and serves on various boards across sectors including financial services, building regulation, health and education. She has extensive experience in insurance and lending and a depth of technical expertise in operations, risk management and governance. She brings a strong commercial approach to complex regulatory environments and works effectively to help businesses deliver improved performance.
Mr Robert Hines	Director (Appointed on 28 November 2023)	Robert Hines boasts over 35 years in banking, finance, funds management, agriculture, and energy sectors, with a focus on finance, retail, and operations. He held executive roles at leading firms like Queensland Sugar Limited, Queensland Investment Corporation, Bank of Queensland Limited, and Suncorp Group Limited. Currently, he serves as Non-Executive Director and Chair of the Audit Committee for companies such as Cash Converters International Limited, Mackay Sugar Limited, and Humm Group Limited, overseeing Audit and Risk Committees.



Directors' Report (continued)

The offices of the Responsible Entity are located at Level 11, 2 Bulletin Place, Sydney, NSW 2000.

Principal Activities

Raiz Property Fund is an Australian-domiciled real estate investment fund. It is an open-ended scheme which allows investors, including customers with a Raiz Investment Account, to obtain an exposure to the Australian residential property.

Raiz Invest Limited (Raiz) owns 100% of Instreet Investment Limited (Instreet) and 100% of Raiz Invest Australia Limited and was listed on the Australian Securities Exchange (ASX) on 22 June 2018. Raiz Invest Australia Limited is the Investment Manager and responsible as the promotor and providing administration services to manage the investments of the Scheme. Instreet is the Responsible Entity and holder of the Australian Financial Services License of the Raiz group of companies (Group).

Each member of the Scheme retains a beneficial interest in, and absolute entitlement to, the assets of their portfolio. As the assets of each portfolio are separately maintained and identified, it follows that investors have no interest in the assets as a whole. Great care should therefore be taken in the interpretation of the financial report enclosed herewith, which consolidates the individual holdings, essentially to meet the requirements of the Corporations Act 2001.

Raiz Property Fund was launched through the Raiz app on 6 December 2022.

Scheme Information

Raiz Property Fund was established by execution of a Constitution and registration with the Australian Securities and Investments Commission on 1 May 2022.

Raiz promotes the Scheme via a micro investing product that offers an easy way to regularly invest either small or large amounts of money using the App on your mobile phone or the Website. The minimum investment amount is \$5.00. Investments are held beneficially for account holders (subject to any fractional interests, which are pooled).

Scheme Assets

As at 31 December 2023, Raiz Property Fund held assets to a total value of \$5,217,187. The basis for valuation of the assets is outlined in Note 11 to the Financial Statements.

Significant Changes in the State of Affairs

There were no changes to the investment strategy or to any fees or conditions for existing mandates.

Matters Subsequent to the End of the Financial Report

No other events have arisen since the end of the reporting period that have significantly affected or may significantly affect the operations of the Raiz Property Fund, the results of those operations, or the state of affairs of the Raiz Property Fund in subsequent financial years.

Likely Developments and Expected Results of Operations

There are no developments that are likely to significantly affect the operation of the Scheme.



Directors' Report (continued)

Environmental Regulation and Performance

The operations of the Scheme are not subject to any particular or significant environmental regulation under a law of the Commonwealth of a State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Scheme.

Indemnification and Insurance of Directors, Officers and Auditors

The Responsible Entity has indemnified directors and officers of the company, including members of the Compliance Committee, for a period up to seven years after they cease to be an officer, for any actions that may arise as a result of acting in their capacity as directors and officers of the company in respect of: -

- a) Liability to third parties when acting in good faith; and
- b) Costs and expenses of defending legal proceedings and ancillary matters.

During the financial period, the Responsible Entity paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. No insurance premiums are paid out of the Scheme's assets in relation to insurance cover for the Responsible Entity, its officers and employees and the compliance committee.

The Scheme has not indemnified the auditor of the Scheme.

Independence

A copy of the Auditor's Independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 6.

Proceedings on behalf of the Scheme

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Scheme, or to intervene in any proceedings to which the Scheme is a party for the purpose of taking responsibility on behalf of the Scheme for all or part of those proceedings.

Signed in accordance with a resolution of the directors of Instreet Investment Limited.

A handwritten signature in black ink, appearing to read "B. Malone", written over a horizontal line.

Brendan Barry Malone

Managing Director

Sydney

28 February 2024

DECLARATION OF INDEPENDENCE BY JESHAN VELUPILLAI TO THE DIRECTORS OF INSTREET INVESTMENT LIMITED

As lead auditor for the review of Raiz Property Fund for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.



