ACORNS INVESTMENT COMPANY LIMITED
ACN 615 510 177

INTERIM FINANCIAL REPORT – 31 DECEMBER 2017

DIRECTORS' REPORT

Your directors present their report on the company for the financial half-year ended 31 December 2017.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

George Lucas

Peter Fay

James Poon

Directors have been in office since the Company's Incorporation to the date of this report unless otherwise stated.

Review of Operations

The company was incorporated for the sole purpose of investing in Instreet Acorns Pty Limited which as at the date of signing this interim report held 90.37% interest in Acorns Grow Australia Limited (Acorns) as its only business. The company has a 2.88% interest in Instreet Acorns Pty Limited.

During the financial half-year there were no changes to the above investment interest.

Significant Changes in the State of Affairs

No significant changes in the Company's state of affairs occurred during the financial half year.

Principal Activities

The principal activities of the Company during the financial half year were investing in Instreet Acorns Pty Limited.

No significant change in the nature of these activities occurred during the financial half year.

Events Subsequent to the End of the Reporting Period

The Company is currently being considered to be admitted for listing on the Australian Securities Exchange (ASX). It has made a share swap offer for all the shares in Instreet Investment Limited, which has had over 90% acceptance and the Company has moved to full takeover. It has also made a share swap offer for Instreet Acorns Pty Ltd which majority holds the Acorns Grow operation business.
The Company is proposing to change its name to RAIZ Invest Limited. If the company is accepted for listing it is proposed that the Board composition will change to include a majority of Independent Non-Executive Directors and a new Constitution appropriate for a public listed company will be adopted. A change in auditors is also proposed.
Apart from the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental Regulation

The Company operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

No Dividends were declared since the start of the financial half year.

Options

No options over issued shares or interests in the company or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

No shares were issued during or since the end of the financial half year as a result of the exercise of an option over unissued shares or interests.

Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial half year, for any person who is or has been an officer or auditor of the Company.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the financial half year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 3.

This directors' report is signed in accordance with a resolution of the Board of Directors:

Director

George Lucas

Dated this 21st day of March 2018

ACORNS INVESTMENT COMPANY LIMITED
ACN 615 510 177

SYDNEY
Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF ACORNS INVESTMENT COMPANY LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 there have been no contraventions of:

(i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Date: 21 March 2018

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Note	2017	2016
		$	$
Revenue		-	-
Legal expenses		(1,524)	(50,000)
Consulting and Accounting		(2,000)	-
Loss before income tax		(3,524)	(50,000)
Tax (expense)/income		-	-
Loss for the half year after income tax		(3,524)	(50,000)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	As at 31 December 2017	As at 30 June 2017
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	98,476	100,000
TOTAL CURRENT ASSETS		98,476	100,000
NON-CURRENT ASSETS			
Financial assets	3	1,251,000	1,251,000
TOTAL NON-CURRENT ASSETS		1,251,000	1,251,000
TOTAL ASSETS		1,349,476	1,351,000
CURRENT LIABILITES			
Accruals		2,000	-
TOTAL LIABILITIES		2,000	-
NET ASSETS		1,347,476	1,351,000
EQUITY			
Issued capital	4	1,401,000	1,401,000
Retained earnings		(53,524)	(50,000)
TOTAL EQUITY		1,347,476	1,351,000

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGING IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Note	Issued Capital	Retained Earnings	Total
		$	$	$
Balance at 1 July 2016		-	-	-
Issue of ordinary shares		1,401,000	-	1,401,000
Loss for the year		-	(50,000)	(50,000)
Balance at 31 December 2016		**1,401,000**	**(50,000)**	**1,351,000**
Balance at 1 July 2017		**1,401,000**	**(50,000)**	**1,351,000**
Issue of ordinary shares		-	-	-
Loss for the year		-	(3,524)	(3,524)
Balance at 31 December 2017		**1,401,000**	**(53,524)**	**1,347,476**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Note	31 Dec 2017	31 Dec 2016
		$	
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,524)	(50,000)
Net cash (used in) operating activities		(1,524)	(50,000)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments		-	(1,251,000)
Net cash (used in) investing activities		-	(1,251,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	1,401,000
Net cash provided by financing activities		-	1,401,000
Net (decrease)/increase in cash held		(1,524)	100,000
Cash and cash equivalents at beginning of financial year		100,000	-
Cash and cash equivalents at end of financial year	2	98,476	100,000

