

# **First Sentier Domestic and Cash Funds Annual Report For the year ended 30 June 2022**

This annual report covers the following First Sentier Domestic and Cash Funds:

First Sentier Premium Cash Enhanced Fund (formerly known as “Colonial First State Wholesale Premium Cash Enhanced Fund”)  
ARSN 095 107 618

First Sentier Institutional Cash Fund (formerly known as “Colonial First State Investment Fund 30”)  
ARSN 612 392 944

Stewart Investors Worldwide Sustainability Fund (formerly known as “Colonial First State Investment Fund 3”)  
ARSN 168 564 010

First Sentier Australian Small Companies Long Short Fund (formerly known as “Colonial First State Investments Fund 32”)  
ARSN 614 165 776

First Sentier Australian MidCap Fund (formerly known as “Colonial First State Investment Fund 56”)  
ARSN 617 440 589

First Sentier Mortgage Backed Securities Fund (formerly known as “Colonial First State Wholesale Mortgage Backed Securities Fund”)  
ARSN 110 520 495

(the “First Sentier Domestic and Cash Funds”)

# First Sentier Domestic and Cash Funds Annual Report For the year ended 30 June 2022

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These financial statements cover First Sentier Premium Cash Enhanced Fund, First Sentier Institutional Cash Fund, Stewart Investors Worldwide Sustainability Fund, First Sentier Australian Small Companies Long Short Fund, First Sentier Australian MidCap Fund and First Sentier Mortgage Backed Securities Fund as individual entities.

The Responsible Entity of the Funds is The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235 150). 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 First Sentier Domestic and Cash Funds (the "Funds"). The directors of the Responsible Entity (the "Directors") present their report together with the financial statements of the Funds for the year ended 30 June 2022. The Funds changed their name in November 2020 stated below.

<b>Old Name</b>	<b>New Name</b>
Colonial First State Wholesale Premium Cash Enhanced Fund	First Sentier Premium Cash Enhanced Fund
Colonial First State Investment Fund 30	First Sentier Institutional Cash Fund
Colonial First State Investment Fund 3	Stewart Investors Worldwide Sustainability Fund
Colonial First State Investments Fund 32	First Sentier Australian Small Companies Long Short Fund
Colonial First State Investment Fund 56	First Sentier Australian MidCap Fund
Colonial First State Wholesale Mortgage Backed Securities Fund	First Sentier Mortgage Backed Securities Fund

### Principal activities

The Funds are registered managed investment schemes domiciled in Australia.

The principal activities of the Funds are to invest in accordance with the investment objectives and guidelines as set out in the current Product Disclosure Statements of the Funds and in accordance with the provisions of the Funds' Constitutions.

Please refer to the current Product Disclosure Statements on <https://www.firstsentierinvestors.com/> for more information.

First Sentier Premium Cash Enhanced Fund was constituted on 15 November 2000 and commenced operations in December 2000.

First Sentier Institutional Cash Fund was constituted on 12 May 2016 and commenced operations in June 2016.

Stewart Investors Worldwide Sustainability Fund was constituted on 28 February 2014 and commenced operations in April 2014.

First Sentier Australian Small Companies Long Short Fund was constituted on 2 August 2016 and commenced operations in September 2016.

First Sentier Australian MidCap Fund was constituted on 31 January 2017 and commenced operations in March 2017.

First Sentier Mortgage Backed Securities Fund was constituted on 12 August 2004 and commenced operations in September 2004.

The Funds did not have any employees during the year.

There were no significant changes in the nature of the Funds' activities during the year.

### Directors

The Directors of The Trust Company (RE Services) Limited during the 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:

Glenn Foster	
Simone Mosse	
Vicki Riggio	
Phillip Blackmore	Alternate Director for Vicki Riggio
Richard McCarthy	Resigned as Director on 1 February 2022

### Review and results of operations

During the year, the Funds invested in accordance with the investment objective and guidelines as set out in the governing documents of the Funds and in accordance with the provisions of the Funds' Constitutions.

