

# **Monash Absolute Active Trust (Hedge Fund)**

ARSN 642 280 331

## **Interim report For the half-year ended 31 December 2022**

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ARSN 642 280 331

## Interim report For the half-year ended 31 December 2022

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This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim report is to be read in conjunction with the annual report for the period ended 30 June 2022 and any public announcements made in respect of Monash Absolute Active Trust (Hedge Fund) during the interim reporting period in accordance with the continuous disclosure requirements of *the Corporations Act 2001*.

This interim report covers Monash Absolute Active Trust (Hedge Fund) as an individual entity.

The Responsible Entity of Monash Absolute Active Trust (Hedge Fund) is The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235150). The Responsible Entity's registered office is Level 18 Angel Place, 123 Pitt Street, Sydney NSW 2000.

## Directors' report

The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235150) is the responsible entity (the "Responsible Entity") of the Monash Absolute Active Trust (Hedge Fund) (the "Fund"). The Directors of the Responsible Entity (the "Directors") present their report together with the interim financial statements of the Fund for the half-year ended 31 December 2022.

### Principal Activities

The Fund is a registered managed investment scheme domiciled in Australia and an exchange traded managed fund quoted under the ASX AQUA Rules (ticker code: MAAT).

The Fund is a long biased long/short fund that will invest in a portfolio of equity securities quoted on the ASX (Australian Listed Equities) with an Absolute Return Focus. The Fund takes long and short positions. The Fund may also invest in exchange traded derivatives and cash equivalent investments and hold cash deposits.

The Fund was registered on 14 July 2020 and commenced operations on 28 May 2021.

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.

### Directors

The Directors of The Trust Company (RE Services) Limited during the half-year and up to the date of this report are shown below. The Directors were in office for this entire period except where stated otherwise:

#### Name

Glenn Foster	
Simone Mosse	Resigned as Director on 23 January 2023
Vicki Riggio	
Phillip Blackmore	Alternate Director for Vicki Riggio
Christopher Green	Appointed as Director on 23 January 2023

### Review and results of operations

During the half-year, the Fund invested in accordance with the investment objective and guidelines as set out in the governing documents of the Fund and in accordance with the provision of the Fund's Constitution.

#### Results

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

	<b>Half-year ended 31 December 2022</b>	Half-year ended 31 December 2021
Operating Profit/(loss) (\$'000)	<b>1,130</b>	2,604
Distributions payable (\$'000)	<b>656</b>	934
Distributions (cents per unit)	<b>2.60</b>	3.25

### Significant changes in state of affairs

The current geopolitical events have had a global market impact and uncertainty exists as to their implications. Such disruptions can adversely affect the assets, performance and liquidity of investment funds.

Recognising the Russia/Ukraine conflict as well as Australia's broadening of its existing autonomous sanctions, the Directors and management continue to remain abreast of developments in this area and monitor the potential impacts across the Fund.

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Fund that occurred during the half-year.

### Matters subsequent to the end of the half -year

On 23 January 2023, Simone Mosse resigned as Director and Christopher Green was appointed as Director.

Market disruptions associated with current geopolitical events have had a global impact, and uncertainty exists as to their implications. Such disruptions can adversely affect assets of the Fund and thus performance of the Fund. Management is continuing to monitor this development and evaluate its impact on the Fund.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect:

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

## Directors' report (continued)

### Likely developments and expected results of operations

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

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

### Indemnification and insurance of officers and auditor

No insurance premiums are paid for out of the assets of the Fund in regard to the insurance cover provided to either the officers of the Responsible Entity or the auditor of the Fund. So long as the officers of the Responsible Entity act in accordance with the Fund's Constitution and the *Corporations Act 2001*, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

The auditor of the Fund are in no way indemnified out of the assets of the Fund.

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

Fees paid to the Responsible Entity and its associates out of Fund's property during the half-year are disclosed in Note 12 of the financial statements.

No fees were paid out of the Fund's property to the Directors of the Responsible Entity during the half-year.

The number of units in the Fund held by the Responsible Entity or its associates as at the end of the financial period are disclosed in Note 12 of the financial statements.

