

Appendix 4D

AUTHORISED INVESTMENT FUND LIMITED

ABN 51 068 793 322

Half Year Financial Report Period Ended 31 December 2017

Previous corresponding period: Half Year ended 31 December 2016

RESULTS FOR ANNOUNCEMENT TO THE MARKET

\$

Key Information

Revenues from ordinary activities	down 100%	to	-
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The Company is one of a few Pooled Development Fund (PDF) listed in ASX and did not receive any consulting fees in the first six months period ended at 31.12.2017. The Company's main business activities focus on investing in innovative companies with potential high growth as a passive investor not as a trading company.

(Loss) from ordinary activities after tax attributable to members	Up 58%	to	(65,580)
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(Loss) for the period attributable to members	Up 58%	to	(65,580)
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Loss incurred during the first six months are from ordinary operating business. There were no extraordinary expenditure.

Dividends

It is not proposed to pay a dividend.

Net Tangible Assets

Net tangible assets per security:

	Current period	Previous corresponding period
Net tangible assets per security	2.07cents	1.36cent

There is 52% increase in NTA per share compared with the previous corresponding period. This increase is due to the increase of the valuation of investment companies. The valuation reflected the market fair value of those investment companies.

Details of Entities over which control has been gained or lost during the period

There were no entities over which control was gained or lost during the period.

Details of individual and total dividends or distributions and dividend or distribution payments.

There were no distributions or dividends payable or paid during the period.

Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for the participation in any dividend or distribution reinvestment plan.

There are no dividend or distribution reinvestment plans in operation.

Material Interests in entities which are not controlled entities

	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
		Net profit	Net profit	
	Holding	Holding	Contribution	Contribution
			\$'000	\$'000
Fastbrick Robstics Ltd	-	0.1%	-	-
Pizzey WIF Pty Ltd	30.0%	30.0%	-	-
Speedpanel Australia Ltd*	9.0%	9.0%	-	-
Plumbers Federation Ltd	40.0%	40.0%	-	-
Endless Solar Corporation Ltd	9.00%	9.00%	-	-
Collins Court Corporation Ltd	25.0%	25.0%	-	-
Pharmachal Pty Ltd	-	20.0%	-	-
Australasian Assets P/L	-	20.0%	-	-
Consolidated Accounting and Taxation Services Pty Ltd**	20.0%	20.0%	-	-

**Speedpanel Australia Ltd went into administration in March 2017 and was out of Administration in October 2017. The Company is still waiting for the external Administrator to determine the return of shareholders' fund distribution.*

***20% investments in Consolidated Accounting and Taxation Services Pty Ltd was acquired by Skypac International Pty Ltd, which is 100% subsidiary of Authorised Investment Fund Ltd.*

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Authorised Investment Fund Limited,

As lead auditor for the review of Authorised Investment Fund Limited for the half-year ended 31 December 2017, we declare that, to the best of our knowledge and belief, 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.

Dated at Frankston on the 28th of February 2018



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DAVID A SZEPFALUSY
DIRECTOR

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Directors' Report

The Directors present their report on Authorised Investment Fund Limited at the end of the half-year ended 31 December 2017.

The operating loss of the Company for the period of July to December 2017 was \$ \$65,580. Net asset was \$151,035 up from \$36,615 at 30 June 2017. Therefore, net tangible asset per share as at 31 December 2017 was 2.068 cents per share compared with 1.23 cents per share a year earlier. In the last six months from July 2017 to December 2017, the Company's main investment is in Endless Solar Corporation Ltd (9%).

Whilst the operating results for the period were disappointing, this has not detracted the company from considering carefully, a number of investment opportunities. Two of these opportunities have now been realised into signed agreements, as outlined further below.

Subsequent to 31st December 2017, an announcement regarding Box Digital Media Pty Ltd (BDM) was released to the market. This announcement on 19th January 2018 provided a basis of AIY taking a 10% interest together with information regarding Box and the direction this company is headed in.

Last week on 21st February 2018 we were pleased to announce that the agreement with BDM has been varied and subject to a positive vote at an AIY Extraordinary General Meeting (to be held on 26th March 2018) AIY will be increasing its holding to 13.33 %. AIY has an option over a further 6.67% of BDM. In the event that this option is exercised, this would give AIY a total interest of 20% of BDM.

The impact of these agreements is likely to result in AIY's shareholders funds being restored to in excess of \$1 million by June 30th 2018.

It is our understanding that BDM is in various stages of discussion with a number of large groups regarding the introduction of its E - Mersion digital media technology. It is anticipated that given the signing of some contracts, substantial cash flows to BDM would result.

