

Realm Short Term Income Fund

ARSN 622 892 844

Financial report

For the half-year ended 31 December 2021

Index to the Financial Statements

	Page
Directors' Report	2
Auditor's Independence Declaration	4
Independent Auditor's Report	5
Directors' Declaration	7
Statement of Profit or Loss and Other Comprehensive Income for the half year ended 31 December 2021	8
Statement of Financial Position as at 31 December 2021	9
Statement of Changes in Equity for the half year ended 31 December 2021	10
Statement of Changes in Net Assets Attributable to Unitholders for the half year ended 31 December 2021	11
Statement of Cash Flows for the half year ended 31 December 2021	12
Notes to the Financial Statements	
1. General Information	13
2. Adoption of New and Revised Accounting Standards	13
3. Summary of Significant Accounting Policies	13
4. Investments in Financial Instruments	14
5. Net Assets Attributable to Unitholders	16
6. Commitments and Contingencies	16
7. Subsequent Events	17

Directors' report

The directors of One Managed Investment Funds Limited (ABN 47 117 400 987; AFSL 297 042) ("OMIFL" or the "Responsible Entity"), the responsible entity of Realm Short Term Income Fund (ARSN 622 892 844) ("RSTIF" or the "Fund") submit their report together with the financial report for the Fund for the half-year ended 31 December 2021

Responsible Entity

The registered office and principal place of business of the responsible entity is Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000.

Information about the Directors and Senior Management

The names of the directors and company secretaries of the Responsible Entity, in office during the financial half-year and up to the date of the Directors' Report are:

Name	Title
Frank Tearle	Executive Director and Company Secretary
Sarah Wiesener	Executive Director and Company Secretary
Michael Sutherland	Executive Director

Principal Activities

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

The Fund was constituted on 16 November 2017, registered as a managed investment scheme on 29 November 2017 and commenced operations on 14 December 2017.

The principal activity of the Fund during the half-year was to invest in accordance with the provisions of the Fund's Constitution and offer documents, as amended from time to time, and the most recent Product Disclosure Statement and additional information booklet dated 4 May 2021.

The Fund's primary emphasis is to invest in a portfolio of Australian and New Zealand originated debt securities issued by major banks, their subsidiaries and other authorised deposit taking institutions which could be denominated in currencies other than the Australian and NZ dollar.

The Fund did not have any employees during the half-year.

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

Review and Results of Operations

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

	Half-year ended 31 December 2021	Half-year ended 31 December 2020
Profit/(loss) for the half-year (\$)	1,736,176	1,706,394
Distributions paid and payable (\$)	3,036,404	1,156,090

Value of Assets and Units Issued

The total value of the Fund's assets at 31 December 2021 was \$522,112,711 (30 June 2021: \$245,245,133). The following table shows the total number of units on issue as at 31 December 2021 and 30 June 2021.

	As at	
	31 December 2021	30 June 2021
	No. of Units	No. of Units
Ordinary Units	479,901,673	211,313,231
mFunds Units	4,682,344	2,014,541
Internal Manager Units	31,326,975	25,613,574
Total Units	515,910,992	238,941,346

Directors' report (continued)

Changes in State of Affairs

From 26 February 2021, the Realm Short Term Income Fund has over 100 Unitholders and is therefore a 'disclosing entity' for the Corporations Act 2001.

Other than the above, there were no significant changes in the state of affairs of the Fund during the half year ended 31 December

Subsequent Events

Ukraine conflict, following Russia's escalation in conflict in February 2022, there is an increased level of global uncertainty with increased market and economic volatility, which may in turn have an impact on the Fund.

The coronavirus, COVID-19, was first identified as a new, highly contagious virus in December 2019. The World Health Organisation declared a global pandemic in March 2020 and as at the date of this half yearly Report, COVID-19 remains prevalent throughout the world, including Australia. COVID-19 has caused unprecedented disruption to populations, businesses and general economic activity. As the situation evolves, it continues to impact on investment funds and their trustees and managers, both directly and indirectly.

As these situations are continuing, the Investment Manager has been monitoring both the valuation of the Fund's assets and the Fund's liquidity and is investing in accordance with the provision of the Fund's Constitution and offer documents and service providers whilst assessing the ongoing operations, liquidity, and lending arrangements and on that basis the values and estimates are reported. In these circumstances, there is uncertainty around valuations. The Investment Manager will continue to closely monitor market situations to ensure that valuations remain appropriate. The Investment Manager will provide resources and updates where necessary to provide informed guidance for investors during this changing environment.

