



FUNDING INVESTMENT TRUST

ARSN 616 185 276

(Responsible Entity: Melbourne Securities Corporation Limited)

ACN: 160 326 545

INTERIM FINANCIAL REPORT

31 DECEMBER 2024

FUNDING INVESTMENT TRUST

Directors' Report

The Directors of Melbourne Securities Corporation Limited (ACN 160 326 545, AFSL 428 289), the Responsible Entity of Funding Investment Trust (the Scheme), present their report together with the interim financial report of the Scheme, for the six months ended 31 December 2024 and the review report thereon.

Directors names

The names of the Directors in office at any time during or since the end of the period are:

- Michael Peter Fleming
- Matthew James Fletcher
- Shelley Brown
- Ruth McClelland
- Steven O'Connell

The Directors have been in office since the start of the period to the date of this report unless otherwise stated.

Principal activities

The Scheme is a registered managed investment scheme domiciled in Australia.

The principal activity of the Scheme is operating an online secured first mortgage loan scheme. The Scheme did not have any employees during the period.

No significant change in the nature of these activities occurred during the period.

Review of operations

The Scheme continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

During the period the Scheme raised unit capital and provided investment opportunities in secured first mortgage loans to its investors.

Results

The profit of the Scheme for the period after providing for income tax amounted to \$3,404,603 (31 December 2023: \$2,978,272).

Distributions

Distributions paid or declared for the period ended 31 December 2024 were \$3,404,603 (31 December 2023: \$2,978,272).

Distributions were declared and paid on a regular basis throughout the period.

The total amount of unpaid distributions at the reporting date is disclosed in the Condensed Statement of Financial Position.

FUNDING INVESTMENT TRUST

Directors' Report (continued)

Review of operations (continued)

Units on issue

The units of the Scheme on issue at 31 December 2024 were 86,792,596 \$1 units (30 June 2024: 93,518,242 \$1 units).

Units redeemed during the period were 28,068,157.

Scheme assets

As at 31 December 2024 the Scheme held assets to a total value of \$86,987,841 (30 June 2024: 93,714,563).

Likely developments and expected results of operations

The Scheme will continue to operate in accordance with its investment objective as detailed in the Product Disclosure Statement.

After balance date events

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Scheme, the results of those operations, or the state of affairs of the Scheme in future financial periods.

Lead Auditor's independence declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 4 and forms part of the Directors' report for the period ended 31 December 2024.

Signed in accordance with a resolution of the Directors of Melbourne Securities Corporation Limited and made pursuant to s.306(3) of the *Corporations Act 2001*.



Shelley Brown, Director

14 March 2025

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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF MELBOURNE SECURITIES CORPORATION LIMITED, THE RESPONSIBLE ENTITY OF FUNDING INVESTMENT TRUST

As auditor for the audit of Funding Investment Trust for the period ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- i. no contraventions of the 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.



G S DAKIS
Partner – Audit and Assurance
[Moore Australia Audit \(VIC\)](#)
Melbourne, Victoria
14 March 2025



Moore Australia Audit (VIC)
ABN 16 847 721 257
Chartered Accountants

FUNDING INVESTMENT TRUST

Condensed Statement of Profit or Loss & Other Comprehensive Income for the six months ended 31 December 2024

	31 December 2024 \$	31 December 2023 \$
Revenue and other income		
Interest income – cash and cash equivalents	113,117	52,267
Interest income – loan receivables	3,403,140	2,978,257
Expenses reimbursed by the Scheme Manager	10	15
	<u>3,516,267</u>	<u>3,030,539</u>
Expenses		
Management fees paid to the Scheme Manager	111,664	52,267
	<u>111,664</u>	<u>52,267</u>
Profit from operating activities	3,404,603	2,978,272
Other comprehensive income for the period	-	-
Total comprehensive income	3,404,603	2,978,272
Distribution of profits		
Profit attributable to unitholders	3,404,603	2,978,272
Distribution to unitholders	<u>(3,404,603)</u>	<u>(2,978,272)</u>
Undistributed profits for the period	-	-