Also in February 2018, we announced the agreement between Strike Marketing P/L and AIY.

Further to the above we are in discussions with additional investee companies. The finalisation of any or all these potential investments into contractual agreements during 2018 will be subject to acceptable due diligence outcomes. However, to facilitate AIY's ability to fulfil its obligations upon signing these agreements, we have included a resolution at the 26th March AIY EGM to provide your Board with the capacity to place up to 250 million shares, subject to a positive vote on the matter.

We look forward to providing further information on AIY's investment activities as relevant details become available.

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Directors' Report

Directors

The following persons were directors of Authorised Investment Fund Limited at any time during the half-year and up and until the date of this report:

Mr. Benjamin Genser (Chairman)
Mr. David H.A. Craig
Mr. Chris Baring-Gould

Review of Operations

The result for the half-year ended 31 December 2017 and the corresponding previous half-year attributable to the shareholders of Authorised Investment Fund Limited was:

	31 Dec 2017	31 Dec 2016
	\$	\$
Profit/(Loss) after tax	(65,580)	(41,461)

The Directors report a loss after tax of \$65,580 for the half-year ended 31 December 2017. This compares with a loss of \$41,461 for the corresponding prior period.

The loss for the half year of \$65,580 equates to (0.8927) cents per share compared with a loss of 0.02863 cents per share for the corresponding prior period.

No contribution has been recorded from entities for the first six months of the 2018 financial year. Please refer to the financial report with notes following the Directors' Report for more details.

Auditor's independence declaration

The independence declaration of our auditor, Shepard Webster & O'Neill Audit Pty Ltd as required under section 307C of the *Corporations Act 2001* forms part of the Directors' Report for the Half-year ended 31 December 2017.

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



D.H.A. Craig
Director

Dated this 28th day of February 2018
Melbourne.

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Interim Condensed Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2017

	Note	31 Dec 2017 \$	31 Dec 2016 \$
Revenue from ordinary activities	6	-	33,467
Administration and other expenses	7	(231,690)	(74,929)
Change in the fair value of investments	9	<u>166,110</u>	<u>-</u>
Net profit/(loss) before income tax expense		(65,580)	(41,461)
Income tax expense	8	<u>-</u>	<u>-</u>
Net profit/(loss) attributed to owners of the Company		<u><u>(65,580)</u></u>	<u><u>(41,461)</u></u>
Other Comprehensive Income :			
<i>Items that may be reclassified subsequently to profit or loss:</i>		-	-
<i>Items that will not be reclassified subsequently to profit or loss:</i>		-	-
Other Comprehensive income for the period		<u>-</u>	<u>-</u>
Total Comprehensive Income/(Loss) attributed to owners		<u><u>(65,580)</u></u>	<u><u>(41,461)</u></u>
Earnings per share:			
Basic Earnings per share (cents)		(0.8927)	(0.02863)
Diluted earnings per share (cents)		(0.8927)	(0.02863)

The accompanying notes form part of these condensed financial statements.

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Interim Condensed Statement of Financial Position

As at December 31, 2017

	Note	31 Dec 2017 \$	30 Jun 2017 \$
Current Assets			
Cash and cash equivalents		397	10,211
Trade and other receivables		-	38,709
Prepayments	10	<u>9,402</u>	<u>7,012</u>
Total Current Assets		9,799	55,932
Non-Current Assets			
Other financial assets	11	<u>262,602</u>	<u>96,492</u>
Total Non-Current Assets		262,602	96,492
Total Assets		<u>272,401</u>	<u>152,424</u>
Current Liabilities			
Trade and other payables	12	<u>121,366</u>	<u>115,809</u>
Total Current Liabilities		121,366	115,809
Total Liabilities		<u>121,366</u>	<u>115,809</u>
Net Assets		<u>151,035</u>	<u>36,615</u>
Equity			
Issued capital	13	10,857,349	10,677,348
Accumulated losses		<u>(10,706,314)</u>	<u>(10,640,733)</u>
Equity attributable to owners of the Parent		<u>151,035</u>	<u>36,615</u>
Total equity		<u>151,035</u>	<u>36,615</u>

The accompanying notes form part of these condensed financial statements.

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Interim Condensed Statement of Changes in Equity for the half-year ended 31 December 2017

	31 Dec 2017 \$	31 Dec 2016 \$
Total equity at the beginning of the half-year	36,615	1,825,461
Shares issued - 6,000,000		
Share issue costs at 3cents per share	-	180,000
Shares issued – 9,000,000		
Share issue costs at 2cents per share	180,000	-
Profit/(Loss) for the period	(65,580)	(41,461)
Other Comprehensive Income	-	-
Total equity at the end of the half-year	<u>151,035</u>	<u>1,964,001</u>

The accompanying notes form part of these condensed financial statements.

