

Landen Funds

ARSN 653 001 015

**Consolidated Annual Report
For the period ended 20 August 2021 to 30 June 2022**

Landen Funds Consolidated Annual Report

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Landen Funds Consolidated Annual Report

Directors' Report For the period 20 August 2021 to 30 June 2022

The Directors of One Managed Investment Funds Limited (ABN 47 117 400 97) ("OMIFL" or the "Responsible Entity"), the responsible entity of Landen Funds (the "Trust") present their report, together with the consolidated financial report of the Trust and its subsidiary Specific Investment Fund - Fairway ("Fairway"), (collectively the "Group") for the period 20 August 2021 to 30 June 2022.

The Trust information

Landen Funds is a registered managed investment scheme, domiciled in Australia. The Trust was constituted on 20 August 2021 and was registered as a managed investment scheme on 3 September 2021.

Responsible Entity

OMIFL is incorporated and domiciled in Australia with its registered office located at Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney, NSW 2000. OMIFL is the holder of Australian Financial Services License ("AFSL") number 297042 which allows it to act as a responsible entity to registered managed investment schemes in Australia.

Directors

The following persons were directors of OMIFL during the reporting period and up to the date of this report:

Name	Title	Appointment date
Frank Tearle	Executive Director	4 December 2008
	Company Secretary	1 September 2009
Sarah Wiesener	Executive Director	9 June 2016
	Company Secretary	26 October 2018
Michael Sutherland	Executive Director	1 October 2019

Principal Activities

Landen Funds is an unlisted registered managed investment scheme which earns interest income from property loans.

Review of Operations

Results

The net profit attributable to unitholders of the Group as presented in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period 20 August 2021 to 30 June 2022 was \$157,148.

Landen Funds Consolidated Annual Report

Directors' Report (continued) For the period 20 August 2021 to 30 June 2022

Review of Operations

Results

	30 June 2022
	\$
Net profit attributable to unitholders	157,148
Operating income	247,358
Loan receivable	5,090,000
Value of Assets and Units Issued	
Total value of the Group's assets	5,332,366
Total number of units on issue	5,004,285
Units issued during the period	5,004,285

The Group's operating income excluding net fair value movements comprise interest income and distribution income and the total for the financial year was \$247,358.

Distributions

During the reporting period to 30 June 2022, the directors declared a final distribution payable to unitholders totalling \$nil.

Significant Changes in State of Affairs

During the period, the totals of new loan drawdowns were \$5,090,000.

Likely Developments

At this time the directors are not aware of any developments likely to have a significant effect upon the operations or the results of the Group in the subsequent financial year which has not been dealt with in this report or in the financial report.

Events Occurring After the End of the Reporting Period

On 1 July 2022, a new subsidiary of the Trust, Specific Investment Fund - Norwest ("Norwest"), (the lender) signed a loan agreement for a \$8,000,000 loan facility with the borrower, Landen Dev No.5 Pty Ltd as trustee for Landen Dev No.5 Unit Trust ("Landen Dev No.5"). Another new subsidiary, Specific Investment Fund - Box Hill ("Box Hill"), (the lender) signed a loan agreement for a \$5,000,000 loan facility with the borrower, Landen Box Hill No.2 Pty Ltd as trustee for Landen Box Hill No.2 Unit Trust ("Landen Box Hill").

On 1 July 2022, the Group received new applications of \$900,000 for Class A (Fairway), (the lender), \$3,100,000 for Class B (Norwest) and \$5,000,000 for Class C (Box Hill) and paid loan drawdowns to the borrowers, Landen Dev No.7 Pty Ltd as trustee for Landen Dev No.7 Unit Trust ("Landen Dev No.7"), Landen Dev No.5 and Landen Box Hill respectively.

Landen Funds Consolidated Annual Report

Directors' Report (continued) For the period 20 August 2021 to 30 June 2022

On 6 July 2022, the Group received new applications of \$410,000 for Class A (Fairway), (the lender) and paid loan drawdowns to the borrower, Landen Dev No.7.