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. **Basis of Preparation**

These general purpose interim financial statements for half-year reporting period ended 31 December 2017 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Acorns Grow Australia Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2017, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 21 March 2018.

b. **Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The company has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

c. **Going Concern**

The financial statements have been prepared on the going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Notwithstanding the company incurred a net loss after income tax for the financial half-year ended 31 December 2017 of $3,524 and had operating cash outflows of $1,524 for the same period, the directors believe that it is appropriate to prepare the financial report on a going concern basis because the company had cash at bank as at 31 December 2017 of $98,476 which is well in excess of any current or budegeted expenditure.

NOTE 2: CASH AND CASH EQUIVALENTS

	Note	As at 31 December 2017	As at 30 June 2017
		$	$
CURRENT			
Cash at Bank		98,476	100,000
		98,476	100,000

NOTE 3: FINANCIAL ASSETS

	Note	2017	2016
		$	$
NON-CURRENT			
Available-for-sale financial assets	3a	1,251,000	1,251,000
Total non-current assets		1,251,000	1,251,000
a. **Available-for-sale financial assets**			
Unlisted investments, at fair value		1,251,000	1,251,000
Total available-for-sale financial assets		1,251,000	1,251,000

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments. No intention to dispose of any unlisted available-for-sale financial assets existed at 31 December 2017.

NOTE 4: ISSUED CAPITAL

	As at 31 December 2017	As at 30 June 2017
	$	$
Ordinary Shares	1,401,001	1,401,001
	1,401,001	1,401,001

On 14 December 2016, the company issued 1,401,001 ordinary shares at $1.00.

Ordinary shareholders participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTE 5: EVENTS AFTER THE REPORTING PERIOD

The Company is currently being considered to be admitted for listing on the Australian Securities Exchange (ASX). It has made a share swap offer for all the shares in Instreet Investment Limited, which has had over 90% acceptance and the Company has moved to full takeover. It has also made a share swap offer for Instreet Acorns Pty Ltd which majority holds the Acorns Grow operation business.

The Company is proposing to change its name to RAIZ Invest Limited. If the company is accepted for listing it is proposed that the Board composition will change to include a majority of Independent Non-Executive Directors and a new Constitution appropriate for a public listed company will be adopted. A change in auditors is also proposed.Apart from the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

NOTE 10: COMPANY DETAILS

The registered office of the company is:

Acorns Investment Company Limited
Level 11, 2 Bulletin Place
Sydney, NSW

The principal place of business is:

Acorns Investment Company Limited
Level 11, 2 Bulletin Place
Sydney, NSW

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Acorns Investment Company Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 11, are in accordance with the *Corporations Act 2001*, including
   a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
   b. giving a true and fair view of the entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



George Lucas

Dated this 21st day of March 2018

ACORNS INVESTMENT COMPANY LIMITED
ACN 615 510 177

SYDNEY
Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACORNS INVESTMENT COMPANY LIMITED

Report on the Interim Financial Report

We have reviewed the accompanying half-year financial report of Acorns Investment Company Limited, which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of Acorns Investment Company Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of Acorns Investment Company Limited's financial position as at 31 December 2017 and its performance for the period ended on that date, and complying with Accounting Standard AASB 134: Half-year Financial Reporting and the Corporations Regulations 2001. As the auditor of Acorns Investment Company Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and 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.

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Independence

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

HALL CHADWICK (NSW)

ACORNS INVESTMENT COMPANY LIMITED
ACN 615 510 177

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACORNS INVESTMENT COMPANY LIMITED

Conclusion

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 Acorns Investment Company Limited is not in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of Acorns Investment Company Limited's financial position as at 31 December 2017 and of its performance for the period ended on that date; and

(ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Hall Chadwick

HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 21 March 2018