There has been no other matter or circumstance occurring subsequent to the end of the half-year that has significantly affected, or may significantly affect, the operations of the Fund, the results of those operations, or the state of affairs of the Fund in future financial periods.

Likely Developments

The Fund will be managed in accordance with the Constitution and investment objectives as detailed in its most recent Product Disclosure Statements.

Environmental Regulation and Performance

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

Indemnification of Directors, Officers and Auditors

During or since the financial half-year, the Fund has not indemnified or made a relevant agreement to indemnify an officer of the Responsible Entity or auditor of the Fund or any related corporate body against a liability incurred by an officer of the Responsible Entity or auditor of the Fund. In addition, the Fund has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer of the Responsible Entity or auditor of the Fund

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 4.

This report is made in accordance with a resolution of the directors of the Responsible Entity, One Managed Investment Funds Limited.



Frank Tearle
Director
11 March 2022

Auditor's Independence Declaration Under Section 307C of the *Corporations Act 2001* to Directors of One Managed Investment Funds Limited

As lead auditor for the review of the half year financial report of Realm Short Term Income Fund for the half year ended 31 December 2021, I declare that to the best of my knowledge and belief, that there have been:

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

Yours sincerely,



Crowe Sydney



John Haydon
Senior Partner

11 March 2022

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Independent Auditor's Review Report to the Unitholders of Realm Short Term Income Fund

Conclusion

We have reviewed the half-year financial report of Realm Short Term Income Fund (the Fund), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of changes in net assets attributable to unitholders and statement of cash flows for the half-year 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 Realm Short Term Income Fund does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Fund's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis of Conclusion

We conducted our review in accordance with ASRE 2410 *Review of 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 Fund in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Responsibility of the Directors for the Financial Report

The directors of 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 Fund's financial position as at 31 December 2021 and its performance for the half-year 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.



Crowe Sydney



John Haydon
Senior Partner

11 March 2022

Directors' declaration

The directors of the Responsible Entity declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable;
- (b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 3(a) to the financial statements; and
- (c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Fund.

Signed in accordance with a resolution of the directors of the Responsible Entity made pursuant to Section 303(5) of the Corporations Act 2001.

On behalf of the directors of the Responsible Entity, One Managed Investment Funds Limited.



Frank Tearle
Director
11 March 2022

Statement of Profit or Loss and Other Comprehensive Income

	Note	Half-year ended 31 December 2021 \$	Half-year ended 31 December 2020 \$
Investment income			
Net (losses)/gains on financial instruments at fair value through profit or loss		(1,230,281)	748,691
Interest income		3,613,408	1,156,298
Dividend and distribution income		10,387	6,663
Total net investment income		<u>2,393,514</u>	<u>1,911,652</u>
Expenses			
Management fees		482,642	152,116
Other expenses		174,696	53,142
Total expenses		<u>657,338</u>	<u>205,258</u>
Profit for the half-year		<u>1,736,176</u>	<u>1,706,394</u>
Other comprehensive income		-	-
Total comprehensive income for the half-year		<u>1,736,176</u>	<u>1,706,394</u>

The above Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

	Note	As at 31 December 2021 \$	30 June 2021 \$
Assets			
Cash and cash equivalents		65,217,300	26,958,608
Other receivables		1,662,726	919,781
Financial assets at fair value through profit or loss	4	455,232,685	217,366,744
Total assets		522,112,711	245,245,133
Liabilities			
Distributions payable		1,031,822	244,514
Management fees payable		114,070	100,093
Due to brokers - payable for securities purchase		-	3,092,547
Financial liabilities at fair value through profit or loss	4	12,580	-
Total liabilities		1,158,472	3,437,154
Net assets attributable to unitholders - equity	5	520,954,239	241,807,979

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of changes in equity

		Half-year ended 31 December 2021 \$	Half-year ended 31 December 2020 \$
	Note		
Total equity at the beginning of the financial half-year		241,807,979	-
Reclassification due to AMIT tax regime implementation*		-	79,115,824
Comprehensive income for the half-year			
Profit/(loss) for the half year		1,736,176	1,706,394
Other comprehensive income		-	-
Total comprehensive income		1,736,176	1,706,394
Transactions with unitholders			
Applications	5	363,523,441	94,100,574
Redemptions	5	(83,493,769)	(33,254,079)
Reinvestment of distributions	5	416,816	415,663
Distributions to unitholders	5	(3,036,404)	(1,156,090)
Total transactions with unitholders		277,410,084	60,106,068
Total equity at the end of the financial half-year		520,954,239	140,928,286

*Effective from 1 July 2020, the Fund's units have been reclassified from financial liability to equity. As a result, equity transactions, including distributions have been disclosed in the above statement for the year ended 30 June 2021.