## Directors' Report (continued)

### Results

The performance of the Funds, as represented by the results of their operations, was as follows:

	<b>First Sentier Premium Cash Enhanced Fund</b>		<b>First Sentier Institutional Cash Fund</b>	
	<b>Year ended</b>		<b>Year ended</b>	
	<b>30 June 2022</b>	30 June 2021	<b>30 June 2022</b>	30 June 2021
Operating profit/(loss) (\$'000)	<u>(806)</u>	2,873	<u>1,203</u>	1,643
Distributions paid and payable (\$'000)	<u>177</u>	2,632	<u>1,263</u>	759
Annualised Income Rate (%)	<u>1.05</u>	4.64	<u>1.64</u>	0.90

	<b>Stewart Investors Worldwide Sustainability Fund</b>		<b>First Sentier Australian Small Companies Long Short Fund</b>	
	<b>Year ended</b>		<b>Year ended</b>	
	<b>30 June 2022</b>	30 June 2021	<b>30 June 2022</b>	30 June 2021
Operating profit/(loss) (\$'000)	<u>(97,314)</u>	54,412	<u>(15,620)</u>	96,824
Distributions paid and payable (\$'000)	<u>31,560</u>	34,143	<u>56,215</u>	43,778
Distributions (cents per unit)	<u>8.91</u>	15.41	<u>28.99</u>	21.74

	<b>First Sentier Australian MidCap Fund</b>		<b>First Sentier Mortgage Backed Securities Fund</b>	
	<b>Year ended</b>		<b>Year ended</b>	
	<b>30 June 2022</b>	30 June 2021	<b>30 June 2022</b>	30 June 2021
Operating profit/(loss) (\$'000)	<u>(8,003)</u>	9,187	<u>(167)</u>	991
Distributions paid and payable (\$'000)	<u>3,983</u>	2,972	<u>114</u>	1,507
Distributions (cents per unit)	<u>8.99</u>	10.32	<u>0.59</u>	2.38

### Significant changes in the state of affairs

The Directors continue to assess the potential financial and other impacts of the coronavirus ("COVID-19") outbreak to the Funds. The current high-level of uncertainty regarding the severity and length of COVID-19 on investment markets has impacted investment outcomes and increased volatility in investment performance during the period.

At the date of signing, the future impacts of COVID-19 on global and domestic economies and investment market indices, and their resulting impact on the Funds are uncertain. The Directors and management will continue to monitor this situation.

Further to this, the current geopolitical events have also 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 Funds.

On 1 February 2022, Richard McCarthy resigned as a Director.

## Directors' Report (continued)

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

### Matters subsequent to the end of the financial year

Stewart Investors Worldwide Sustainability Fund fully redeemed its investments in Stewart Investors Wholesale WorldWide Sustainability Fund in August 2022.

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect:

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

### Likely developments and expected results of operations

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

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. 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 Funds in regards to insurance cover provided to either the officers of the Responsible Entity or the auditors of the Funds. So long as the officers of the Responsible Entity act in accordance with the Funds' Constitutions and the *Corporations Act 2001*, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds.

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

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

Fees paid to the Responsible Entity and its associates out of the Funds' property during the year are disclosed in Note 17 to the financial statements.

No fees were paid out of the Funds' property to the Directors of the Responsible Entity during the year.

The number of units in the Funds held by the Responsible Entity or its associates as at the end of the financial year are disclosed in Note 17 to the financial statements.

### Units in the Funds

The movement in units on issue in the Funds during the year is disclosed in Note 10 of the financial statements.

The value of the Funds' assets and liabilities is disclosed in the Statements of financial position and derived using the basis set out in Note 2 to the financial statements.

### Environmental regulation

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

## Directors' Report (continued)

### Rounding of amounts to the nearest thousand dollars

The Funds are entities 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 the *ASIC Corporations Instrument*, unless otherwise indicated.

### Single Financial Report

The Funds are of the kind referred to in *ASIC Corporation Instrument 2015/839* dated 1 October 2015 issued by ASIC and in accordance with that *ASIC Corporation Instrument*, funds with a common Responsible Entity can include the financial statements in adjacent columns in a single financial report. Proceeds from redeeming units in a fund can be applied to acquire units in other funds included in this financial report.

### 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 6.

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  
21 September 2022



## Auditor's Independence Declaration

As lead auditor for the audit of First Sentier Domestic and Cash Funds for the year ended 30 June 2022, 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 audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Paul Collins', is written over a light blue horizontal line.