FUNDING INVESTMENT TRUST
Condensed Statement of Financial Position
as at 31 December 2024

		31 December 2024	30 June 2024
	Note	\$	\$
Current assets			
Cash and cash equivalents	2	3,939,159	4,976,663
Loan receivables	3	74,141,611	86,546,491
Accrued interest receivable		514,582	530,108
Total current assets		78,595,352	92,053,262
Non-current assets			
Loan receivables	3	8,392,489	1,661,301
Total non-current assets		8,392,489	1,661,301
Total assets		86,987,841	93,714,563
Current liabilities			
Payables	4	134,799	119,487
Unitholder entitlements	5	60,446	76,834
Total current liabilities		195,245	196,321
Total liabilities		195,245	196,321
Net assets attributable to unitholders		86,792,596	93,518,242
Scheme funds			
Scheme funds	6	86,792,596	93,518,242
Total Scheme funds		86,792,596	93,518,242

FUNDING INVESTMENT TRUST
Condensed Statement of Changes in Scheme Funds
for the six months ended 31 December 2024

	Note	Scheme funds \$	Undistributed income \$	Total scheme funds \$
Balance as at 1 July 2024		93,518,242	-	93,518,242
Profit for the period attributable to unitholders		-	3,404,603	3,404,603
Total comprehensive income for the period		-	3,404,603	3,404,603
<i>Transactions with unitholders in their capacity as unitholders:</i>				
Contributions	5	21,342,511	-	21,342,511
Withdrawals	5	(28,068,157)	-	(28,068,157)
Distribution to Scheme unitholders	4	-	(3,404,603)	(3,404,603)
Total transactions with unitholders in their capacity as unitholders		(6,725,646)	(3,404,603)	(10,130,249)
Balance as at 31 December 2024		86,792,596	-	86,792,596
Balance as at 1 July 2023		78,095,320	-	78,095,320
Profit for the period attributable to unitholders		-	2,978,272	2,978,272
Total comprehensive income for the period		-	2,978,272	2,978,272
<i>Transactions with unitholders in their capacity as unitholders:</i>				
Contributions		25,897,242	-	25,897,242
Withdrawals		(18,928,437)	-	(18,928,437)
Distribution to Scheme unitholders		-	(2,978,272)	(2,978,272)
Total transactions with unitholders in their capacity as unitholders		6,968,804	(2,978,272)	3,990,532
Balance as at 31 December 2023		85,064,124	-	85,064,124

FUNDING INVESTMENT TRUST
Condensed Statement of Cash Flows
for the six months ended 31 December 2024

	31 December 2024 \$	31 December 2023 \$
Interest received – cash and cash equivalents	113,117	52,267
Interest received – loan receivables	3,418,666	2,871,898
Receipts from Scheme Manager – expenses reimbursed	(472)	71
Management fees paid to Scheme Manager	(95,870)	(43,190)
Net cash flows from operating activities	3,435,441	2,881,046
Cash flows from investing activities		
Advances to lender	(88,616,552)	(76,605,189)
Repayments by lender	94,290,244	71,932,976
Net cash flows used in investing activities	5,673,692	(4,672,213)
Cash flows from financing activities		
Proceeds from unit capital – issue	21,342,511	25,897,242
Repayment of unit capital – withdrawals	(28,068,157)	(18,928,437)
Distributions paid (net of withholding tax)	(3,420,991)	(2,781,197)
Unallocated investor application funds	-	97,500
Net cash flows from financing activities	(10,146,637)	4,285,108
Net increase/(decrease) in cash and cash equivalents	(1,037,504)	2,493,941
Cash and cash equivalents at beginning of the period	4,976,663	1,970,801
Cash and cash equivalents at end of the period	3,939,159	4,464,742

FUNDING INVESTMENT TRUST

Notes to the condensed interim financial statements for the six months ended 31 December 2024

1. REPORTING ENTITY

This interim financial report has been prepared for the Funding Investment Trust (the Scheme) as an individual entity. The Scheme is a Managed Investment Scheme (MIS) that is registered and domiciled in Australia.