On 1 August 2022, 1 September 2022 and 1 October 2022, the Group received new applications of \$750,000, \$820,000 and \$120,000 for Class B (Norwest), (the lender) and paid loan drawdowns to the borrower, Landen Dev No.5.

On 31 July 2022, 31 August 2022 and 30 September 2022, the Group distributed \$21,063.01 for July, \$26,158.91 for August and \$30,706.85 for September to Class B unit holders, which is from interest income received from the borrower, Landen Dev No.5 in accordance with the loan agreement.

Other than as disclosed herein, the directors are not aware of any matter or circumstance that has occurred since the end of the reporting period that has significantly affected or may significantly affect the financial position of the Trust disclosed in the Consolidated Statement of Financial Position as at 30 June 2022 or the results and cash flows of the Trust for the period ended on that date.

Environmental Regulation and Performance

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

Indemnification and Insurance of Officers and Auditors

No insurance premiums are paid out of the Group's assets in relation to insurance cover for the Responsible Entity, its officers and employees, the Compliance Committee or the auditors of the Group.

Under the Trust's Constitution, the officers of the Responsible Entity remain indemnified out of the assets of the Trust against losses, damage, expense or liability incurred while acting on behalf of the Trust. The Trust has not indemnified any auditor of the Trust.

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 5.

The Group appointed BDO Audit Pty Ltd (BDO) as the auditor of Landen Funds and BDO continues in that office in accordance with section 327 of the Corporate Act 2001.

**Landen Funds
Consolidated Annual Report**

**Directors' Report (continued)
For the period 20 August 2021 to 30 June 2022**

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

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



Frank Tearle
Director

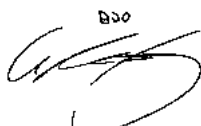
12 October 2022

DECLARATION OF INDEPENDENCE BY GEOFF ROONEY TO THE DIRECTORS OF LANDEN FUNDS

As lead auditor of Landen Funds (Trust) and its subsidiaries (the Group) for the year ended 30 June 2022, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Landen Funds (Trust) and the entities it controlled during the year.



Geoff Rooney
Director

BDO Audit Pty Ltd

Sydney

12 October 2022

Landen Funds

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the period 20 August 2021 to 30 June 2022

	20 August 2021 to 30 June 2022
Notes	\$
Operating Income	
Interest income	157,415
Other income	89,943
Total revenue	247,358
Operating expenses	
Administration fees	14,443
Audit fees	15,675
Custody fees	10,316
Registry fees	9,167
Responsible entity fees	31,552
Tax consulting fees	7,838
Investment manager fees	267
Other operating expenses	952
Total operating expenses	90,210
Net operating profit attributable to unitholders	157,148
Distributions to unitholders	-
Increase in Net Assets Attributable to Unitholders	157,148
Other comprehensive income	-
Total comprehensive income	-

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

Landen Funds

Consolidated Statement of Financial Position As at 30 June 2022

	Notes	30 June 2022 \$
Current assets		
Cash and cash equivalents		80,402
Other current assets		3,599
Trade and other receivables	5	<u>158,365</u>
Total current assets		<u>242,366</u>
Non-current assets		
Loan receivable	6	<u>5,090,000</u>
Total non-current assets		<u>5,090,000</u>
Total assets		<u>5,332,366</u>
Current liabilities		
Trade and other payables		<u>85,208</u>
Total current liabilities		<u>85,208</u>
Total liabilities		<u>85,208</u>
Net assets attributable to unitholders		<u>5,247,158</u>
Represented by		
Units on issue		5,090,010
Accumulated profit		<u>157,148</u>
Total unitholders interests		<u>5,247,158</u>

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

Landen Funds

Consolidated Statement of Changes in Net Assets Attributable to Unitholders For the period 20 August 2021 to 30 June 2022

	Notes	Net assets attributable to unitholders of the Group \$
Balance as at the beginning of period		-
Applications for units by unitholders	8(a)	5,090,010
Redemption of units by unitholders		-
Net profit attributable to unitholders	8(a)	157,148
Distributions paid/payable to unitholders		-
Balance as at 30 June 2022		5,247,158

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

Landen Funds

Consolidated Statement of Cash Flows For the period 20 August 2021 to 30 June 2022