Paul Collins  
Partner  
PricewaterhouseCoopers

Sydney  
21 September 2022

## Statement of comprehensive income

	Notes	First Sentier Premium Cash Enhanced Fund		First Sentier Institutional Cash Fund	
		Year ended		Year ended	
		30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Investment income</b>					
Interest income from financial assets at amortised cost		559	247	1,885	6,097
Interest income from financial assets at fair value through profit or loss		1,595	3,604	3	214
Dividend/Trust distribution income		121	-	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss		(2,178)	1,888	416	(2,400)
Net foreign currency gains/(losses) on financial instruments not at fair value through profit or loss		(1)	12	-	-
Other income		1,155	170	458	435
<b>Total investment income</b>		<b>1,251</b>	<b>5,921</b>	<b>2,762</b>	<b>4,346</b>
<b>Expenses</b>					
Management fees	17	1,824	698	1,084	430
Responsible Entity's fees	17	95	2,208	201	2,105
Administration and custody fees		121	47	236	68
Transaction costs		-	-	-	1
Other expenses		17	95	38	99
<b>Total operating expenses</b>		<b>2,057</b>	<b>3,048</b>	<b>1,559</b>	<b>2,703</b>
<b>Operating profit/(loss)</b>		<b>(806)</b>	<b>2,873</b>	<b>1,203</b>	<b>1,643</b>
<b>Profit/(loss) for the financial year</b>	10	<b>(806)</b>	<b>2,873</b>	<b>1,203</b>	<b>1,643</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the financial year</b>		<b>(806)</b>	<b>2,873</b>	<b>1,203</b>	<b>1,643</b>

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



**Statement of comprehensive income (continued)**

	Notes	Stewart Investors Worldwide Sustainability Fund		First Sentier Australian Small Companies Long Short Fund	
		Year ended		Year ended	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>					
Interest income from financial assets at amortised cost		-	1	-	-
Dividend/Trust distribution income		32,597	29,669	8,414	7,004
Net gains/(losses) on financial instruments at fair value through profit or loss		(128,779)	24,168	(20,077)	93,338
Net foreign currency gains/(losses) on financial instruments not at fair value through profit or loss		(751)	52	(3)	(76)
Other income		2,856	760	124	336
<b>Total investment income</b>		<b>(94,077)</b>	<b>54,650</b>	<b>(11,542)</b>	<b>100,602</b>
<b>Expenses</b>					
Management fees	17	2,575	172	1,922	599
Responsible Entity's fees	17	55	4	37	1,131
Administration and custody fees		228	15	86	45
Transaction costs		321	8	498	436
Other expenses		58	39	1,535	1,567
<b>Total operating expenses</b>		<b>3,237</b>	<b>238</b>	<b>4,078</b>	<b>3,778</b>
<b>Operating profit/(loss)</b>		<b>(97,314)</b>	<b>54,412</b>	<b>(15,620)</b>	<b>96,824</b>
<b>Profit/(loss) for the financial year</b>	10	<b>(97,314)</b>	<b>54,412</b>	<b>(15,620)</b>	<b>96,824</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the financial year</b>		<b>(97,314)</b>	<b>54,412</b>	<b>(15,620)</b>	<b>96,824</b>

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

**Statement of comprehensive income (continued)**

	Notes	First Sentier Australian MidCap Fund		First Sentier Mortgage Backed Securities Fund	
		Year ended		Year ended	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>					
Interest income from financial assets at fair value through profit or loss		-	-	184	526
Dividend/Trust distribution income		1,127	512	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss		(8,470)	9,025	(295)	440
Net foreign currency gains/(losses) on financial instruments not at fair value through profit or loss		(1)	-	-	-
Other income		118	86	83	96
<b>Total investment income</b>		<u>(7,226)</u>	<u>9,623</u>	<u>(28)</u>	<u>1,062</u>
<b>Expenses</b>					
Management fees	17	513	122	55	-
Performance fees	17	64	-	-	-
Responsible Entity's fees	17	7	177	2	-
Administration and custody fees		103	46	64	27
Transaction costs		75	41	-	-
Other expenses		15	50	18	44
<b>Total operating expenses</b>		<u>777</u>	<u>436</u>	<u>139</u>	<u>71</u>
<b>Operating profit/(loss)</b>		<u>(8,003)</u>	<u>9,187</u>	<u>(167)</u>	<u>991</u>
<b>Profit/(loss) for the financial year</b>	10	<u>(8,003)</u>	<u>9,187</u>	<u>(167)</u>	<u>991</u>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the financial year</b>		<u>(8,003)</u>	<u>9,187</u>	<u>(167)</u>	<u>991</u>