The Scheme's objective is to provide investors with access to investments in first mortgage secured loans, via a platform operated and facilitated by Funding.com.au.

The interim financial report of the Scheme is for the six months ended 31 December 2024.

Statement of compliance

The interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

An interim financial report does not include all of the information normally included in annual financial statements, and this interim financial report should be read in conjunction with the annual financial report of the Scheme for the year ended 30 June 2024.

The financial report was authorised for issue by the Directors of Melbourne Securities Corporation Limited, the Responsible Entity, as at the date of the Directors' report.

Material accounting policies

The accounting policies adopted in this interim financial report are consistent with those applied by the Scheme in the previous financial year and corresponding interim reporting period, unless otherwise stated.

Estimates and judgements

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Scheme's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the financial report as at and for the year ended 30 June 2024.

FUNDING INVESTMENT TRUST

Notes to the condensed interim financial statements for the six months ended 31 December 2024

2. CASH AND CASH EQUIVALENTS

	31 December 2024 \$	30 June 2024 \$
Cash at bank	3,939,159	4,976,663

3. LOAN RECEIVABLES

	31 December 2024 \$	30 June 2024 \$
Current		
Loans to Funding Pty Ltd	74,141,611	86,546,491
Non-current		
Loans to Funding Pty Ltd	8,392,489	1,661,301

Terms and conditions of loans made to Funding Pty Ltd

A General Security Deed is in place between the Trustee, Custodian and Lender which grants a general security over the Lender's property. Under the General Security Deed the Lender grants the Scheme a general security interest over its rights under the Loan Agreements, including any security provided by Borrowers. Among other things, this allows the Scheme to enforce the Lender's rights in certain circumstances where the Lender is unable or unwilling to do so (such as where the Lender has become insolvent). If the Lender were to become unable to perform its duties and manage the Loans, the Trustee could exercise its security interest over the Lender's rights and could take over the activities of the Lender in respect of the Loans, or to appoint a replacement to step into the Lender's place, if necessary.

Monies received from investors in the Scheme are loaned to the Lender. Upon receipt of monies from the Scheme, the Lender makes loans in the name of the Lender, Funding Pty Ltd ACN 607 035 861, which is a pass-through vehicle with the sole purpose of making Loans to borrowers and servicing such loans. The Lender holds an Australian Credit Licence (ACL Number 483665). The Scheme has entered into a Master Loan Agreement with the Custodian and the Lender, under which the Scheme has agreed to advance investor funds to the Lender for the sole purpose of making the particular loans investors have chosen. When the Lender receives repayments from a Borrower, the Lender makes a corresponding repayment to the Scheme and the Scheme in turn makes a distribution to the investor.

FUNDING INVESTMENT TRUST

Notes to the condensed interim financial statements for the six months ended 31 December 2024

4. PAYABLES

	31 December 2024	30 June 2024
	\$	\$
Amounts due to Scheme Manager	23,194	7,400
Unallocated investor applications	109,139	108,080
Sundry unsecured creditors and accruals	2,466	4,007
	134,799	119,487

5. UNITHOLDER ENTITLEMENTS

	31 December 2024	30 June 2024
	\$	\$
Unpaid unitholder entitlements		
Opening balance	76,834	18,157
Distribution for the period	3,404,603	6,369,711
Amounts paid	(3,420,991)	(6,311,034)
Closing balance	60,446	76,834

FUNDING INVESTMENT TRUST

Notes to the condensed interim financial statements for the six months ended 31 December 2024

6. SCHEME FUNDS

	31 December 2024 \$	30 June 2024 \$
Issued and paid-up units		
6,111,872 Cash Units (30 June 2024: 3,898,623)	6,111,782	3,898,623
80,680,724 Loan Units (30 June 2024: 89,619,619)	80,680,724	89,619,619
	86,792,596	93,518,242