	20 August 2021 to 30 June 2022
Notes	\$
Cash flows from operating activities	
Other income received	89,943
Interest received	267
Payments to suppliers	<u>(9,818)</u>
Net cash provided by operating activities	7 <u>80,392</u>
Cash flows from investing activities	
Loan to Landen Dev No.7 Unit Trust	<u>(5,090,000)</u>
Net cash used in investing activities	<u>(5,090,000)</u>
Cash flows from financing activities	
Proceeds from issue of units	<u>5,090,010</u>
Net cash provided by financing activities	<u>5,090,010</u>
Net increase in cash and cash equivalents	80,402
Cash and cash equivalents at the beginning of the period	<u>-</u>
Cash and cash equivalents at the end of the period	<u>80,402</u>

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

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

1. General information

One Managed Investment Funds Limited ("OMIFL" or the "Responsible Entity"), is the responsible entity for Landen Funds, is domiciled in Australia and its registered office is situated at Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney, NSW 2000. These general purpose financial statements are for the period from 20 August 2021 to 30 June 2022 and cover the parent entity Landen Funds and its fully owned subsidiary entity Specific Investment Fund - Fairway ("Fairway"), (collectively the "Group"). The principal accounting policies adopted in the preparation of the financial statements are set out below, and have been consistently applied to all periods presented, unless otherwise stated.

The financial report was authorised for issue by the Responsible Entity on 12 October 2022.

Landen Funds Management Pty Ltd ACN 651 892 152 is the Group's investment manager. It is an Authorised Representative (AR No: 001292417) of Havana Financial Services Pty Ltd (ACN: 619 804 518; AFSL: 500435) and is part of Landen Group, which also comprises Landen Property and Landen Financial Services.

2. Basis of preparation

a) *Financial reporting framework*

The consolidated financial report is a general purpose financial report, which has been prepared in accordance with the Constitution of the Landen Funds and the Corporations Act 2001 in Australia, including applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and other mandatory professional reporting requirements. For the purposes of preparing the Financial Statements, the Group is a for-profit entity.

b) *Statement of compliance*

The consolidated financial statements comply with Australian Accounting Standards and Interpretation issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

c) *Historical cost convention and presentation currency*

The consolidated financial report have been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at revalued amounts or fair values. Historical cost is generally based on the fair values of the consideration given in exchange for assets or due for liabilities.

The financial report is presented in Australian dollars (\$), and all amounts are rounded to the nearest dollar unless otherwise noted.

d) *Going concern basis*

The consolidated financial report of the Group has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

2. Basis of preparation (continued)

e) *New accounting standards and interpretations*

The consolidated entity 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.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

f) *Critical accounting estimates*

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Fair value measurement hierarchy

The Trust is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss for each financial instrument. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic and forward-looking information that is available.

3. Summary of significant accounting policies

The accounting policies set out below have been consistently applied to all periods presented in these financial statements.

a) *Income*

Revenue is brought to account on an accruals basis except where stated.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

3. Summary of significant accounting policies (continued)

a) *Income (continued)*

Interest income

Interest income is recognised in the Consolidated Statement of Profit or Loss and other Comprehensive income as it accrues, using the effective interest rate method and if not received at balance date, is reflected in the Consolidated Statement of Financial Position as a receivable.

b) *Cash and cash equivalents*

Cash and cash equivalents include cash on hand and cash at bank.

c) *Investments and financial assets*

Classification

The Group classifies its financial assets at amortised cost, or fair value through profit or loss. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

(i) *Financial assets at fair value*

Financial assets at fair value are financial assets held for long-term investment. Their treatment is discussed at Note 3(d).

(ii) *Financial assets held at amortised cost*

Loans and receivables are classified and measured at amortised cost. The Group holds these financial assets in order to collect the contractual cash flows, and the contractual terms are solely payments of outstanding principal and interest on the principal amount outstanding (refer to Note 3(e)).

