

# **Solaris Core Australian Equity Fund**

ARSN 128 859 898

**Interim financial statements for the half-year ended 31 December 2020**

# Solaris Core Australian Equity Fund

ARSN 128 859 898

## Interim financial statements for the half-year ended 31 December 2020

Contents	Page
Directors' report	2
Auditor's independence declaration	4
Statement of comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the interim financial statements	9
Directors' declaration	15
Independent auditor's review report to the unitholders of the Solaris Core Australian Equity Fund	16

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 year ended 30 June 2020 and any public announcements made in respect of Solaris Core Australian Equity Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

These interim financial statements cover the Solaris Core Australian Equity Fund as an individual entity.

The Responsible Entity of the Solaris Core Australian Equity Fund is Pinnacle Fund Services Limited (ACN 082 494 362, AFSL 238371). The Responsible Entity's registered office is Level 19, 307 Queen St, Brisbane, QLD 4000.

## Directors' report

The directors of Pinnacle Fund Services Limited, the Responsible Entity of the Solaris Core Australian Equity Fund, present their report together with the interim financial statements of the Solaris Core Australian Equity Fund (the "Fund"), for the half-year ended 31 December 2020.

### Principal activities

The Fund is a registered managed investment fund domiciled in Australia.

The Fund may hold between 40 and 70 listed Australian securities, as well as securities expected to be listed on an Australian exchange, in accordance with the provisions of the Fund's Product Disclosure Statement and Fund Constitution.

In addition, the Fund will seek to remain fully invested with an allowable maximum cash exposure of 5% of total assets at any one time.

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 following persons held office as directors of Pinnacle Fund Services Limited during the half-year or since the end of the half-year and up to the date of this report.

Mr Ian Macoun  
 Mr Alex Ihlenfeldt  
 Mr Calvin Kwok  
 Mr Adrian Whittingham

The Responsible Entity also has a Compliance Committee consisting of one non-independent person and two independent persons. The committee's role is to oversee the compliance requirements of the Fund operated by the Responsible Entity.

### Review and results of operations

There have been no significant changes to the operations of the Fund since the previous financial period. The Fund continued to invest funds in accordance with target asset allocations as set out in the governing documents of the Fund and in accordance with the provisions of the Fund's Constitution.

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

	<b>Half-year ended</b>	
	<b>31 December 2020 \$'000</b>	31 December 2019 \$'000
Net operating profit/(loss) for the half-year	<b>70,247</b>	26,458
Distribution paid and payable		
Class A	<b>4,216</b>	6,913
Class B	<b>1,071</b>	1,685
Class C	<b>36</b>	74
Class D	<b>5,095</b>	7,981
	<b>10,418</b>	16,653
Distribution (cents per unit)		
Class A	<b>1.6038</b>	2.7818
Class B	<b>1.6037</b>	2.5532
Class C	<b>3.3432</b>	5.4386
Class D	<b>1.8793</b>	3.3420



## *Auditor's Independence Declaration*

As lead auditor for the review of Solaris Core Australian Equity Fund for the half-year ended 31 December 2020, I declare that 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; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'Ben Woodbridge'.

Ben Woodbridge  
Partner  
PricewaterhouseCoopers

Brisbane  
9 March 2021

## Directors' report (continued)

### Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Fund that occurred during the half-year ended 31 December 2020.

### Matters subsequent to the end of the period

No matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect:

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

### 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.

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.