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Interim Condensed Statement of Cashflows

For the half-year ended 31 December 2017

	Note	31 Dec 2017 \$	31 Dec 2016 \$
Cashflows from Operating Activities			
Receipts from customers		-	40,231
Payments to suppliers and employees		(9,816)	(39,484)
Net cash used in operating activities		<u>(9,816)</u>	<u>747</u>
 Net increase (decrease) in cash held		 (9,816)	 747
Cash at the beginning of the financial year		<u>10,211</u>	<u>120</u>
Cash at the end of the Financial Half-Year		<u><u>395</u></u>	<u><u>867</u></u>

The accompanying notes form part of these condensed financial statements.

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Notes to the Interim Condensed Financial Statements

For the Half-Year ended 31 December 2017

Note 1. Statement of Significant Accounting Policies

This general-purpose interim condensed financial report for the half-year ended 31 December 2017 was authorised for issue in accordance with a resolution of the directors on 28th February 2018.

Authorised Investment Fund Ltd is a company limited by shares, domiciled and incorporated in Australia. Its shares are publicly traded on the ASX.

The Company is a for-profit entity and is primarily involved in the provision of passive equity capital to certain eligible small or medium-sized Australian companies in accordance with the provisions of the *Pooled Development Funds Act 1992* (Commonwealth).

Note 2. Summary of Significant Accounting Policies

Basis of preparation

The general purpose interim condensed financial report for the half-year ended 31 December 2017 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The financial report is presented in Australian dollars.

The financial report does not include all notes of the type normally included in an Annual Financial Report. Accordingly, this financial report is to be read in conjunction with the Annual Financial Report for the year ended 30 June 2017 and any public announcements made by Authorised Investment Fund Ltd during the period ended 31 December 2017 in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the *ASX Listing Rules*.

New and amended accounting standards

The Company has adopted all new and amended Australian Accounting Standards and Interpretations effective from 1 January 2018 including:

- *AASB 9 Financial Instruments 1 January 2018 AASB 15 Revenue from Contracts with Customers, 2014-5 Amendments to Australian Accounting Standards arising from AASB 15, 2015-8 Amendments to Australian Accounting Standards – Effective date of AASB 15, 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15*
- *AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions*

New and amended Standards and Interpretations did not result in any significant changes to the Company's accounting policies. The Company has not elected to early adopt any other new or amended Standards or Interpretations that are issued but not yet effective.

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Notes to the Interim Condensed Financial Statements

For the Half-Year ended 31 December 2017

Note 3. Segment Information

The Company operates as a registered Pooled Development Fund under the *Pooled Development Funds Act 1992* (Commonwealth) ("PDF Act"), solely within Australia.

Note 4. Critical Accounting Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual financial statements for the year ended 30 June 2017.

Note 5. Significant events and transactions

The Company's management believes that the Company is well positioned despite the continuing difficult economic circumstances. Overall, the Company has sufficient capital and liquidity to service its operating activities. The Company's objectives and policies for managing capital, credit risk and liquidity risk are described in its recent annual financial statements.

Note 6. Revenue	31 Dec 2017	31 Dec 2016
	\$	\$
Consulting fees	<u>-</u>	<u>33,467</u>
	<u>-</u>	<u>33,467</u>
Note 7. Administration and other expenses		
Accounting and auditing fees	6,800	8,182
Directors and officer's fee	180,000	-
Listing and registration:		
-- ASX Listing fees	11,783	8,374
-- Computershare administration fees	10,682	6,745
-- ASIC fee	332	-
Insurance	4,695	4,715
Legal fees	9,806	5,865
Marketing	-	33,467
Rent	7,200	7,200
Others	<u>392</u>	<u>380</u>
	<u>231,690</u>	<u>74,928</u>

The payments to Directors and officer were the 9,000,000 ordinary shares issued to directors and company secretary at the cost of \$0.02 per shares in lieu of cash payments to directors and secretarial fees for their services. These payments were approved and granted by shareholders in the 2017 AGM on 30th November 2017.