Recognition and derecognition

Regular purchases and sales of investments are recognised at trade date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at cost plus transaction costs for all financial assets not carried at fair value through profit or loss. Investment in financial assets at fair value are initially recognised at fair value and transaction costs are expensed in the consolidated statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Subsequent measurement

Available for sale financial assets and Investment in financial assets at fair value are subsequently carried at fair value. Loans and receivables and held to maturity investments are carried at amortised cost using the effective interest method. Gains or losses arising from changes in the fair value of Investment in financial assets at fair value, excluding interest and distribution income, are presented in the consolidated statement of comprehensive income in the year in which they arise. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Trust establishes fair value by using valuation techniques that maximise use of market inputs or reference to other instruments that are substantially the same. Further details on how the fair value of financial instruments is determined are disclosed in Note 3(d).

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

3. Summary of significant accounting policies (continued)

c) Investments and financial assets (continued)

Impairment

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available for sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the consolidated statement of comprehensive income - is removed from equity and recognised in the consolidated statement of comprehensive income. Impairment losses recognised in the consolidated statement of comprehensive income on equity instruments classified as available for sale are not reversed through the consolidated statement of comprehensive income.

d) Financial assets and liabilities held at fair value through profit or loss

Investments in financial instruments are categorised in accordance with AASB 9 'Financial Instruments'. The financial assets are measured at fair value.

Classification

The Group has classified its debt and equity investments into the "fair value through profit or loss" category. These include financial assets that are not held for trading purposes and which may be sold. These include investments in unlisted securities. The Group carries its investments in other funds at fair value based on financial data supplied by the managers of the funds invested in. The fair value through profit or loss classification is available for the majority of the financial assets and financial liabilities held by the Group as the Group's performance is evaluated on a fair value basis and information about the Group is provided on that basis to the directors of the Responsible Entity.

Recognition

The Group recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. Financial assets are recognised using trade date accounting. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded.

Measurement

Financial instruments are measured initially at fair value (transaction price) plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Consolidated Statement of Profit or Loss and other Comprehensive Income. Financial assets and liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate.

Fair value measurement principles

The fair value of financial instruments is based on their quoted market prices at the Consolidated Statement of Financial Position date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

3. Summary of significant accounting policies (continued)

d) Financial assets and liabilities held at fair value through profit or loss (continued)

If a quoted market price is not available on a recognised stock exchange or from a broker / dealer for non-exchange-traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, 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 Consolidated Statement of Financial Position date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the Consolidated Statement of Financial Position date. 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.

De-recognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with AASB 139. The Group uses the weighted average method to determine realised gains and losses on derecognition of financial assets not at fair value.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

e) Receivables

Trade and other receivables

Trade receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition. An estimate of expected credit loss is made annually, based on the past performance of the Group, existing market conditions, as well as forward estimates of likely recovery.

Loans receivable

Loans that have fixed or determinable payments that are not quoted in an active market are classified as 'loan receivables' using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

f) Trade and other payables

Trade payables represent liabilities for goods and services provided to the Group prior to the end of the period, which remain outstanding at the end of the reporting period. Purchases of securities are recorded on trade date and normally settle within three business days. Purchases of securities that are unsettled at reporting date are included in payables. Other payables include accrued expenses and short-term loans.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

3. Summary of significant accounting policies (continued)

g) Income tax

Under current legislation, the Group is not subject to income tax as its taxable income (including assessable realised capital gains) is distributed in full to the unitholders.

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 Group is not subject to capital gains tax. Realised capital losses are not distributed to unitholders but are retained in the Group to be offset against any current or future realised capital gains. If realised capital gains exceed realised capital losses the excess is distributed to the unitholders.

h) Unit prices

The unit price is based on unit price accounting outlined in the Trust's Constitution.

i) Distributions

The Trust will fully distribute its distributable income, calculated in accordance with the Trust's Constitution and applicable taxation legislation, to the unitholders who are presently entitled to the income under the Constitution.