### Rounding of amounts to the nearest thousand dollars

The Fund is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the interim financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

### 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.



Mr A. Ihlenfeldt  
Director  
Pinnacle Fund Services Limited

Brisbane  
9 March 2021

**Statement of comprehensive income**

	Notes	Half-year ended	
		31 December 2020 \$'000	31 December 2019 \$'000
<b>Investment income</b>			
Interest income from financial assets at amortised cost		3	72
Dividend/Trust distribution income		7,698	14,083
Net gains/(losses) on financial instruments at fair value through profit or loss	4	63,289	12,993
<b>Total net investment income</b>		70,990	27,148
<b>Expenses</b>			
Management fees		337	355
Transaction costs		406	335
<b>Total operating expenses</b>		743	690
<b>Profit/(loss) for the half-year</b>		70,247	26,458
Other comprehensive income		-	-
<b>Total comprehensive income/(loss) for the half-year</b>		70,247	26,458

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

**Statement of financial position**

		As at	
	Notes	31 December 2020 \$'000	30 June 2020 \$'000
<b>Assets</b>			
Cash and cash equivalents		33,955	19,904
Receivables	7	532	2,960
Financial assets at fair value through profit or loss	6	758,865	616,602
<b>Total assets</b>		<b>793,352</b>	<b>639,466</b>
<b>Liabilities</b>			
Distributions payable	5	10,418	4,721
Payables	8	11,955	1,958
Financial liabilities at fair value through profit or loss	6	5	-
<b>Total liabilities</b>		<b>22,378</b>	<b>6,679</b>
<b>Net assets attributable to unit holders – equity</b>		<b>770,974</b>	<b>632,787</b>

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

**Statement of changes in equity**

	Notes	Half-year ended	
		31 December 2020 \$'000	31 December 2019 \$'000
<b>Total equity at the beginning of the half-year</b>	9	<b>632,787</b>	799,785
<b>Comprehensive income for the half-year</b>			
Profit/(loss) for the half-year		<b>70,247</b>	26,458
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>70,247</b>	26,458
<b>Transactions with unit holders</b>			
Applications	9	<b>117,774</b>	91,209
Redemptions	9	<b>(40,634)</b>	(163,499)
Reinvestment of distributions	9	<b>1,218</b>	11,824
Distributions paid and payable	5,9	<b>(10,418)</b>	(16,653)
<b>Total transactions with unit holders</b>		<b>67,940</b>	(77,119)
<b>Total equity at the end of the half-year</b>	9	<b>770,974</b>	749,124

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



**Statement of cash flows**

	Notes	Half-year ended	
		31 December 2020 \$'000	31 December 2019 \$'000
<b>Cash flows from operating activities</b>			
Proceeds from sales of financial instruments at fair value through profit or loss		92,601	198,407
Purchases of financial instruments at fair value through profit or loss		(160,405)	(117,151)
Dividends/Trust distributions received		8,951	17,785
Interest received		3	85
Transaction costs paid		(406)	(335)
Management fees paid		(330)	(349)
Other expenses paid		-	(4)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>(59,586)</b>	<b>98,438</b>
<b>Cash flows from financing activities</b>			
Proceeds from applications by unitholders		117,774	91,209
Payments for redemptions by unitholders		(40,634)	(163,499)
Distributions paid from operating activities		(3,503)	(20,294)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>73,637</b>	<b>(92,584)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>14,051</b>	<b>5,854</b>
Cash and cash equivalents at the beginning of the half-year		<b>19,904</b>	<b>23,042</b>
<b>Cash and cash equivalents at the end of the half-year</b>		<b>33,955</b>	<b>28,896</b>
Non-cash financing activities	9	<b>1,218</b>	<b>11,824</b>

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

## Contents

## Page

1	General information	10
2	Basis of preparation	10
3	Fair value measurements	12
4	Net gains/(losses) on financial instruments at fair value through profit or loss	12
5	Distributions to unitholders	12
6	Financial assets at fair value through profit or loss	13
7	Receivables	13
8	Payables	13
9	Net assets attributable to unitholders	13
10	Events occurring after the reporting period	14
11	Contingent assets and liabilities and commitments	14

## 1 General information

These interim financial statements cover the Solaris Core Australian Equity Fund (the "Fund") as an individual entity. The Fund was constituted on 7 December 2007. The Fund will terminate on the day immediately preceding the 80th anniversary of the commencement date unless terminated earlier in accordance with the provisions of the Fund's Constitution.