### Units in the Fund

The movement in units on issue in the Fund during the half-year is disclosed in Note 9 of the financial statements.

The value of the Fund's assets and liabilities is disclosed in the statement of financial position and derived using the basis set out in Note 2 of the financial statements.

### Environmental regulation

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

### Rounding of amounts

The Fund is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* issued by the Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with that *ASIC Corporations Instrument*, unless otherwise indicated.

### 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 Trust Company (RE Services) Limited.



Director  
The Trust Company (RE Services) Limited

Sydney  
13 March 2023



**Building a better  
working world**

Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## **Auditor's Independence Declaration to the Directors of The Trust Company (RE Services) Limited as Responsible Entity of Monash Absolute Active Trust (Hedge Fund)**

As lead auditor for the review of the half-year financial report of Australian Eagle Trust for the half-year ended 31 December 2022, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink that reads 'Ernst &amp; Young' in a cursive script.

Ernst & Young

A handwritten signature in black ink that reads 'Rita da Silva' in a cursive script.

Rita da Silva  
Partner  
13 March 2023

**Monash Absolute Active Trust (Hedge Fund)**  
**Statement of comprehensive income**  
**For the half-year ended 31 December 2022**

**Statement of comprehensive income**

	<b>Half-year ended 31 December 2022 \$'000</b>	<b>Half-year ended 31 December 2021 \$'000</b>
<b>Investment income</b>		
Interest income from financial asset at amortised cost	35	-
Dividend income	168	102
Net gains on financial instruments at fair value through profit or loss	1,318	3,412
<b>Total investment income</b>	<b>1,521</b>	<b>3,514</b>
<b>Expenses</b>		
Responsible Entity's fees	40	16
Management fees	112	204
Performance fees	-	476
Administration and custody fees	61	70
Transaction costs	81	82
Expense recovery fees	6	-
Other operating expenses	91	62
<b>Total operating expenses</b>	<b>391</b>	<b>910</b>
<b>Profit for the half-year</b>	<b>1,130</b>	<b>2,604</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the half-year</b>	<b>1,130</b>	<b>2,604</b>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

**Monash Absolute Active Trust (Hedge Fund)**  
**Statement of financial position**  
**As at 31 December 2022**

**Statement of financial position**

	Notes	As at 31 December 2022 \$'000	As at 30 June 2022 \$'000
<b>Assets</b>			
Cash and cash equivalents		8,696	14,681
Due from brokers - receivable for securities sold		-	325
Other receivables		14	15
Financial assets at fair value through profit or loss	7	15,692	13,610
<b>Total assets</b>		<b>24,402</b>	<b>28,631</b>
<b>Liabilities</b>			
Responsible Entity's fees payable	12	1	-
Management fees payable		23	25
Expense recovery fees payable	12	17	-
Remuneration to auditor payable		-	30
Due to brokers – payable for securities purchased		-	545
Distributions payable	10	316	332
Financial liabilities at fair value through profit or loss	8	2,990	4,099
Other payables		-	13
<b>Total liabilities</b>		<b>3,347</b>	<b>5,044</b>
<b>Net assets attributable to unitholders – equity</b>	9	<b>21,055</b>	<b>23,587</b>

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

**Monash Absolute Active Trust (Hedge Fund)**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2022**

**Statement of changes in equity**

	Notes	Half-year ended 31 December 2022 \$'000	Half-year ended 31 December 2021 \$'000
<b>Total equity at the beginning of the half-year</b>		23,587	30,715
<b>Comprehensive income for the half-year</b>			
Profit for the half-year		1,130	2,604
Other comprehensive income		-	-
<b>Total comprehensive income for the half-year</b>		<u>1,130</u>	<u>2,604</u>
<b>Transactions with unitholders</b>			
Applications	9	314	4,642
Redemptions	9	(3,382)	(4,959)
Units issued upon reinvestment of distributions	9	62	
Distributions paid and payable	9	(656)	(934)
<b>Total transactions with unitholders</b>		<u>(3,662)</u>	<u>(1,251)</u>
<b>Total equity at the end of the half-year</b>		<u>21,055</u>	<u>32,068</u>