Distributions paid and payable on units are recognised in the Consolidated Statement of Changes in Net Assets Attributable to Unitholders as "Distributions paid/payable to unitholders", and as a liability where not paid. Distributions paid are included in cash flows from financing activities in the Consolidated Statement of Cash Flows.

j) Change in net assets attributable to unitholders

Non-distributable income, which may comprise unrealised changes in the fair value of investments, net capital losses, tax-deferred income, accrued income not yet assessable and non-deductible expenses are reflected in the change in net assets attributable to unitholders. These items are included in the determination of distributable income in the period for which they are assessable for taxation purposes.

Capital risk management

The Group manages its net assets attributable to unitholders as capital; notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Group is subject to daily applications and redemptions at the discretion of unitholders.

k) Goods and services tax ("GST")

Operating expenses are recognised net of the amount of goods and services tax ("GST") recoverable from the Australian Taxation Office ("ATO") as a reduced input tax credit ("RITC"). Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as an asset or liability in the Consolidated Statement of Financial Position. Cash flows are included in the Consolidated Statement of Cash Flows on a net basis.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

3. Summary of significant accounting policies (continued)

l) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of the parent entity and the subsidiary entity. The subsidiary entity is fully consolidated from the date of establishment and will cease to be consolidated from the date on which control is transferred. The effects of all transactions between entities in the consolidated group are eliminated in full. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Landen Funds ('company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. Landen Funds and its subsidiaries together are referred to in these financial statements as the 'consolidated entity' or 'Group'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

4. Auditor's remuneration

During the period, the following fees were paid or payable for services provided by the auditors for the Group:

	20 August 2021 to 30 June 2022
	\$
Audit and review of financial report - BDO	15,675
Total	15,675

5. Trade and other receivables

	30 June 2022
	\$
Loan interest receivables	157,148
GST receivable	1,217
Balance at end of period	158,365

6. Loan receivable - non-current

	30 June 2022
	\$
Loan to Landen Dev No.7 Unit Trust	5,090,000
Balance at the end of period	5,090,000

The loan to Landen Dev No. 7 Pty Ltd as trustee for Landen Dev No. 7 Unit Trust ("Landen Dev No. 7" or "Borrower") has a fixed annual interest rate of 8.75% and has a maturity date of 16/12/2023 with an option of early repayment. Loans receivable is secured through charges over assets, by guarantees, or by retention of financial advice fees.

The Loan Agreement will allow the Borrower to request the Loan be advanced in tranches, with an initial facility amount of up to \$6,400,000.00 (Initial Facility Amount) and a potential further facility amount of up to \$2,200,000.00 (Stage 2 Further Facility Amount). The Loan must be applied to payout existing financial indebtedness owed by the Borrower on the date of the first Advance and the Project costs, and to fund associated working capital.

Upon commencement of the Loan Agreement, the Initial Facility Amount will be secured by a general security deed over the assets of the Borrower. On the Stage 1 Completion Date the Borrower will grant a registered mortgage over the Balance Lot and any other lots created from the subdivision of the Property owned by the Borrower as at the completion of Stage 1 (Mortgage).

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

6. Loan receivable - non-current (continued)

The Stage 2 Further Facility Amount will only be advanced if requested by the Borrower prior to the date which is 11 calendar months from the date of the first Advance in respect of the Initial Facility Amount (Initial Drawdown Date) and the Borrower satisfies the conditions precedent to the further facility amount, including the requirement for the Mortgage to have and maintain first priority. If no part of the Stage 2 Further Facility Amount is advanced, the Mortgage and general security interest may be subordinated to senior finance approved by the Lender but will not have lower than second ranking priority.

7. Reconciliation of operating profit to net cash from operating activities

	20 August 2021 to 30 June 2022 \$
Operating profit for the period	157,148
Change in assets and liabilities:	
Increase/(decrease) in payables	85,208
(Increase)/decrease in other current assets	(3,599)
(Increase)/decrease in trade and other receivable	(158,365)
Net cash from operating activities	80,392

8. Net assets attributable to partners

a) Units issued

Initial Units	No. of units	30 June 2022 \$
Balance at the beginning of period	-	-
Units issued	10	10
Distributions paid/payable to unitholders	-	-
Increase in net assets attributable to unitholders	-	-
Balance at the end of period	10	10

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

8. Net assets attributable to partners (continued)

a) Units issued (continued)

Class A Units

	No. of Units	30 June 2022 \$
Total unit issued at the end of period	-	-
Units issued	5,004,275	5,090,000
Distribution paid/payable to unitholders	-	-
Increase in net assets attributable to unitholders	-	157,148
Balance at the end of period	5,004,275	5,247,148
Total units issued at the end of period	5,004,285	5,247,158

9. Financial Risk Management and Fair Value Management

The Group's financial assets and liabilities consist mainly of cash at bank, other receivables, financial instruments measured at FVTPL, and distributions payable and accrued expenses and other payables.