The Responsible Entity of the Fund is Pinnacle Fund Services Limited (the "Responsible Entity"). The Responsible Entity's registered office is Level 19, 307 Queen Street, Brisbane, QLD 4000. The interim financial statements are presented in the Australian currency.

The Responsible Entity is incorporated and domiciled in Australia. Solaris Investment Management Limited acts as investment manager of the Fund.

The Custodian of the Fund is RBC Investor Services Ltd.

The Fund may hold between 40 and 70 listed Australian securities, as well as securities expected to be listed on an Australian exchange, in accordance with the provisions of the Fund's Product Disclosure Statement and Fund Constitution.

The interim financial statements were authorised for issue by the directors on 9 March 2021. The directors of the Responsible Entity have the power to amend and reissue the interim financial statements after they have been issued.

## 2 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 year ended 30 June 2020 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*.

### (a) Significant accounting policies

The accounting policies in these interim financial statements are the same as those applied in the Fund's financial statements for the year ended 30 June 2020.

### (b) New accounting standards and interpretations not yet adopted

There are no standards that are not yet effective and that are expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

### (c) Rounding of amounts to the nearest thousand dollars

The Fund is an entity of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the interim financial statements and directors' report have been rounded off to the nearest thousand dollars unless otherwise stated.

## 3 Fair value measurements

The Fund measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis.

- Financial assets/liabilities at fair value through profit or loss (FVTPL)
- Derivative financial instruments

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

### Fair value hierarchy

Classification of financial assets and financial liabilities

The Fund classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

### 3 Fair value measurements (continued)

#### (a) Fair value in an active market (Level 1)

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and listed equity securities) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the accounting policies set out in Note 2 of the financial statements. For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

The quoted market price used for financial assets held by the Fund is the current bid price; the quoted market price for financial liabilities is the current asking price. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

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.

#### (b) Fair value in an inactive or unquoted market (Level 2 and Level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, 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 best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. 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.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Fund would receive or pay to terminate the contract at the end of reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The foreign currency contracts are valued at the forward rate.

Investments in other unlisted unit Funds are recorded at the redemption value per unit as reported by the investment managers of such funds.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments.

The following table presents the Fund's financial assets and liabilities measured and recognised at fair value according to the fair value hierarchy at 31 December 2020 and 30 June 2020:

At 31 December 2020	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>				
Listed equities	673,733	-	-	673,733
Listed unit trust	73,929	-	-	73,929
Listed property trusts	11,203	-	-	11,203
<b>Total financial assets</b>	<b>758,865</b>	<b>-</b>	<b>-</b>	<b>758,865</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Futures	5	-	-	5
<b>Total financial liabilities</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>5</b>

### 3 Fair value measurements (continued)

At 30 June 2020	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Listed equities	543,080	-	-	543,080
Listed unit trust	60,245	-	-	60,245
Listed property trusts	13,272	-	-	13,272
Futures	5	-	-	5
<b>Total financial assets</b>	<b>616,602</b>	<b>-</b>	<b>-</b>	<b>616,602</b>

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

	Half-year ended	
	31 December 2020 \$'000	31 December 2019 \$'000
<b>Financial assets</b>		
Net unrealised gains/(losses) on financial assets at fair value through profit or loss	56,734	(13,995)
Net realised gains/(losses) on financial assets at fair value through profit or loss	6,561	27,287
<b>Net gains/(losses) on financial assets at fair value through profit or loss</b>	<b>63,295</b>	<b>13,292</b>
<b>Financial liabilities</b>		
Net unrealised gains/(losses) on financial liabilities at fair value through profit or loss	(6)	(299)
<b>Net gains/(losses) on financial liabilities at fair value through profit or loss</b>	<b>(6)</b>	<b>(299)</b>
<b>Total net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>63,289</b>	<b>12,993</b>

Realised gains and losses are recorded using historical cost information.