Jeshan Velupillai

Director

BDO Audit Pty Ltd

Sydney, 28 February 2024



Statement of Profit or Loss and Other Comprehensive Income

For the period 1 July 2023 to 31 December 2023

	Note	1 July 2023 to 31 Dec 2023 \$	1 May 2022 to 30 June 2023 \$
Investment Income			
Interest income	4	5,848	18,964
Gain on investment		122,363	3,501
Other income		-	156
Total investment income		128,211	22,621
Expenses			
Management and administration expenses		2,450	1,646
Finance costs		143	151
Other expenses		2,228	-
Total operating expenses		4,821	1,797
Operating profit attributable to members		123,390	20,824
Profit for the period		123,390	20,824
Other comprehensive income attributable to members		-	-
Total comprehensive income for the period		123,390	20,824

This statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements.



Statement of Financial Position

As at 31 December 2023

	Note	31 Dec 2023 \$	30 Jun 2023 \$
Assets			
Current assets			
Cash and cash equivalents	5	227,441	133,643
Receivables		9,040	101
Financial assets	6	4,980,863	3,143,501
Total current assets		5,217,344	3,277,245
Total assets		5,217,344	3,277,245
Liabilities			
Current liabilities			
Trade and other payables	7	6,656	12,205
Distribution payables	8	-	18,955
Total current liabilities		6,656	31,160
Net assets attributable to members	10	5,210,688	3,246,085

This statement of financial position should be read in conjunction with the accompanying notes to the financial statements.



Statement of Changes in Equity

For the period 1 July 2023 to 31 December 2023

In accordance with AASB 132 'Financial Instruments: Presentation', 'net assets attributable to members' is classified as a liability rather than equity and hence no statement of changes in equity is presented.

Changes in net assets attributable to members are disclosed in Note 10.

This statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.



Statement of Cash Flows

For the period 1 July 2023 to 31 December 2023

	Note	1 July 2023 to 31 Dec 2023 \$	1 May 2022 to 30 June 2023 \$
Cash flows from operating activities			
Interest income received		5,785	18,950
Finance cost paid		(143)	(151)
Net cash provided by operating activities		<u>5,642</u>	<u>18,799</u>
Cash flows from investing activities			
Finance assets acquired		(1,715,000)	(3,140,000)
Net cash used in investing activities		<u>(1,715,000)</u>	<u>(3,140,000)</u>
Cash flows from financing activities			
Proceeds from applications by members		1,996,202	3,356,387
Cash paid on units redeemed by members		(174,091)	(101,543)
Distribution paid		(18,955)	-
Net cash provided by financing activities		<u>1,803,156</u>	<u>3,254,844</u>
Net increase in cash and cash equivalents held		93,798	133,643
Cash and cash equivalents at beginning of period		133,643	-
Cash and cash equivalent at end of period	5	<u>227,441</u>	<u>133,643</u>

This statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.



Notes to the Financial Statements

For the period 1 July 2023 to 31 December 2023

1. Corporate Information

The financial report of Raiz Property Fund for the period 1 July 2023 to 31 December 2023 was authorised for issue in accordance with a resolution of the Directors of the Responsible Entity on 28 February 2024. The financial report is presented in the Australian currency. The Directors have the power to amend and reissue the financial report. Raiz Property Fund is an Australian Registered Scheme (ARSN 659 208 152) under the Corporations Act 2001, registered on 1 May 2022. The Scheme is a for profit entity. Instreet Investment Limited, Responsible Entity of the Scheme is incorporated and domiciled in Australia. The registered office of the Responsible Entity is located at Level 11, 2 Bulletin Place, Sydney NSW 2000.

The Directors had elected to make the first financial year of Raiz Property Fund from 1 May 2022 to 30 June 2023 in accordance with s323D(1) of the Corporations Act 2001. Consequently, the comparative amounts for the statements of comprehensive income, statements of cash flows and related notes to the financial statements were for a period of 14 months from 1 May 2022 to 30 June 2023.

2. Summary of Significant Accounting Policies

The Scheme is non-unitised and operates as a number of separate individual bare trusts.

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (AASB) 134 Interim Financial Reporting, the Corporations Act 2001 and the Constitution. Raiz Property Fund is a for profit unit trust for the purpose of preparing the financial statements.

Except where stated the financial report has been prepared on the basis of historical costs and does not take into account changing money values or current valuations of assets.

In accordance with the Corporations Act requirements, the investments, liabilities, income and expenses of the bare trusts have been aggregated for the purpose of producing this financial report.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards and with International Financial Reporting Standards ("IFRS") and interpretations, as issued by the International Accounting Standards Board (IASB).



NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JULY 2023 TO 31 DECEMBER 2023

Use of estimates and judgements

The preparation of the financial statement in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, revisions in accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Note 11 (a) Fair Values Estimation of financial instruments contains information about the estimation of the values of financial instruments.