The most important types of financial risk to which the Group is exposed are market risk, credit risk and liquidity risk. The exposure to each of these risks, as well as the Group's policies and processes for managing these risks is described below.

The Responsible Entity in consultation with the Manager monitors such risks on an ongoing basis.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge its contractual obligation and cause the other party to incur a financial loss. The maximum exposure to credit risk before any credit enhancements at the end of each reporting year is the carrying amount of the financial assets. The Group's exposure to credit risk primarily arises from cash at bank and other receivables.

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages its liquidity risk through cash flow forecasts and liquidity planning based on the maturity of financial assets, financial liabilities, distributions to unit holders and projected cash flows from operating activities and investments. The risk is managed by ensuring, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities as and when they fall due.

The table below details the maturity profile of the Group's financial assets and financial liabilities based on contractual undiscounted cash flows.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

9. Financial Risk Management and Fair Value Management (continued)

b) Liquidity risk (continued)

At 30 June 2022

	On demand AU\$	Less than 12 months AU\$	More than 12 months AU\$	No fixed maturity AU\$	Total AU\$
Financial assets					
Cash and cash equivalents	80,402	-	-	-	80,402
Receivables	-	161,964	-	-	161,964
Investment in loan notes	-	-	5,090,000	-	5,090,000
Total financial assets	80,402	161,964	5,090,000	-	5,332,366
Financial liabilities					
Distribution payable	-	-	-	-	-
Accrued expenses	-	85,208	-	-	85,208
Total financial liabilities	-	85,208	-	-	85,208
Net maturity	80,402	76,756	5,090,000	-	5,247,158

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Australian Accounting Standards require the disclosure of sensitivity to changes in market risk variables such as interest rates, foreign exchange rates and equity prices. This sensitivity is not intended to show the impact on the Group's financial performance for the entire period, just an illustrative example of the direct impact of a change in the value of the financial instruments measured at the balance date as a result of the change in market rate. The sensitivity is required to show the impact of a reasonably possible change in market rate over the period to the subsequent balance date. It is not intended to illustrate a remote, worst case or stress test scenario.

(i) Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect future cash flows or fair values of financial instruments. The Group's main interest rate risk arises from its investments in cash and cash equivalent.

The Group's exposure to interest rate risk relates primarily to the investments in financial assets as disclosed in Note 6. The interest rates on the Group's investments in financial assets are fixed and as a result the Group's investments are not exposed to the interest rate risk.

As at 30 June 2022, the Group had the following financial assets exposed to interest rate risk.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

9. Financial Risk Management and Fair Value Management (continued)

c) *Market risk (continued)*

	30 June 2022 AU\$
Cash and cash equivalents	80,402
Total	80,402

10. Related parties

a) *Responsible Entity*

The Responsible Entity of Landen Funds as at 30 June 2022 is One Managed Investment Funds Limited (“OMIFL”). The responsible Entity has appointed third party service providers to the Group, some of whom are related parties of the Responsible Entity. The following entities, which are related parties of the Responsible Entity, have provided services to the Group during the period ended 30 June 2022:

ACME Co Pty Ltd as trustee for Specific Investment Fund - Fairway - Trustee for Sub-trust

One Registry Services Pty Limited (ACN 141 757 360) - unit registry services.

Unity Fund Services Pty Limited (“UFS”), an associated entity of OIG has been appointed for the provision of administration and tax services to the Group.

During the reporting period, the following fees were paid or payable to the Responsible Entity and its related entities.