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

Statement of Changes in Net Assets Attributable to Unitholders

	Note	Net assets attributable to unitholders of the Fund
		\$
Half-year ended 31 December 2020		
Balance as at 1 July 2020		79,115,824
Reclassification due to AMIT tax regime implementation*		(79,115,824)
Applications for units by unitholders		-
Redemptions of units by unitholders		-
Reinvestments by unitholders		-
Increase in net assets attributable to unitholders		-
		-
Balance as at 31 December 2020		-

*Net assets attributable to unit holders are classified as equity at 1 July 2020.

The above Statement of Changes in Net Assets Attributable to Unitholders should be read in conjunction with the accompanying notes.

Statement of Cash Flows

	Note	Half-year ended 31 December 2021 \$	Half-year ended 31 December 2020 \$
Cash flows from operating activities			
Net purchase and sales of financial instruments at fair value through profit or loss		(242,176,190)	(61,688,976)
Dividends and distributions received		42,730	6,663
Interest received		2,788,039	1,040,858
Management fees paid		(468,665)	(135,990)
Other payments		(124,615)	(74,278)
Net cash outflow from operating activities		(239,938,701)	(60,851,723)
Cash flow from financing activities			
Distributions paid to unitholders		(1,832,279)	(918,329)
Proceeds from applications by unitholders		363,523,441	94,100,574
Payments for redemptions by unitholders		(83,493,769)	(33,254,079)
Net cash inflow from financing activities		278,197,393	59,928,166
Net increase in cash and cash equivalents		38,258,692	(923,557)
Cash and cash equivalents at the beginning of the half-year		26,958,608	13,063,650
Cash and cash equivalents at the end of the half-year		65,217,300	12,140,093
Non-cash operating and financing activities		416,816	415,663

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

1 General Information

The Fund is an unlisted registered managed investment scheme. The responsible entity of the Fund is One Managed Investment Funds Limited (ABN 47 117 400 987; AFSL 297 042) ("OMIFL" or the "Responsible Entity"). The registered office and principal place of business of the Responsible Entity is Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000.

The Fund was constituted on 16 November 2017, registered as a managed investment scheme on 29 November 2017 and commenced operations on 14 December 2017.

The principal activity of the Fund is disclosed in the Directors' Report.

The Fund elected into the Attribution Managed Investment Trust ("AMIT") regime under the Taxation Laws Amendment (New Tax System for Managed Investment Trusts) Act 2016 on 30 June 2021 with effect 1 July 2020. The Responsible Entity is therefore no longer contractually obligated to pay distributions. However, it intends to continue paying distributions as described in its PDS. Consequently, the units in the Fund have been reclassified from a financial liability to equity on 1 July 2020. In the years the fund is AMIT compliant, and the fund is unable to pay cash distributions, any taxable income attributed to unitholders should be reported as a tax cost base uplift in the attribution managed investment trust member annual ("AMMA") statements.

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

2 Adoption of New and Revised Accounting Standards

New or amended Accounting Standards and Interpretations adopted in the current period

The Fund has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

New Standards and Interpretations not yet Adopted

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the half year beginning after 1 July 2021, that have a material impact on the financial statements of the Fund recognised in the prior periods or will affect the current or future periods.

3 Summary of Significant Accounting Policies

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

(a) Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. This half-year report does not include all the notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

(b) Basis of Preparation

This general purpose financial report has been prepared using the historical cost convention, except for the revaluation of investments in financial assets and liabilities, which have been measured at fair value.

The Statement of Financial Position is 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 12 months, except for certain investments in financial assets and net assets attributable to unitholders. The amounts expected to be received or settled in relation to these balances cannot be readily determined.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Fund's 2021 annual financial report for the financial year ended 30 June 2021.

