

Switzer Dividend Growth Fund

ARSN 614 066 849

Interim financial report
for the half-year ended 31 December 2022

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This interim financial report does not include all the notes of the type normally included in a set of annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2022 and any public announcements made in respect of Switzer Dividend Growth Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

These financial statements cover Switzer Dividend Growth Fund as an individual entity.

The Responsible Entity of Switzer Dividend Growth Fund is AGP Investment Management Limited (ABN 26 123 611 978). The Responsible Entity's registered office is Level 6, 10 Spring Street. Sydney NSW 2000.

Directors' Report

The Directors of AGP Investment Management Limited (formerly Associate Global Partners Limited) (ABN 26 123 611 978), the Responsible Entity of Switzer Dividend Growth Fund, present their report together with the interim financial report of Switzer Dividend Growth Fund (the **Fund**) for the half-year ended 31 December 2022.

Responsible Entity

The Responsible Entity of the Switzer Dividend Growth Fund is AGP Investment Management Limited (ABN 26 123 611 978). The Responsible Entity's registered office is Level 6, 10 Spring Street, Sydney NSW 2000.

On 18 October 2022, the Responsible Entity changed its name from Associate Global Partners Limited to AGP Investment Management Limited. The name change had no impact on the operation of the Fund, the name of the Fund or the way the Fund invests.

Directors

The following persons held office as Directors of the Responsible Entity during the financial half-year and up to the date of this report:

Name	Title
James McNally	Chairman and Non-Executive Director
Andrew Meakin	Non-Executive Director
Martin Switzer	Director
Peter Switzer	Non-Executive Director

Review of Operations

Results

During the half-year ended 31 December 2022, 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.

For the half-year ended 31 December 2022, the Fund paid total distributions of 4.80 cents per unit. This equates to an annualised net distribution yield of 3.96% and an annualised gross distribution yield of 5.66% inclusive of franking credits. Distribution yield is calculated based on the annualised distributions attributable to the 6 months ended 31 December 2022 relative to the Fund's ex distribution unit price of \$2.4226 as at 30 June 2022.

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

	31 December 2022	31 December 2021
Profit before finance costs attributable to unitholders (\$'000)	4,076	2,859
Distributions paid and payable (\$'000)	1,274	1,392
Distributions (cents per unit - CPU)	4.800	4.942

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 reporting period.

Events occurring after the reporting period

No other significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the Interim Condensed Statement of Financial Position as at 31 December 2022 or on the results and cash flows of the Fund for the half-year ended on that date.

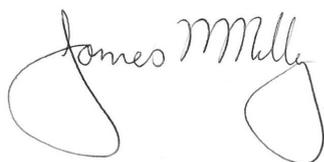
Rounding of amounts to the nearest thousand dollars

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the Directors' Report and in the interim condensed financial statements have been rounded to the nearest thousand dollars (\$000's).

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.

A handwritten signature in black ink that reads "James McNally". The signature is written in a cursive style with a large, looping initial 'J' and 'M'.

James McNally
Chairman
AGP Investment Management Limited

Sydney,
13 March 2023

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF RESPONSIBLE ENTITY OF SWITZER DIVIDEND GROWTH FUND

As lead auditor, I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2022 there have been:

- i. no contraventions of the auditor independence requirements as set out in 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.



SW Audit (formerly ShineWing Australia)
Chartered Accountants



Hayley Underwood
Partner

Melbourne, 13 March 2023

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**Interim Condensed Statement of Profit or Loss and Other Comprehensive Income
for the half-year ended 31 December 2022**

	Notes	31 December 2022 \$'000	31 December 2021 \$'000
<i>Investment income</i>			
Net gains on financial instruments at fair value through profit or loss		2,900	1,371
Dividend/distribution income		1,528	1,686
Interest income		22	-
Total investment income		4,450	3,057
<i>Operating expenses</i>			
Management fees		299	349
Transaction costs		44	88
Other expenses		31	31
Total operating expenses		374	468
Profit for the half-year before finance costs attributable to unitholders		4,076	2,589
<i>Finance costs attributable to unitholders</i>			
Distributions to unitholders	3	1,274	1,392
Increase in net assets attributable to unitholders	2	2,802	1,197
Profit/(loss) for the half-year attributable to unitholders		-	-
Other comprehensive income for the half-year attributable to unitholders		-	-
Total comprehensive income for the half-year attributable to unitholders		-	-