	20 August 2021 to 30 June 2022 \$
Administration fees	14,443
Custody fees	10,316
Registry fees	9,167
Responsible entity fees	31,552
Tax consulting fees	7,838
Balance at the end of period	73,316

At 30 June 2022, the fees payable amounts are: nil for administration fees, \$3,075 for custody fees, \$3,762 for registry fees, \$9,405 for responsible entity fees, and \$7,838 for tax consulting fees respectively.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

10. Related parties (continued)

b) Details of key management personnel

Directors

The names of the directors of the Responsible Entity in office during the financial year and to the date of these financial statements were:

One Managed Investment Funds Limited

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

c) Compensation of key management personnel

No amounts are paid by the Trust directly to directors and key management personnel of the Trust. Directors of the Responsible Entity receive remuneration in their capacity as directors of the Responsible Entity. Consequently, no compensation, as defined in AASB 124: Related Party Disclosures is paid by the Trust to its key management personnel. Each of One Managed Investment Funds Limited and Landen Funds Management Pty Ltd, as Responsible Entity of the Trust during the period, is deemed for disclosure purposes to be a key management personnel of the Trust. Compensation is payable to the Trust's Responsible Entity in the form of fees disclosed in Note 10(a).

d) Units in the Trust held by key management personnel

Key management personnel do not directly hold any units in the Trust as at the financial year end, nor have they held any units in the Trust during the reporting period.

e) Related party transactions

The consolidated financial statements include the financial statements of parent entity Landen Funds and the subsidiary listed in the following table:

	Equity interest held by parent entity
	2022
	%
Specific Investment Fund - Fairway	100
Balance at the end of year	100

The above subsidiary is domiciled in Australia and has a balance date of 30 June, consistent with the Trust. All related party transactions are conducted on normal commercial terms and conditions. Related party receivables and payables, unless otherwise stated, are unsecured, receivable or payable within 30 days and do not bear interest.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

10. Related parties (continued)

f) *Investment Manager*

Landen Funds Management Pty Ltd ACN 651 892 152 is the Trust's investment manager. It is an Authorised Representative of Havana Financial Services Pty Ltd and is part of Landen Group, which also comprises Landen Property and Landen Financial Services.

Under the terms of the Trust's investment management agreement and Product Disclosure Statement for the Trust, the Investment manager is entitled to receive Investment manager fee. A fee is payable to the Investment Manager from the relevant Specific Investment Fund (Subsidiaries) in circumstances where the targeted rate of return for a Class of investment is achieved and has been paid or payable to investors in the Class following the maturity of the relevant loan or other investment held by the Specific Investment Fund.

The following fees were paid or payable to the Investment Manager during the year ended 30 June 2022:

	30 June 2022
	\$
Investment manager's fee	267
Balance at the end of year	267

The key management personnel of Landen Funds Management Pty Ltd in relation to the Trust for the period ended 30 June 2022 were:

Name	Title
Dimitrios (Jim) Dionysatos	Director
Rashed Panabig	Director
Jeff Li	Head of Funds Management
Malcolm Strain	Head of Financial Services

The Borrower and the Investment Manager are "related parties" for the purposes of this Specific investment fund - Fairway. Specifically, the Investment Manager and the Borrower share common officeholders and the shareholders of the Borrower hold an indirect interest in the shares of the Investment Manager.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

11. Subsequent events

On 1 July 2022, a new subsidiary of the Trust, Specific Investment Fund - Norwest ("Norwest"), (the lender) signed a loan agreement for an \$8,000,000 loan facility with the borrower, Landen Dev No.5 Pty Ltd as trustee for Landen Dev No.5 Unit Trust ("Landen Dev No.5"). Another new subsidiary, Specific Investment Fund - Box Hill ("Box Hill"), (the lender) signed a loan agreement for a \$5,000,000 loan facility with the borrower, Landen Box Hill No.2 Pty Ltd as trustee for Landen Box Hill No.2 Unit Trust ("Landen Box Hill").

On 1 July 2022, the Group received new applications of \$900,000 for Class A (Fairway), (the lender), \$3,100,000 for Class B (Norwest) and \$5,000,000 for Class C (Box Hill) and paid loan drawdowns to the borrowers, Landen Dev No.7 Pty Ltd as trustee for Landen Dev No.7 Unit Trust ("Landen Dev No.7"), Landen Dev No.5 and Landen Box Hill respectively.