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

## Statement of financial position

	Notes	First Sentier Premium Cash Enhanced Fund		First Sentier Institutional Cash Fund	
		As at		As at	
		30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Assets</b>					
Cash and cash equivalents	12	144,676	205,788	559,773	620,556
Due from brokers		-	-	-	204,999
Receivables	15	1,261	382	673	416
Financial assets at fair value through profit or loss	6	325,127	562,063	704,233	1,116,945
<b>Total assets</b>		<b>471,064</b>	<b>768,233</b>	<b>1,264,679</b>	<b>1,942,916</b>
<b>Liabilities</b>					
Overdraft	12(a)	-	-	-	15,863
Due to brokers		-	-	-	150,000
Management fees payable	17	200	240	160	297
Responsible Entity's fees payable	17	23	212	47	222
Administration and custody fees payable		32	47	58	73
Other payables	16	35	46	34	47
Distributions payable	11	-	17	651	35
<b>Total liabilities</b>		<b>290</b>	<b>562</b>	<b>950</b>	<b>166,537</b>
<b>Net assets attributable to unitholders - equity</b>	10	<b>470,774</b>	<b>767,671</b>	<b>1,263,729</b>	<b>1,776,379</b>

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

**Statement of financial position (continued)**

	Notes	Stewart Investors Worldwide Sustainability Fund		First Sentier Australian Small Companies Long Short Fund	
		As at		As at	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
Cash and cash equivalents	12	7,699	27,289	8,409	20,134
Margin accounts		-	-	259	895
Due from brokers		-	-	793	-
Receivables	15	26,465	15,858	1,238	1,279
Financial assets at fair value through profit or loss	6	<u>398,645</u>	<u>324,091</u>	<u>250,784</u>	<u>330,178</u>
<b>Total assets</b>		<u>432,809</u>	<u>367,238</u>	<u>261,483</u>	<u>352,486</u>
<b>Liabilities</b>					
Due to brokers		715	1,991	-	2,086
Management fees payable	17	470	185	284	506
Responsible Entity's fees payable	17	19	4	8	142
Administration and custody fees payable		52	16	26	48
Other payables	16	1,107	41	79	60
Distributions payable	11	31,124	33,115	54,563	38,692
Financial liabilities at fair value through profit or loss	7	<u>1</u>	<u>-</u>	<u>40,425</u>	<u>56,391</u>
<b>Total liabilities</b>		<u>33,488</u>	<u>35,352</u>	<u>95,385</u>	<u>97,925</u>
<b>Net assets attributable to unitholders - equity</b>	10	<u>399,321</u>	<u>331,886</u>	<u>166,098</u>	<u>254,561</u>

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

**Statement of financial position (continued)**

	Notes	First Sentier Australian MidCap Fund		First Sentier Mortgage Backed Securities Fund	
		As at		As at	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
Cash and cash equivalents	12	1,245	1,229	314	4
Due from brokers		3,288	1,911	-	-
Receivables	15	144	256	18	75
Financial assets at fair value through profit or loss	6	48,280	39,532	20,139	78
<b>Total assets</b>		<b>52,957</b>	<b>42,928</b>	<b>20,471</b>	<b>157</b>
<b>Liabilities</b>					
Due to brokers		694	314	-	-
Management fees payable	17	56	104	6	-
Responsible Entity's fees payable	17	2	26	1	-
Administration and custody fees payable		27	47	17	27
Other payables	16	38	45	35	47
Distributions payable	11	3,754	2,655	21	-
<b>Total liabilities</b>		<b>4,571</b>	<b>3,191</b>	<b>80</b>	<b>74</b>
<b>Net assets attributable to unitholders - equity</b>	10	<b>48,386</b>	<b>39,737</b>	<b>20,391</b>	<b>83</b>