### 5 Distributions to unitholders

The distributions were paid/payable as follows:

	Half-year ended			
	31 December 2020 \$'000	31 December 2020 CPU	31 December 2019 \$'000	31 December 2019 CPU
<b>Class A</b>				
31 December (payable)	4,216	1.6038	6,913	2.7818
	<u>4,216</u>		<u>6,913</u>	
<b>Class B</b>				
31 December (payable)	1,071	1.6037	1,685	2.5532
	<u>1,071</u>		<u>1,685</u>	
<b>Class C</b>				
31 December (payable)	36	3.3432	74	5.4386
	<u>36</u>		<u>74</u>	
<b>Class D</b>				
31 December (payable)	5,095	1.8793	7,981	3.3420
	<u>5,095</u>		<u>7,981</u>	
<b>Total distributions</b>	<b>10,418</b>		<b>16,653</b>	

## 6 Financial instruments at fair value through profit or loss

	As at	
	31 December 2020 \$'000	30 June 2020 \$'000
<b>Financial assets at fair value through profit or loss</b>		
Listed equities	673,733	543,080
Listed unit trusts	73,929	60,245
Listed property trusts	11,203	13,272
Futures	-	5
<b>Total financial assets at fair value through profit or loss</b>	<b>758,865</b>	<b>616,602</b>
<b>Financial liabilities at fair value through profit or loss</b>		
Futures	5	-
<b>Total financial liabilities at fair value through profit or loss</b>	<b>5</b>	<b>-</b>

## 7 Receivables

	As at	
	31 December 2020 \$'000	30 June 2020 \$'000
Due from brokers - receivable for securities sold	-	1,175
Accrued income	500	1,753
GST receivable	32	32
<b>Total receivables</b>	<b>532</b>	<b>2,960</b>

## 8 Payables

	As at	
	31 December 2020 \$'000	30 June 2020 \$'000
Due to brokers - payable for securities purchased	11,895	1,905
Accrued expenses	60	53
<b>Total payables</b>	<b>11,955</b>	<b>1,958</b>

## 9 Net assets attributable to unitholders

Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments are classified as equity where certain criteria are met. The Fund classifies the net assets attributable to unitholders as equity as they satisfy the following criteria:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Fund's liquidation;
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical;
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Fund, and is not a contract settled in the Fund's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

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

	Half-year ended			
	31 December 2020 Units	31 December 2019 Units	31 December 2020 \$'000	31 December 2019 \$'000
<b>Class A</b>				
<b>Net assets attributable to unitholders</b>				
Opening balance	256,618,251	347,366,046	266,594	410,914
Applications	5,430,217	9,965,964	5,860	11,926
Redemptions	(170,174)	(115,645,337)	(182)	(137,798)
Reinvestment of distributions	1,014,006	6,821,063	1,054	8,073
Profit/(loss) for the half-year	-	-	28,778	11,750
Distributions paid and payable	-	-	(4,216)	(6,913)
<b>Closing balance</b>	<b>262,892,300</b>	<b>248,507,736</b>	<b>297,888</b>	<b>297,952</b>