On 6 July 2022, the Group received new applications of \$410,000 for Class A (Fairway), (the lender) and paid loan drawdowns to the borrower, Landen Dev No.7.

On 1 August 2022, 1 September 2022 and 1 October 2022, the Group received new applications of \$750,000, \$820,000 and \$120,000 for Class B (Norwest), (the lender) and paid loan drawdowns to the borrower, Landen Dev No.5.

On 31 July 2022, 31 August 2022 and 30 September 2022, the Group distributed \$21,063.01 for July, \$26,158.91 for August and \$30,706.85 for September to Class B unit holders, which is from interest income received from the borrower, Landen Dev No.5 in accordance with the loan agreement.

Other than as disclosed herein, the directors are not aware of any matter or circumstance that has occurred since the end of the reporting period that has significantly affected or may significantly affect the financial position of the Trust disclosed in the Consolidated Statement of Financial Position as at 30 June 2022 or the results and cash flows of the Trust for the period ended on that date.

12. Contingent assets and liabilities and commitments

Specific Investment Fund - Fairway ("Fairway") signed a loan agreement with Landen Dev No.7 Pty Ltd as trustee for Landen Dev No.7 Unit Trust ("Landen Dev No.7"), in which Fairway has agreed, at the request of Landen Dev No.7, to provide a loan facility up to the initial facility amount of \$6,400,000.00 to Landen Dev No.7. The available advance amount to Landen Dev No.7 was \$1,310,000 as at 30 June 2022.

Other than the above, there are no other contingent assets and liabilities or commitments as at 30 June 2022.

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

13. Parent entity information

The following information has been extracted from the records of the parent and has been prepared in accordance with Accounting Standards.

	30 June 2022
	\$
Statement of Financial Position	
Assets	
Current assets	6,219
Non-current assets	5,320,723
Total assets	5,326,942
Liabilities	
Current liabilities	79,784
Total liabilities	79,784
Net assets attributable to unitholders	5,247,158
Represented by	
Units on issue	5,090,010
Increase in net assets attributable to unitholders	157,148
Net assets attributable to unitholders at 30 June 2022	5,247,158
Statement of Comprehensive Income	
Total operating profit	157,148
Total comprehensive income	157,148

Landen Funds

Notes to the Consolidated Financial Statements For the period 20 August 2021 to 30 June 2022

13. Parent entity information (continued)

	30 June 2022
	\$
Statement of Cash Flows	
Cash flows from operating activities	
Interest received	89
Payments to suppliers	1,550
Net cash provided by operating activities	1,639
Cash flows from investing activities	
Investment into Sub trust	(5,090,000)
Net cash used in investing activities	(5,090,000)
Cash flows from financing activities	
Proceeds from issue of units	5,090,010
Net cash provided by financing activities	5,090,010
Net increase in cash and cash equivalents	1,648
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	1,648

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries. The parent entity and some of its subsidiaries are party to a deed of cross guarantee under which each company guarantees the debts of the others. No deficiencies of assets exist in any of these subsidiaries.

Contingent assets and liabilities and commitments

The parent entity had no contingent assets, liability or commitments as at 30 June 2022.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 3, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Landen Funds

Directors' Declaration For the period ended 30 June 2022

The directors of the Responsible Entity declare that:

- (a) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 2(b) to the financial statements; and
- (b) 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 Group as at and for the period ended 30 June 2022; and
- (c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors of the Responsible Entity, One Managed Investment Funds Limited.



Frank Tearle

Director

12 October 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Landen Funds

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Landen Funds (Trust) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Landen Funds, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- (ii) 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 Group in accordance with 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Statement, but does not include the financial report and our auditor's report thereon.

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 on the other information obtained prior to the date of this auditor's report, 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 Trust 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

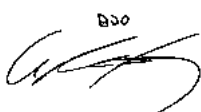
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd



Geoff Rooney
Director

Sydney, 12 October 2022