All amounts are presented in Australian dollars as the functional and presentational currency of the Fund.

(c) Going Concern Basis

This half-year financial report has been prepared on a going concern basis.

4 Investments in Financial Instruments

Financial assets at fair value through profit or loss

	As at	
	31 December	30 June
	2021	2021
	\$	\$
Financial assets at fair value through profit or loss		
Investment in asset backed securities	213,065,570	106,854,473
Investment in corporate bonds	96,014,981	27,361,686
Investment in floating rate note	139,139,506	76,107,055
Investments in unit trusts	7,012,628	7,011,199
Investment in derivatives	-	32,331
Total financial assets at fair value through profit or loss	455,232,685	217,366,744

Financial liabilities at fair value through profit or loss

	As at	
	31 December	30 June
	2021	2021
	\$	\$
Financial liabilities at fair value through profit or loss		
Investment in derivatives	12,580	-
Total financial liabilities at fair value through profit or loss	12,580	-

Fair value hierarchy

Financial instruments carried at fair value are categorised under a three level hierarchy. Financial instruments are categorised based on the observable market inputs when estimating their fair value. If different levels of inputs are used to measure a financial instrument's fair value, the instrument's classification within the hierarchy is based on the lowest level of input that was significant to the fair value measurement.

Level 1:

Financial instruments are valued by reference to quoted prices in an active market(s) for identical assets or liabilities. These quoted prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2:

Financial instruments are valued using inputs other than quoted prices covered in Level 1. These other inputs include quoted prices that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). The inputs included in this level encompass quoted prices in active markets for similar assets or liabilities, quoted prices in markets in which there are few transactions for identical or similar assets or liabilities. Financial instruments that are valued using other inputs that are not quoted prices but are observable for the assets or liabilities also fall into this categorisation.

Level 3:

Financial instruments that have been valued, in whole or in part, by using valuation techniques or models that are based on unobservable inputs that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Unobservable valuation inputs are determined based on the best information available, which might include the entity's own data, reflecting its assumptions as well as best practices carried out or undertaken by other market participants. These valuation techniques are used to the extent that observable inputs are not available.

The following table shows an analysis of financial instruments held at 31 December 2021 and 30 June 2021, recorded at fair value and presented by level of the fair value hierarchy:

4 Investments in Financial Instruments (continued)

Fair value hierarchy (continued)

	31 December 2021			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Financial assets				
Investment in asset backed securities	-	213,065,570	-	213,065,570
Investment in floating rate note	-	96,014,981	-	96,014,981
Investment in corporate bonds	-	139,139,506	-	139,139,506
Investment in unit trusts	7,012,628	-	-	7,012,628
Total financial assets at fair value through profit or loss	7,012,628	448,220,057	-	455,232,685
Financial liabilities				
Investment in unit trusts	12,580	-	-	12,580
Total financial liabilities at fair value through profit or loss	12,580	-	-	12,580
	31 June 2021			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Financial assets				
Investment in asset backed securities	-	106,854,473	-	106,854,473
Investment in floating rate note	-	27,361,686	-	27,361,686
Investment in corporate bonds	-	76,107,055	-	76,107,055
Investment in unit trusts	7,011,199	-	-	7,011,199
Investment in derivatives	32,331	-	-	32,331
Total financial assets at fair value through profit or loss	7,043,530	210,323,214	-	217,366,744

There were no transfers between levels 1, 2 and 3 during the period. The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Valuation techniques used to derive level 1, level 2 and level 3 fair values

Level 1

The fair value of financial instruments that are traded in an active market (for example, listed equities) is determined using the last traded quoted price in an active market. As at 31 December 2021 the Fund had \$7,012,628 financial assets held at fair value through profit or loss included in level 1 (30 June 2021: \$7,043,530). As at 31 December 2021 the Fund had \$12,580 financial liabilities held at fair value through profit or loss included in level 1 (30 June 2021: \$nil).

Level 2

The fair value of financial instruments that are not traded in an active market (for example, unlisted investments) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. As at 31 December 2021, the Fund had \$448,220,057 financial instruments in level 2 (30 June 2021: \$210,323,214).

Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. As at 31 December 2021, the Fund had \$nil financial assets held at fair value through profit or loss included in level 3 (30 June 2021: \$nil).