## 9 Net assets attributable to unitholders (continued)

	Half-year ended		31 December 2019	31 December 2019
	31 December 2020	31 December 2020		
	Units	Units	\$'000	\$'000
<b>Class B</b>				
<b>Net assets attributable to unitholders</b>				
Opening balance	68,043,854	60,965,522	68,597	70,667
Applications	7,244,922	10,260,344	7,621	12,248
Redemptions	(8,638,107)	(5,799,481)	(9,169)	(6,850)
Reinvestment of distributions	106,789	570,737	108	662
Profit/(loss) for the half-year	-	-	6,930	2,219
Distributions paid and payable	-	-	(1,071)	(1,685)
<b>Closing balance</b>	<b>66,757,458</b>	<b>65,997,122</b>	<b>73,016</b>	<b>77,261</b>
<b>Class C</b>				
<b>Net assets attributable to unitholders</b>				
Opening balance	1,316,183	1,677,613	2,398	3,521
Applications	-	-	-	-
Redemptions	(252,666)	(307,868)	(502)	(662)
Reinvestment of distributions	-	-	-	-
Profit/(loss) for the half-year	-	-	236	107
Distributions paid and payable	-	-	(36)	(74)
<b>Closing balance</b>	<b>1,063,517</b>	<b>1,369,745</b>	<b>2,096</b>	<b>2,892</b>
<b>Class D</b>				
<b>Net assets attributable to unitholders</b>				
Opening balance	219,665,127	205,615,745	295,198	314,683
Applications	73,166,000	42,812,527	104,293	67,035
Redemptions	(21,718,998)	(11,650,066)	(30,781)	(18,189)
Reinvestment of distributions	41,707	2,017,189	56	3,089
Profit/(loss) for the half-year	-	-	34,303	12,382
Distributions paid and payable	-	-	(5,095)	(7,981)
<b>Closing balance</b>	<b>271,153,836</b>	<b>238,795,395</b>	<b>397,974</b>	<b>371,019</b>
<b>Total</b>				
<b>Net assets attributable to unitholders</b>				
Opening balance	545,643,415	615,624,926	632,787	799,785
Applications	85,841,139	63,038,835	117,774	91,209
Redemptions	(30,779,945)	(133,402,752)	(40,634)	(163,499)
Reinvestment of distributions	1,162,502	9,408,989	1,218	11,824
Profit/(loss) for the half-year	-	-	70,247	26,458
Distributions paid and payable	-	-	(10,418)	(16,653)
<b>Closing balance</b>	<b>601,867,111</b>	<b>554,669,998</b>	<b>770,974</b>	<b>749,124</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 in the underlying assets of the Fund. There are four separate classes of units. Each unit within the same class has the same rights as all other units within that class. Each unit class has a different management fee rate.

Units are redeemed on demand at the unit holder's option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

## 10 Events occurring after the reporting period

No significant events have occurred since the end of the half-year which would impact on the financial position of the Fund as disclosed in the statement of financial position as at 31 December 2020 or on the results and cash flows of the Fund for the half-year ended on that date.

## 11 Contingent assets and liabilities and commitments

There are no outstanding contingent assets and liabilities or commitments as at 31 December 2020 and 30 June 2020.

## 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 14 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standards, 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 2020 and of its performance for the half-year ended on that date.
- (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.

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.



Mr A. Ihlenfeldt  
Director  
Pinnacle Fund Services Limited

Brisbane  
9 March 2021





## **Independent auditor's review report to the unitholders of Solaris Core Australian Equity Fund**

### ***Report on the half-year financial report***

#### ***Conclusion***

We have reviewed the half-year financial report of Solaris Core Australian Equity Fund (the Registered Scheme) which comprises the Condensed statement of financial position as at 31 December 2020, the Condensed statement of comprehensive income, Condensed statement of changes in equity and Condensed statement of cash flows for the half-year ended on that date, significant accounting policies and explanatory notes and the directors of the Responsible Entity's 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 Solaris Core Australian Equity Fund does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Registered Scheme's financial position as at 31 December 2020 and of its performance for the half-year ended on that date
2. 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 Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 of the Responsible Entity for the half-year financial report***

The directors of the Responsible Entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity 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.

---

**PricewaterhouseCoopers, ABN 52 780 433 757**  
480 Queen Street, BRISBANE QLD 4000, GPO Box 150, BRISBANE QLD 4001  
T: +61 7 3257 5000, F: +61 7 3257 5999, [www.pwc.com.au](http://www.pwc.com.au)

Liability limited by a scheme approved under Professional Standards Legislation.



*Auditor's responsibility 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 Registered Scheme's financial position as at 31 December 2020 and of 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 cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'Ben Woodbridge'.

Ben Woodbridge  
Partner

Brisbane  
9 March 2021