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

## Statement of changes in equity

	Notes	First Sentier Premium Cash Enhanced Fund		First Sentier Institutional Cash Fund	
		Year ended		Year ended	
		30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Total equity at the beginning of the financial year</b>	10	<b>767,671</b>	855,573	<b>1,776,379</b>	3,626,696
<b>Comprehensive income for the financial year</b>					
Profit/(loss) for the financial year		<u>(806)</u>	<u>2,873</u>	<u>1,203</u>	<u>1,643</u>
<b>Total comprehensive income for the financial year</b>		<u>(806)</u>	<u>2,873</u>	<u>1,203</u>	<u>1,643</u>
<b>Transactions with unitholders</b>					
Applications	10	<b>560,681</b>	608,336	<b>3,469,226</b>	3,756,923
Redemptions	10	<b>(856,779)</b>	(699,094)	<b>(3,982,394)</b>	(5,608,830)
Units issued upon reinvestment of distributions	10	<b>184</b>	2,615	<b>578</b>	706
Distributions paid and payable	10	<u>(177)</u>	<u>(2,632)</u>	<u>(1,263)</u>	<u>(759)</u>
<b>Total transactions with unitholders</b>		<u>(296,091)</u>	<u>(90,775)</u>	<u>(513,853)</u>	<u>(1,851,960)</u>
<b>Total equity at the end of the financial year</b>		<u><b>470,774</b></u>	<u>767,671</u>	<u><b>1,263,729</b></u>	<u>1,776,379</u>

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

**Statement of changes in equity (continued)**

	Notes	Stewart Investors Worldwide Sustainability Fund		First Sentier Australian Small Companies Long Short Fund	
		Year ended		Year ended	
		30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Total equity at the beginning of the financial year</b>	10	<b>331,886</b>	178,700	<b>254,561</b>	231,404
<b>Comprehensive income for the financial year</b>					
Profit/(loss) for the financial year		<u>(97,314)</u>	<u>54,412</u>	<u>(15,620)</u>	<u>96,824</u>
<b>Total comprehensive income for the financial year</b>		<u>(97,314)</u>	<u>54,412</u>	<u>(15,620)</u>	<u>96,824</u>
<b>Transactions with unitholders</b>					
Applications	10	<b>250,388</b>	158,284	<b>28</b>	15,025
Redemptions	10	<b>(55,192)</b>	(25,431)	<b>(57,000)</b>	(50,000)
Units issued upon reinvestment of distributions	10	<b>1,113</b>	64	<b>40,344</b>	5,086
Distributions paid and payable	10	<u><b>(31,560)</b></u>	<u>(34,143)</u>	<u><b>(56,215)</b></u>	<u>(43,778)</u>
<b>Total transactions with unitholders</b>		<u><b>164,749</b></u>	<u>98,774</u>	<u><b>(72,843)</b></u>	<u>(73,667)</u>
<b>Total equity at the end of the financial year</b>		<u><b>399,321</b></u>	<u>331,886</u>	<u><b>166,098</b></u>	<u>254,561</u>

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

**Statement of changes in equity (continued)**

	Notes	First Sentier Australian MidCap Fund		First Sentier Mortgage Backed Securities Fund	
		Year ended		Year ended	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial year</b>	10	<b>39,737</b>	21,442	<b>83</b>	76,567
<b>Comprehensive income for the financial year</b>					
Profit/(loss) for the financial year		<u>(8,003)</u>	<u>9,187</u>	<u>(167)</u>	<u>991</u>
<b>Total comprehensive income for the financial year</b>		<u>(8,003)</u>	<u>9,187</u>	<u>(167)</u>	<u>991</u>
<b>Transactions with unitholders</b>					
Applications	10	<b>24,720</b>	14,771	<b>20,496</b>	182
Redemptions	10	<b>(4,448)</b>	(2,709)	-	(77,650)
Units issued upon reinvestment of distributions	10	<b>363</b>	18	<b>93</b>	1,500
Distributions paid and payable	10	<u>(3,983)</u>	<u>(2,972)</u>	<u>(114)</u>	<u>(1,507)</u>
<b>Total transactions with unitholders</b>		<u><b>16,652</b></u>	<u>9,108</u>	<u><b>20,475</b></u>	<u>(77,475)</u>
<b>Total equity at the end of the financial year</b>		<u><b>48,386</b></u>	<u>39,737</u>	<u><b>20,391</b></u>	<u>83</u>