	6 months to 31 December 2024		12 months to 30 June 2024	
Cash Units	Number	\$	Number	\$
Opening balance	3,898,623	3,898,623	2,680,304	2,680,304
Cash Units issued	21,342,511	21,342,511	55,050,714	55,050,714
Converted to Loan Units	(86,298,972)	(86,298,972)	(167,706,974)	(167,706,974)
Converted from Loan Units	95,237,867	95,237,867	153,502,371	153,502,371
Cash Units withdrawn	(28,068,157)	(28,068,157)	(39,627,792)	(39,627,792)
Closing balance	6,111,872	6,111,872	3,898,623	3,898,623

	6 months to 31 December 2024		12 months to 30 June 2024	
Loan Units	Number	\$	Number	\$
Opening balance	89,619,619	89,619,619	75,415,016	75,415,016
Converted from Cash Units	86,298,972	86,298,972	167,706,974	167,706,974
Converted to Cash Units	(95,237,867)	(95,237,867)	(153,502,371)	(153,502,371)
Closing balance	80,680,724	80,680,724	89,619,619	89,619,619

Scheme units were issued throughout the period. Unitholders are initially issued with Cash Units. Unitholders can withdraw their Cash Units at any time. Once unitholders have selected a loan in which to invest, and upon the loan being funded by the investor, Cash Units are converted to Loan Units. Loan Units are directly referable and segregated to the specific loan chosen and entitles the investor to interest payments related to that particular loan as well as capital repayments related to that particular loan at the end of the loan term. Loan Units are committed to the loan for the specific duration of the loan.

FUNDING INVESTMENT TRUST

Notes to the condensed interim financial statements for the six months ended 31 December 2024

7. LIQUIDITY RISK

Liquidity risk is the risk that the Scheme will not be able to meet its financial obligations as they fall due. The Scheme's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Scheme's reputation.

The Scheme's liquidity risk is managed on a daily basis by the Investment Manager in accordance with the policies and procedures in place.

In accordance with the Scheme's Constitution and the Product Disclosure Statement, as the Scheme is a contributory fund, the redeeming of investment funds prior to repayment of the associated mortgage loan is not readily available. Funds can only be redeemed if an alternative investor can be found.

8. RELATED PARTY TRANSACTIONS

There have been no significant changes to the related party transactions disclosed in the last Annual Report.

9. EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 31 December 2024 that has significantly affected or may significantly affect:

- a. the operations, in financial periods subsequent to 31 December 2024, of the Scheme, or
- b. the results of those operations, or
- c. the state of the affairs, in financial periods subsequent to 31 December 2024, of the Scheme.

10. RESPONSIBLE ENTITY DETAILS

The Scheme is a registered Managed Investment Scheme.

The Responsible Entity of the Scheme is Melbourne Securities Corporation Limited.

The registered office of the Responsible Entity and principal place of business is:

Melbourne Securities Corporation Limited
Level 2, 395 Collins Street
Melbourne Vic 3000

FUNDING INVESTMENT TRUST

Director's declaration

In the opinion of the Directors of Melbourne Securities Corporation Limited, the Responsible Entity of Funding Investment Trust ("the Scheme"):

1. the financial statements and notes set out on pages 5 to 13 are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the financial position of the Scheme as at 31 December 2024, and of its performance for the six months ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
2. there are reasonable grounds to believe that the Scheme 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 Melbourne Securities Corporation Limited and made pursuant to s.303(5) of the *Corporations Act 2001*.



Shelley Brown, Director

14 March 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE UNITHOLDERS OF FUNDING INVESTMENT TRUST

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Funding Investment Trust (the Scheme), which comprises the condensed statement of financial position as at 31 December 2024 condensed statement of profit or loss and other comprehensive income, condensed statement of changes in scheme funds and condensed statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

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

- a. giving a true and fair view of the Scheme's financial position as at 31 December 2024 and of its performance for the year ended on that date; and
- b. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Australian Accounting Standards and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Company 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.

Responsibility of the Directors for the Financial Report

The directors of Melbourne Securities Corporation Limited (The Responsible Entity) are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2024 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.



G S DAKIS
Partner – Audit and Assurance
[Moore Australia Audit \(VIC\)](#)
Melbourne, Victoria
14 March 2025



Moore Australia Audit (VIC)
ABN 16 847 721 257
Chartered Accountants