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

**Monash Absolute Active Trust (Hedge Fund)**  
**Statement of cash flows**  
**For the half-year ended 31 December 2022**

**Statement of cash flows**

	Half-year ended 31 December 2022 \$'000	Half-year ended 31 December 2021 \$'000
<b>Cash flows from operating activities</b>		
Proceeds from sale of financial instruments at fair value through profit or loss	6,047	19,257
Payments for purchase of financial instruments at fair value through profit or loss	(8,140)	(18,684)
Interest income received/(paid) from financial asset at amortised cost	35	(6)
Dividend/distribution received	168	105
Responsible Entity's fees paid	(40)	(1)
Management fees paid	(114)	(213)
Performance fees paid	-	(479)
Administration and custody fees paid	(61)	(70)
Remuneration paid to auditor	(30)	(36)
Other operating expenses paid	(172)	(164)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(2,307)</b>	<b>(291)</b>
<b>Cash flows from financing activities</b>		
Proceeds from applications by unitholders	314	4,642
Payments for redemptions by unitholders	(3,382)	(4,959)
Distributions paid	(610)	(925)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(3,678)</b>	<b>(1,242)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(5,985)</b>	<b>(1,533)</b>
Cash and cash equivalents at the beginning of the half-year	14,681	5,408
<b>Cash and cash equivalents at the end of the half-year</b>	<b>8,696</b>	<b>3,875</b>
<b>Non-cash financing activities</b>		
Issue of units under the distribution reinvestment plan	62	-

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

**Notes to the interim financial statements**

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## 1 General information

These interim financial statements cover the Monash Absolute Active Trust (Hedge Fund) (the "Fund") as an individual entity. The Fund was registered on 14 July 2020 and commenced operations on 28 May 2021. The Fund will terminate on 28 May 2121 unless terminated earlier in accordance with the provisions of the Fund's Constitution.

The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235150) is the responsible entity of the Fund (the "Responsible Entity"). The Responsible Entity is incorporated and domiciled in Australia and its registered office is Level 18 Angel Place, 123 Pitt Street, Sydney, NSW 2000.

The investment manager of the Fund is Monash Investors Pty Ltd (the "Investment Manager").

The Fund invests in a portfolio of equity securities quoted on the ASX (Australian Listed Equities) with an Absolute Return Focus.

The interim financial statements of the Fund are for the half-year ended 31 December 2022. The financial statements were authorised for issue by the directors of the Responsible Entity (the "Directors of the Responsible Entity") on 13 March 2023. The Directors of the Responsible Entity have the power to amend and reissue the financial statements.

## 2 Summary of significant accounting policies

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

### (a) Basis of preparation

These interim financial statements have been prepared in accordance with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 *Interim Financial Reporting*.

These interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these interim financial statements are to be read in conjunction with the annual financial statements for the period ended 30 June 2022 and any public announcements made in respect of the Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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 twelve months, except for financial assets and financial liabilities at fair value through profit or loss.

The Fund manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within twelve months, however, an estimate of that amount cannot be determined as at period end.

### (b) Significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied to the Fund's financial statements for the period ended 30 June 2022.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the half-year beginning 1 July 2022 that have a material effect on the amounts recognised in the prior periods or will affect the current or future periods.

There are no standards issued but not yet effective that would have a material impact on the amounts recognised in the financial statements in the future.

## 3 Rounding of amounts

The Fund is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* issued by the Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars in accordance with the ASIC Corporations Instrument unless otherwise indicated.

## 4 Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary comparative figures have been adjusted to conform with changes in presentation in the current period.

## 5 Fair value measurement

The Fund measures and recognises the following assets and liabilities at fair value on a recurring basis.

- Financial assets/liabilities at fair value through profit or loss ("FVTPL")

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

## 5 Fair value measurement (continued)

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2);
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

### (i) Fair value in an active market (level 1)

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

The Fund values its investments and derivatives in accordance with the accounting policies set out in Note 2 to the financial statements. For the majority of investments, information provided by independent pricing services is relied upon for valuation of investments.