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



## Statement of cash flows

	Notes	First Sentier Premium Cash Enhanced Fund		First Sentier Institutional Cash Fund	
		Year ended		Year ended	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>					
Proceeds from sale of financial instruments at fair value through profit or loss		1,956,175	2,302,082	6,165,913	20,127,585
Payments for purchase of financial instruments at fair value through profit or loss		(1,721,283)	(2,103,245)	(5,697,786)	(17,834,604)
Interest received		1,999	3,850	1,400	6,291
Other income received		26	-	87	383
Management fees paid		(587)	(467)	(536)	(113)
Administration and custody fees paid		(136)	-	(251)	-
Responsible Entity's fees paid		(284)	(2,309)	(376)	(2,470)
Payment of other expenses		(28)	(80)	(51)	(49)
<b>Net cash inflow/(outflow) from operating activities</b>	13(a)	<u>235,882</u>	<u>199,831</u>	<u>468,400</u>	<u>2,297,023</u>
<b>Cash flows from financing activities</b>					
Proceeds from applications by unitholders		559,796	615,336	3,469,143	3,798,675
Payments for redemptions by unitholders		(856,779)	(699,094)	(3,982,394)	(5,608,830)
Distributions paid		(10)	-	(69)	(18)
<b>Net cash inflow/(outflow) from financing activities</b>		<u>(296,993)</u>	<u>(83,758)</u>	<u>(513,320)</u>	<u>(1,810,173)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>(61,111)</u>	<u>116,073</u>	<u>(44,920)</u>	<u>486,850</u>
Cash and cash equivalents at the beginning of the year		205,788	89,703	604,693	117,843
Effects of foreign currency exchange rate changes on cash and cash equivalents		(1)	12	-	-
<b>Cash and cash equivalents at the end of the year</b>	12	<u>144,676</u>	<u>205,788</u>	<u>559,773</u>	<u>604,693</u>
<b>Non-cash financing activities</b>	13(b)	<u>1,166</u>	<u>2,615</u>	<u>661</u>	<u>706</u>

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

**Statement of cash flows (continued)**

	Notes	Stewart Investors Worldwide Sustainability Fund		First Sentier Australian Small Companies Long Short Fund	
		Year ended		Year ended	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>					
Proceeds from sale of financial instruments at fair value through profit or loss		83,864	20,814	202,307	189,262
Payments for purchase of financial instruments at fair value through profit or loss		(289,203)	(126,424)	(161,836)	(149,790)
Dividends/distribution received		22,482	-	8,410	6,213
Interest received		-	1	-	6
Other income received		-	1	-	189
Amount received from/(paid to) brokers for margin		-	-	636	(895)
Management fees received/(paid)		707	12	(1,910)	(100)
Administration and custody fees paid		(192)	-	(108)	-
Responsible Entity's fees received/(paid)		16	424	(171)	(1,119)
Payment of other expenses		(510)	(13)	(2,051)	(2,000)
<b>Net cash inflow/(outflow) from operating activities</b>	13(a)	<b>(182,836)</b>	<b>(105,185)</b>	<b>45,277</b>	<b>41,766</b>
<b>Cash flows from financing activities</b>					
Proceeds from applications by unitholders		249,850	158,609	-	15,025
Payments for redemptions by unitholders		(54,149)	(25,600)	(57,000)	(50,000)
Distributions paid		(32,438)	(5,232)	-	-
<b>Net cash inflow/(outflow) from financing activities</b>		<b>163,263</b>	<b>127,777</b>	<b>(57,000)</b>	<b>(34,975)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(19,573)</b>	<b>22,592</b>	<b>(11,723)</b>	<b>6,791</b>
Cash and cash equivalents at the beginning of the year		27,289	4,680	20,134	13,342
Effects of foreign currency exchange rate changes on cash and cash equivalents		(17)	17	(2)	1
<b>Cash and cash equivalents at the end of the year</b>	12	<b>7,699</b>	<b>27,289</b>	<b>8,409</b>	<b>20,134</b>
<b>Non-cash financing activities</b>	13(b)	<b>1,126</b>	<b>14,237</b>	<b>40,372</b>	<b>5,874</b>