AUTHORISED INVESTMENT FUND LIMITED
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Notes to the Interim Condensed Financial Statements

For the Half-Year ended 31 December 2017

Note 8. Taxation

	31 Dec 2017	31 Dec 2016
	\$	\$
The prima facie tax expense/(benefit) on the profit/(loss) from ordinary activities before income tax at 25%	<u>(16,395)</u>	<u>(10,365)</u>
Add tax effect of:		
- Utilization of prior period losses	-	-
- Current year losses not brought to account as deferred tax assets	<u>(16,395)</u>	<u>(10,365)</u>
Income tax expense	<u>-</u>	<u>-</u>

Note 9. Changes in the fair value of investments through the P&L

	31 Dec 2017	31 Dec 2016
	\$	\$
Increased valuation of investments:		
- Endless Solar Corporation Ltd	151,200	-
- Plumber Federation Ltd	<u>14,910</u>	<u>-</u>
	<u>166,110</u>	<u>-</u>

Note 10. Prepayments

	31 Dec 2017	30 Jun 2017
	\$	\$
Insurance	2,317	7,012
ASX annual listing fees	<u>7,085</u>	<u>-</u>
	<u>9,402</u>	<u>7,012</u>

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Notes to the Interim Condensed Financial Statement
For the Half-Year ended 31 December 2017

Note 11. Financial assets

	31 Dec 2017	30 Jun 2017
	\$	\$
Financial assets at fair value		
<u>(a) Financial assets at recoverable amount:</u>		
Listed investments:		
– shares in Endless Solar Corporation Ltd	449,333	449,333
- Less provision for impairment		
- Opening balance	(398,933)	(398,933)
- Increased valuation	151,200	-
- Closing balance	(247,733)	(398,933)
Fair value of Endless Solar Corporation Ltd	201,600	50,400

Shareholding in Endless Solar Corporation Limited (ESC), a solar energy products company
Percentage owned 9% (2016: 9%)

Unlisted investments,		
- shares in Speedpanel Australia Ltd	-	-
- less provision for impairment	-	-
Fair value of Speedpanel Australia Ltd	-	-

Shareholding in Speedpanels Australia Ltd(SPA), a manufacturer of fire and acoustic rated walls.
Percentage owned 11% (2016: 11%). SPA placed into administration in March 2017

Unlisted investments,		
- shares in Plumbers Federation Ltd	240,180	240,180
- less provision for impairment		
- Opening balance	(195,090)	(195,090)
- Increased valuation	14,910	
- Closing balance	(180,180)	(195,090)
Fair value of Plumbers Federation Ltd	60,000	45,090

Shareholding in Plumbers Federation Limited, a funding company
Percentage owned 40% (2016: 40%)

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Notes to the Interim Condensed Financial Statement
For the Half-Year ended 31 December 2017

Note 11. Financial assets (continue)

Unlisted investments,		
- shares in Collins Court Corporation Ltd	1,000	1,000
- less provision for impairment	-	-
Fair value of Collins Court Corporation Ltd	1,000	1,000

Shareholding in Collins Court Corporation Limited, an investment company.
Percentage owned 25% (2016: 25%)

Unlisted investments,		
- shares in Wine Development Fund PL	2	2
Fair value of Wine Development Fund PL	2	2

Total Financial Assets at Recoverable amounts	262,602	96,492
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Financial assets at fair value comprise investments in the ordinary issued capital of various entities. Consistent with Australian Accounting Standard AASB 139 *Financial Instruments: Recognition and Measurement*, upon initial recognition it was designated by the entity as at fair value through profit or loss. There are no fixed returns or fixed maturity date attached to these investments.

Listed financial assets at fair value are based on Level 1 and 2 inputs to the fair value measurements as described below. Unlisted financial assets are based on Level 2 and 3 inputs to the fair value measurements which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
 - Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
 - Level 3 inputs are unobservable inputs for the asset or liability.
-

AUTHORISED INVESTMENT FUND LIMITED

ABN 51 068 793 322

Notes to the Interim Condensed Financial Statement**For the Half-Year ended 31 December 2017****Note 12. Trade and Other Payable**

	31 Dec 2017	30 Jun 2017
	\$	\$
Trade payables	32,070	13,682
Other payables to related parties	<u>89,296</u>	<u>102,127</u>
	<u>121,366</u>	<u>115,809</u>

Other payments to related parties were for expenses paid by directors' related entities for the Company.

Note 13 Share Capital

During the period the company issued the following ordinary shares:

Ordinary Shares	Number	\$
At the beginning of the financial year	147,127,312	10,677,348
Plus		
Shares issued to directors and officers (<i>see note 7</i>)	<u>9,000,000</u>	<u>180,000</u>
Balance at 31 December 2017	<u>156,127,312</u>	<u>10,857,348</u>

Note 14. Contingent Liabilities

There has been no change in contingent liabilities since the half yearly report date.