The quoted market price used to fair value financial assets and financial liabilities held by the Fund is the last-traded prices.

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

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

### Recognised fair value measurements

The following table presents the Fund's financial assets and liabilities measured and recognised at fair value as at 31 December 2022 and 30 June 2022.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>At 31 December 2022</b>				
<b>Financial assets at fair value through profit or loss</b>				
Listed equities	15,692	-	-	15,692
<b>Total</b>	<b>15,692</b>	<b>-</b>	<b>-</b>	<b>15,692</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Listed equities	2,990	-	-	2,990
<b>Total</b>	<b>2,990</b>	<b>-</b>	<b>-</b>	<b>2,990</b>
<b>At 30 June 2022</b>				
<b>Financial assets at fair value through profit or loss</b>				
Listed equities	13,610	-	-	13,610
<b>Total</b>	<b>13,610</b>	<b>-</b>	<b>-</b>	<b>13,610</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Listed equities	4,099	-	-	4,099
<b>Total</b>	<b>4,099</b>	<b>-</b>	<b>-</b>	<b>4,099</b>

### (i) Transfers between levels

The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy during the reporting period.

There were no transfers between the levels in the fair value hierarchy during the reporting period.

### (ii) Fair value measurements using significant unobservable inputs (level 3)

The Fund did not hold any financial instruments with fair value measurements using significant unobservable inputs during the half-year ended 31 December 2022 or year ended 30 June 2022.

### (iii) Valuation processes

Portfolio reviews are undertaken regularly by Management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities.

Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, the Investment Manager performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

### (iv) Fair values of other financial instruments

The Fund did not hold any financial instruments which were not measured at fair value in the Statement of financial position. Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate fair value.

**6 Net gains/(losses) on financial instruments at fair value through profit or loss**

	Half-year ended 31 December 2022 \$'000	Half-year ended 31 December 2021 \$'000
<b>Financial assets</b>		
Net realised gains/(losses) on financial assets at fair value through profit or loss	232	1,792
Net unrealised gains/(losses) on financial assets at fair value through profit or loss	1,260	1,360
<b>Net gains/(losses) on financial assets held at fair value through profit or loss</b>	<b>1,492</b>	<b>3,152</b>
<b>Financial liabilities</b>		
Net realised gains/(losses) on financial liabilities at fair value through profit or loss	-	-
Net unrealised gains/(losses) on financial liabilities at fair value through profit or loss	(174)	260
<b>Net gains/(losses) on financial liabilities held at fair value through profit or loss</b>	<b>(174)</b>	<b>260</b>
<b>Total net gains/(losses) on financial instruments held at fair value through profit or loss</b>	<b>1,318</b>	<b>3,412</b>

**7 Financial assets at fair value through profit and loss**

	As at 31 December 2022 \$'000	As at 30 June 2022 \$'000
<b>Financial assets at fair value through profit or loss</b>		
Listed equities	15,692	13,610
<b>Total financial assets at fair value through profit or loss</b>	<b>15,692</b>	<b>13,610</b>

**8 Financial liabilities at fair value through profit and loss**

	As at 31 December 2022 \$'000	As at 30 June 2022 \$'000
<b>Financial liabilities at fair value through profit or loss</b>		
Listed equities	2,990	4,099
<b>Total financial liabilities at fair value through profit or loss</b>	<b>2,990</b>	<b>4,099</b>

Cash with a value of \$6,215,658 (30 June 2022: \$14,217,342) was held as collateral by Morgan Stanley.

**9 Net assets attributable to unitholders**

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

	31 December 2022 No. ('000)	For the half-year ended 31 December 2021 No. ('000)	31 December 2022 \$'000	31 December 2021 \$'000
Opening balance	27,651	29,595	23,587	30,715
Applications	8,695	23,468	314	4,642
Redemptions	(12,115)	(23,780)	(3,382)	(4,959)
Units issued upon reinvestment of distributions	73	-	62	-
Profit/(loss) for the half-year	-	-	1,130	2,604
Distributions paid and payable	-	-	(656)	(934)
<b>Closing balance</b>	<b>24,304</b>	<b>29,283</b>	<b>21,055</b>	<b>32,068</b>

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

Units can be redeemed direct via unit registry or via ASX Aqua trading.