3. Segment Information

The Scheme operates in one industry segment and one geographical segment being the provision of funds management services in Australia.

4. Interest Income	31 Dec 2023	30 Jun 2023
	\$	\$
Interest income from deposits with licensed financial institutions	5,848	18,964
	5,848	18,964
	5,848	18,964

In accordance with the provision of AASB 9, interest income is recognised on the accrual basis, using the effective interest method, unless recoverability is in doubt, in which case, it is recognised on receipt basis.

5. Cash and Cash Equivalents	31 Dec 2023	30 Jun 2023
	\$	\$
Cash on hand	227,441	133,643
	227,441	133,643
	227,441	133,643

6. Financial assets	31 Dec 2023	30 Jun 2023
	\$	\$
Investments in Raiz Residential Property Fund	4,980,863	3,143,501
	4,980,863	3,143,501
	4,980,863	3,143,501

7. Trade and other payables	31 Dec 2023	30 Jun 2023
	\$	\$
Redemption payables	-	10,628
Other payables and accruals	6,656	1,577
Total trade other payables	6,656	12,205
	6,656	12,205

8. Distributions to Members	31 Dec 2023	30 Jun 2023
	\$	\$
The distributions for the period were as follows:		
Distribution payable	-	18,955
	-	18,955
	-	18,955



NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JULY 2023 TO 31 DECEMBER 2023

9. Related Party Information

Responsible Entity

Instreet Investment Limited has been the Responsible Entity of the Scheme since 1 May 2022.

	31 Dec 2023	30 Jun 2023
Responsible Entity's remuneration	\$	\$
Responsible Entity fees	-	1,137

Related Party

	31 Dec 2023	30 Jun 2023
Amount owing to related party	\$	\$
Amount owing to Instreet Investment Limited	-	1,137

Key Management Personnel (KMP)

The Scheme does not employ personnel in its own right. However it is required to have an incorporated Responsible Entity to manage its activities and the Directors of this entity are considered the KMP. The directors of the Responsible Entity Instreet Investment Limited are key management personnel of the responsible entity.

No compensation is paid directly by the Scheme to any of the key management personnel of the Responsible Entity.

10. Net assets attributable to members

	31 Dec 2023	30 Jun 2023
	\$	\$
Opening balance	3,246,085	-
Applications	1,996,202	3,356,387
Redemptions	(163,463)	(101,543)
Distribution payables	-	(18,955)
Application receivables	8,474	-
Redemptions payables	-	(10,628)
Profit for the period	123,390	20,824
Closing balance	<u>5,210,688</u>	<u>3,246,085</u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JULY 2023 TO 31 DECEMBER 2023**

11. Fair value measurement

a) Fair Values Estimation

The carrying amounts of all the Scheme's financial assets and financial liabilities at the balance date approximated their fair values as all financial assets and liabilities not fair valued are short-term in nature.

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 profit or loss.

b) Fair Values Hierarchy

i) Classification of financial assets and financial liabilities

AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level in the fair value measurement hierarchy as follow:

- Level 1: Quoted price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The category includes instruments valued using quoted prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant observable inputs. The category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments are required to reflect differences between the instruments.

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

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

All balance sheet items are held at fair value and are measured at Level 2 in the fair value measurement hierarchy.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JULY 2023 TO 31 DECEMBER 2023**

12. Events Occurring after the Reporting Period

No other significant events have arisen since the end of the reporting period that have significantly affected or may significantly affect the operations of Raiz Property Fund, the results of those operations, or the state of affairs of Raiz Property Fund in subsequent financial years.

13. Contingent assets and liabilities and commitments

There are no outstanding assets, liabilities or commitments as at 31 December 2023.



Directors' Declaration

For the period 1 July 2023 to 31 December 2023

The directors of Instreet Investment Limited, the Responsible Entity of Raiz Property Fund declare that:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, and accompanying notes are in accordance with the Corporations Act 2001 and:
 - a. Comply with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - b. Give a true and fair view of the Scheme's financial position as at 31 December 2023 and of its performance for the period ending on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors of Instreet Investment Limited pursuant to section 303(5)(a) of the Corporation Act 2001 and is signed for and on behalf of the directors by:

A handwritten signature in black ink, appearing to read "B. Malone", written over a horizontal line.

Brendan Barry Malone

Managing Director

Sydney

28 February 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Raiz Property Fund

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Raiz Property Fund (the Scheme), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Scheme does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Scheme's financial position as at 31 December 2023 and of its financial performance for the period ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Scheme, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of Instreet Investment Limited, the Responsible Entity are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Scheme's financial position as at 31 December 2023 and its performance for the period ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

BDO Audit Pty Ltd

BDO

Jeshan Velupillai

Jeshan Velupillai

Director

Sydney, 28 February 2024