Disclosed fair values

For all financial instruments other than those measured at fair value their carrying value approximates fair value

5 Net Assets Attributable to Unitholders

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

Ordinary Units

	Half-year ended 31 December 2021		Half-year ended 31 December 2020	
	No. of Units	\$	No. of Units	\$
Balance as at 1 July	211,313,231	213,789,998	51,085,419	51,244,292
Applications for units by unitholders	345,349,651	349,736,336	87,121,977	87,822,574
Redemptions of units by unitholders	(76,945,014)	(77,977,020)	(24,829,402)	(25,044,079)
Reinvestments by unitholders	183,805	186,068	45,828	46,158
Distributions paid and payable	-	(2,765,651)	-	(912,502)
Profit/(loss) for the half-year	-	1,524,696	-	1,290,216
Closing balance as at 31 December 2021	479,901,673	484,494,427	113,423,822	114,446,659

mFunds Units

	Half-year ended 31 December 2021		Half-year ended 31 December 2020	
	No. of Units	\$	No. of Units	\$
Balance as at 1 July	2,014,541	2,032,056	-	-
Applications for units by unitholders	2,709,915	2,737,105	376,826	378,000
Redemptions of units by unitholders	(42,684)	(43,043)	-	-
Reinvestments by unitholders	572	577	92	92
Distributions paid and payable	-	(32,701)	-	(3,145)
Profit/(loss) for the half-year	-	16,666	-	4,167
Closing balance as at 31 December 2021	4,682,344	4,710,660	376,918	379,114

Internal Manager Units

	31 December 2021		31 December 2020	
	No. of Units	\$	No. of Units	\$
Balance as at 1 July	25,613,574	25,985,924	27,733,700	27,871,532
Applications for units by unitholders	10,869,911	11,050,000	5,834,180	5,900,000
Redemptions of units by unitholders	(5,383,120)	(5,473,706)	(8,141,291)	(8,210,000)
Reinvestments by unitholders	226,610	230,171	366,482	369,413
Distributions paid and payable	-	(238,052)	-	(240,443)
Profit/(loss) for the half-year	-	194,814	-	412,011
Closing balance as at 31 December 2021	31,326,975	31,749,151	25,793,071	26,102,513

Total Units

	Half-year ended 31 December 2021		Half-year ended 31 December 2020	
	No. of Units	\$	No. of Units	\$
Balance as at 1 July	238,941,346	241,807,979	78,819,119	79,115,824
Applications for units by unitholders	358,929,477	363,523,441	93,332,983	94,100,574
Redemptions of units by unitholders	(82,370,818)	(83,493,769)	(32,970,693)	(33,254,079)
Reinvestments by unitholders	410,987	416,816	412,402	415,663
Distributions paid and payable	-	(3,036,404)	-	(1,156,090)
Profit/(loss) for the half-year	-	1,736,176	-	1,706,394
Closing balance as at 31 December 2021	515,910,992	520,954,239	139,593,811	140,928,286

6 Commitments and Contingencies

There are no commitments or contingencies at 31 December 2021 (30 June 2021: nil).

7 Subsequent Events

Ukraine conflict, following Russia's escalation in conflict in February 2022, there is an increased level of global uncertainty with increased market and economic volatility, which may in turn have an impact on the Fund.

The coronavirus, COVID-19, was first identified as a new, highly contagious virus in December 2019. The World Health Organisation declared a global pandemic in March 2020 and as at the date of this half yearly Report, COVID-19 remains prevalent throughout the world, including Australia. COVID-19 has caused unprecedented disruption to populations, businesses and general economic activity. As the situation evolves, it continues to impact on investment funds and their trustees and managers, both directly and indirectly.

As these situations are continuing, the Investment Manager has been monitoring both the valuation of the Fund's assets and the Fund's liquidity and is investing in accordance with the provision of the Fund's Constitution and offer documents and service providers whilst assessing the ongoing operations, liquidity, and lending arrangements and on that basis the values and estimates are reported. In these circumstances, there is uncertainty around valuations. The Investment Manager will continue to closely monitor market situations to ensure that valuations remain appropriate. The Investment Manager will provide resources and updates where necessary to provide informed guidance for investors during this changing environment.

There has not been any other matter or circumstance occurring subsequent to the end of the half-year that has significantly affected, or may significantly affect, the operations of the Fund, the results of those operations, or the state of affairs of the Fund in future financial periods.