The Fund is described as a hybrid exchange traded managed fund. As such, the Fund has dual features of unlisted fund and active ETF within a single unit within the Fund. Investors are managed by the Registry provider, effectively on an issuer sponsored sub-registry, and transact using a Shareholder Reference Number ("SRN"). Alternatively, investors can trade on the exchange (i.e. ASX) through their broker, using their holder identification number ("HIN").

## 10 Distributions to unitholders

Distributions are payable quarterly. Such distributions are determined by reference to the net taxable income of the Fund.

The distribution for the half-year were as follows:

	Half-year ended 31 December 2022		Half-year ended 31 December 2021	
	\$'000	CPU*	\$'000	CPU*
September	340	1.30	451	1.60
December (payable)	316	1.30	483	1.65
<b>Total distributions</b>	<b>656</b>	<b>2.60</b>	<b>934</b>	<b>3.25</b>

\* Distribution is expressed as the cents per unit amount in Australian Dollars.

## 11 Remuneration of auditor

During the half-year the following fees were paid or payable for services provided by the auditor of the Fund:

	Half-year ended 31 December 2022	Half-year ended 31 December 2021
<b>Ernst &amp; Young</b>		
Audit and other assurance services		
Audit of financial statements	8,500	17,000
Total remuneration for audit and review assurance services	<b>8,500</b>	<b>17,000</b>
Taxation services		
Taxation services	-	4,000
Total remuneration for taxation services	<b>-</b>	<b>4,000</b>
<b>Total remuneration of Ernst &amp; Young</b>	<b>8,500</b>	<b>21,000</b>
<b>Total remuneration of auditor</b>	<b>8,500</b>	<b>21,000</b>

## 12 Related party transactions

There have been no significant changes to the related party transactions disclosed in the previous annual financial report for the period ending June 30, 2022.

## 13 Significant events during the half-year

The current geopolitical events have had a global market impact and uncertainty exists as to their implications. Such disruptions can adversely affect the assets, performance and liquidity of investment funds.

Recognising the Russia/Ukraine conflict as well as Australia's broadening of its existing autonomous sanctions, the Directors and management continue to remain abreast of developments in this area and monitor the potential impacts across the Fund.

In the opinion of the Directors, there were no other significant events during the half-year.

## 14 Events occurring after the reporting period

On January 23, 2023, Simone Mosse resigned as Director and Christopher Green was appointed as Director.

Market disruptions associated with current geopolitical events have had a global impact, and uncertainty exists as to their implications. Such disruptions can adversely affect assets of the Fund and thus performance of the Fund. Management is continuing to monitor this development and evaluate its impact on the Fund.

The Directors are not aware of any other event or circumstance since the end of the financial period not otherwise addressed within this report that has affected or may significantly affect the operations of the Fund, the results of those operations or the state of affairs of the Fund in subsequent periods. The Fund continues to operate as a going concern.

## 15 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2022 and 30 June 2022.

**Directors' declaration**

In the opinion of the Directors of the Responsible Entity:

- (a) the interim financial statements and notes set out on pages 5 to 13 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Fund's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
- (c) Note 2(a) confirms that the interim financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors of The Trust Company (RE Services) Limited.



Director  
The Trust Company (RE Services) Limited

Sydney  
13 March 2023



**Building a better  
working world**

Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## **Independent Auditor's Review Report to the Unitholders of Monash Absolute Active Trust (Hedge Fund)**

### **Conclusion**

We have reviewed the accompanying half-year financial report of Monash Absolute Active Trust (Hedge Fund) (the "Fund"), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising 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 half-year financial report of the 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 2022 and of its financial 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 for conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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.

### **Directors' responsibilities for the half-year financial report**

The directors of the Responsible Entity of the Fund 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 responsibilities for the review of the half-year 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 2022 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.

A handwritten signature in black ink that reads 'Ernst &amp; Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Rita Da Silva'.

Rita Da Silva  
Partner  
Sydney  
13 March 2023