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

**Interim Condensed Statement of Financial Position
as at 31 December 2022**

	Notes	31 December 2022 \$'000	30 June 2022 \$'000
Assets			
Cash and cash equivalents		4,940	2,386
Receivables	6	270	276
Financial assets at fair value through profit or loss	4	63,737	63,252
Total assets		68,947	65,914
Liabilities			
Payables	7	272	99
Distribution payable	3	216	1,838
Total liabilities (excluding net assets attributable to unitholders)		488	1,937
Net assets attributable to unitholders - liability	2	68,459	63,977

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

**Interim Condensed Statement of Changes in Equity
for the half-year ended 31 December 2022**

In accordance with AASB 132 *Financial Instruments: Presentation*, net assets attributable to unitholders are classified as liability rather than equity. As a result, there was no equity at the beginning and the end of the half-year.

Changes in net assets attributable to unitholders are disclosed in Note 2.

**Interim Condensed Statement of Cash Flows
for the half-year ended 31 December 2022**

	Notes	31 December 2022 \$'000	31 December 2021 \$'000
<i>Cash flows from operating activities</i>			
Proceeds from sale of financial instruments held at fair value through profit or loss		15,775	29,908
Purchase of financial instruments held at fair value through profit or loss		(13,412)	(21,372)
Dividends and distributions received		1,632	2,021
Interest received		22	-
Other expenses paid		(33)	(32)
Management fees paid		(318)	(379)
RITC received		8	36
Net cash inflow from operating activities		3,674	10,182
<i>Cash flows from financing activities</i>			
Proceeds from applications by unitholders		5,140	1,255
Payments for redemptions by unitholders		(4,056)	(9,892)
Distributions paid		(2,204)	(932)
Net cash outflow from financing activities		(1,120)	(9,569)
Net increase in cash and cash equivalents		2,554	613
Cash and cash equivalents at the beginning of the reporting period		2,386	2,590
Cash and cash equivalents at the end of the reporting period		4,940	3,203
Non-cash financing activities		693	239

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

Notes to the Financial Statements

1. Basis of preparation

This general purpose financial report for the half-year ended 31 December 2022 has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards AASB 134 *Interim Financial Reporting*.

The interim financial report does not include all the notes of the type normally included in a set of annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2022 and any public announcements made in respect of the Fund during the reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The financial statements were authorised for issue by the Directors on 13 March 2023. The Directors of the Responsible Entity have the power to amend and reissue the financial statements.

The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim reporting period.

Compliance with International Financial Reporting Standards

Compliance with AASB 134 ensures that the interim financial report of the Fund, comprising the financial statements and notes thereto, complies with International Accounting Standard IAS 34 *Interim Financial Reporting*.

New or amended standards adopted by the Fund

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

Rounding of amounts to the nearest thousand dollars

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* the amounts in the Directors' Report and in the interim condensed financial statements have been rounded to the nearest thousand dollars (\$000's).

Notes to the Financial Statements (continued)

2. Net assets attributable to unitholders

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.

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

	31 December 2022		31 December 2021	
	No.'000	\$'000	No.'000	\$'000
Opening balance	26,390	63,931	30,621	81,304
Applications	2,026	5,178	466	1,270
Redemptions	(1,659)	(4,145)	(3,640)	(9,793)
Units issued upon reinvestment of distributions	280	693	71	191
Increase in net assets attributable to unitholders	-	2,802	-	1,197
Closing balance	27,037	68,459	27,518	74,169

3. Distributions to unitholders

The distributions for the period were as follows:

	31 December 2022	31 December 2022	31 December 2021	31 December 2021
	\$'000	CPU	\$'000	CPU
Distributions paid (31 July)	212	0.800	-	-
Distributions paid (31 August)	211	0.800	-	-
Distributions paid (30 September)	212	0.800	809	2.822
Distributions paid (31 October)	212	0.800	-	-
Distributions paid (30 November)	211	0.800	-	-
Distributions payable (31 December)	216	0.800	583	2.120
	1,274	4.800	1,392	4.942

Notes to the Financial Statements (continued)

4. Financial assets at fair value through profit or loss

	31 December 2022	30 June 2022
	\$'000	\$'000
Listed equities	59,916	59,585
Listed property trusts	3,821	3,667
Total financial assets at fair value through profit or loss	63,737	63,252

5. Fair value of assets and liabilities

Fair value hierarchy

The Fund is required to classify 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:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); quoted prices for similar securities in active and/or inactive markets; market-corroborated inputs; inputs that are developed based on available market data and reflect assumptions that markets would use when pricing similar securities.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below sets out the Fund's financial assets and liabilities measured at fair value according to the fair value hierarchy at the reporting date:

	31 December 2022			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets held at fair value through profit or loss:				
Listed equities	59,916	-	-	59,916
Listed property trusts	3,821	-	-	3,821
Total financial assets	63,737	-	-	63,737

Notes to the Financial Statements (continued)

5. Fair value of assets and liabilities (continued)

Fair value hierarchy (continued)

	30 June 2022			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets held at fair value through profit or loss:				
Listed equities	59,585	-	-	59,585
Listed property trusts	3,667	-	-	3,667
Total financial assets	63,252	-	-	63,252

6. Receivables

	31 December 2022	30 June 2022
	\$'000	\$'000
Due from brokers - receivable for securities sold	115	29
Dividend/distribution receivable	86	190
Unsettled applications	11	18
Other receivables	11	11
RITC receivable	47	28
Total receivables	270	276

7. Payables

	31 December 2022	30 June 2022
	\$'000	\$'000
Due to brokers - payable for securities purchased	111	29
Unsettled redemptions	100	11
Management fees payable	56	53
Other fees payable	5	6
Total payables	272	99

8. Segment information

The Fund operates solely in the business of investment in companies listed on the Australian share market. Revenue, profit, net assets and other financial information reported to and monitored by the Chief Operating Decision Maker (CODM) for the single identified operating segment are the amounts reflected in the Interim Condensed Statement of Profit or Loss and Other Comprehensive Income, Interim Condensed Statement of Financial Position, Interim Condensed Statement of Changes in Equity and Interim Condensed Statement of Cash Flows. The CODM has been identified as the Responsible Entity.

Notes to the Financial Statements (continued)

9. Contingent assets, liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2022 (30 June 2022: Nil).

10. Events occurring after the reporting period

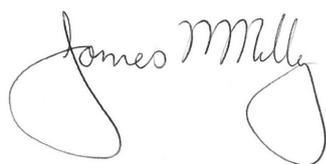
No significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the Interim Condensed Statement of Financial Position as at 31 December 2022 or on the results and cash flows of the Fund for the half-year ended on that date.

Directors' Declaration

In accordance with a resolution of the Directors of Switzer Dividend Growth Fund (the **Fund**), I state that:

In the opinion of the Directors of the Responsible Entity:

- (a) The interim financial statements and notes of the Fund are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*; 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;
- (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) The financial statements are in accordance with the Fund's Constitution.



James McNally
Chairman
AGP Investment Management Limited

Sydney,
13 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SWITZER DIVIDEND GROWTH FUND

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying interim financial report of Switzer Dividend Growth Fund (the Fund) which comprises the interim condensed statement of financial position as at 31 December 2022, the interim condensed statement of profit or loss and other comprehensive income, interim condensed statement of changes in equity and the interim condensed statement of cash flows for the half-year ended on that date, 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 interim 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 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 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 & 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 Financial Report

The directors of the responsible entity of the Fund are responsible for the preparation of the interim 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.

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Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express a conclusion on the interim 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 interim 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 an interim 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.



SW Audit (formerly ShineWing Australia)
Chartered Accountants



Hayley Underwood
Partner

Melbourne, 13 March 2023