Note 15. Earnings Per Share and Net Tangible Assets Per Share

	31 Dec 2017	30 Jun 2017
	\$	\$
(a) Reconciliation of earnings to:		
Net profit/(loss) of the company	(65,580)	(1,953,847)
Profit/(Loss) used in the calculation of basic earnings per share and diluted earnings per share	(65,580)	(1,953,847)

AUTHORISED INVESTMENT FUND LIMITED
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Notes to the Interim Condensed Financial Statement
For the Half-Year ended 31 December 2017

Note 15. Earnings Per Share and Net Tangible Assets Per Share (continued)

	31 Dec 2017	30 Jun 2017
	Number	Number
(b) Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	156,127,312	147,730,052
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted earnings per share	156,127,312	147,730,052
(c) Earnings(cent) per share	(0.8982)	(1.32)

As at 31 December 2017, no share options were dilutive and therefore none were included in the calculation of diluted earnings per share at that date.

	31 Dec 2017	30 Jun 2017
	\$	\$
(d) Net tangible assets	151,034	36,615
Net tangible assets per share(cent)	2.068	0.0248

Note 16. Dividends

No dividends were paid or declared during the period.

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Notes to the Interim Condensed Financial Statement
For the Half-Year ended 31 December 2017

Note 17. Key management personnel remuneration

Remuneration arrangements of key management personnel were issued of ordinary shares approved and granted by shareholders in 2017 AGM on 30th November 2017 as follows:

1. Ordinary shares

Directors/Officers	Shares allotted	Cost per share	Total
Mr Ben Genser	3,000,000	\$0.02	\$60,000
Mr David Craig	3,000,000	\$0.02	\$60,000
Mr Chris Baring-Gould	1,500,000	\$0.02	\$30,000
Ms Cathy Lin	1,500,000	\$0.02	\$30,000
Total	9,000,000		\$180,000

2. Options

Directors/Officers	Shares allotted	Cost per share	Total	Expiry date
Mr Ben Genser	3,000,000	\$0.05	\$150,000	22/12/2022
Mr David Craig	3,000,000	\$0.05	\$150,000	22/12/2022
Mr Chris Baring-Gould	1,500,000	\$0.05	\$75,000	22/12/2022
Ms Cathy Lin	1,500,000	\$0.05	\$75,000	22/12/2022
Total	9,000,000		\$450,000	22/12/2022

For the details of shares and options approved to issue to the directors and officers in the 2017 AGM, please refer to the ASX announcement of 2017 AGM result dated 30th November 2017.

Note 18. Related parties' transactions

Rent of \$7,200 in total was payable to Endless Solar Corporation Ltd. Endless Solar Corporation Ltd is an investee company of the Company.

For other related parties' transaction please refer to Note 13 and Note 17.

Note 19. After Balance Date Significant Events

There were two after balance date events worth noting:

- In January 2018, the Company acquired 10% equity in Box Digital Media Pty Ltd (BDM) in exchange of BDM holding 20% shares in the Company. This deal will enable BDM to increase its capacity to expand and roll out its disruptive, immersive and interactive digital magazine platform.
- In February 2018, the Company acquired 10% equity in Strike Marketing Pty Ltd. Strike acts for Box Digital Media Pty Ltd. This deal will enable Strike to expand its integrated creative resources to service an increasing client base both in Australia and Asia.

There were no other after balance sheet events other than the above.

AUTHORISED INVESTMENT FUND LIMITED
ABN 51 068 793 322

Notes to the Interim Condensed Financial Statement
For the Half-Year ended 31 December 2017

DIRECTORS' DECLARATION

The directors of Authorised Investment Fund Limited declare that:

1. the attached financial statements and notes are in accordance with the *Corporations Act* 2001 including:
 - (a) complying with Accounting Standards in Australia and the *Corporations Regulations* 2001; and
 - (b) give a true and fair view of the financial position as at 31 December 2017 and performance for the financial half year ended on that date of the company;
2. the Managing Director and Chief Financial Officer have declared that:
 - (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act* 2001;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the half financial year give a true and fair view.
3. in the directors opinion there are reasonable grounds to believe that the company will be able to pay its debts as an when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to s.295(5) of the *Corporations Act* 2001.



David Craig
Director

Dated this 28th day of February 2018

Independent Auditor's Review Report

To the members of Authorised Investment Fund Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Authorised Investment Fund Limited, which comprises the condensed statement of financial position as at 31 December 2017, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration of the Company.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Authorised Investment Fund Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2017 and of its performance for the year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2017 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*. As the auditor of Authorised Investment Fund Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Dated at Frankston on the 28th of February 2018



SHEPARD WEBSTER & O'NEILL AUDIT PTY LTD

Certified Practising Accountant

Authorised Audit Company No 415478

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DAVID A SZEPEFALUSY
DIRECTOR