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

**Statement of cash flows (continued)**

	Notes	First Sentier Australian MidCap Fund		First Sentier Mortgage Backed Securities Fund	
		Year ended		Year ended	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>					
Proceeds from sale of financial instruments at fair value through profit or loss		20,672	15,859	10,414	87,359
Payments for purchase of financial instruments at fair value through profit or loss		(38,888)	(27,107)	(30,780)	(14,167)
Dividends/distribution received		1,047	553	-	-
Interest received		-	-	181	525
Other income received		-	7	-	3
Management fees received/(paid)		(345)	(24)	158	22
Performance fees paid		(64)	-	-	-
Administration and custody fees paid		(123)	-	(74)	-
Responsible Entity's fees paid		(31)	(169)	(1)	-
Payment of other expenses		(109)	(46)	(33)	-
<b>Net cash inflow/(outflow) from operating activities</b>	13(a)	<b>(17,841)</b>	<b>(10,927)</b>	<b>(20,135)</b>	<b>73,742</b>
<b>Cash flows from financing activities</b>					
Proceeds from applications by unitholders		24,826	14,650	20,445	182
Payments for redemptions by unitholders		(4,448)	(2,709)	-	(77,650)
Distributions paid		(2,521)	(299)	-	(8)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>17,857</b>	<b>11,642</b>	<b>20,445</b>	<b>(77,476)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>16</b>	<b>715</b>	<b>310</b>	<b>(3,734)</b>
Cash and cash equivalents at the beginning of the year		1,229	514	4	3,738
<b>Cash and cash equivalents at the end of the year</b>	12	<b>1,245</b>	<b>1,229</b>	<b>314</b>	<b>4</b>
<b>Non-cash financing activities</b>	13(b)	<b>380</b>	<b>28</b>	<b>144</b>	<b>1,500</b>

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

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## **1 General information**

These financial statements cover First Sentier Premium Cash Enhanced Fund, First Sentier Institutional Cash Fund, Stewart Investors Worldwide Sustainability Fund, First Sentier Australian Small Companies Long Short Fund, First Sentier Australian MidCap Fund and First Sentier Mortgage Backed Securities Fund (the "Funds") as individual entities.

First Sentier Premium Cash Enhanced Fund was constituted on 15 November 2000, registered by Australian Securities and Investments Commission (ASIC) as a managed investment scheme on 23 November 2000 and commenced operations in December 2000. The Fund will terminate in accordance with the provisions of the Fund's Constitution.

First Sentier Institutional Cash Fund was constituted on 12 May 2016, registered by Australian Securities and Investments Commission (ASIC) as a managed investment scheme on 23 May 2016 and commenced operations in June 2016. The Fund will terminate in accordance with the provisions of the Fund's Constitution.

Stewart Investors Worldwide Sustainability Fund was constituted on 28 February 2014, registered by Australian Securities and Investments Commission (ASIC) as a managed investment scheme on 28 March 2014 and commenced operations in April 2014. The Fund will terminate in accordance with the provisions of the Fund's Constitution.

First Sentier Australian Small Companies Long Short Fund was constituted on 2 August 2016, registered by Australian Securities and Investments Commission (ASIC) as a managed investment scheme on 16 August 2016 and commenced operations in September 2016. The Fund will terminate in accordance with the provisions of the Fund's Constitution.

First Sentier Australian MidCap Fund was constituted on 31 January 2017, registered by Australian Securities and Investments Commission (ASIC) as a managed investment scheme on 24 February 2017 and commenced operations in March 2017. The Fund will terminate in accordance with the provisions of the Fund's Constitution.

First Sentier Mortgage Backed Securities Fund was constituted on 12 August 2004, registered by Australian Securities and Investments Commission (ASIC) as a managed investment scheme on 26 August 2004 and commenced operations in September 2004. The Fund will terminate in accordance with the provisions of the Fund's Constitution.

The Trust Company (RE Services) Limited (ABN 45 003 278 831) is the responsible entity of the Funds (the "Responsible Entity"). The Responsible Entity's registered office is Level 18 Angel Place, 123 Pitt Street, Sydney, NSW, 2000.

The investment manager of the Funds is First Sentier Investors (Australia) IM Limited (the "Investment Manager").

The principal activities of the Funds are to invest in accordance with the investment objectives and guidelines as set out in the current Product Disclosure Statements of the Funds and in accordance with the provisions of the Funds' Constitutions.

The financial statements of the Funds are for the year ended 30 June 2022. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the directors of the Responsible Entity (the "Directors of the Responsible Entity") on 21 September 2022. 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 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 general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia. The Funds are for-profit unit trusts for the purpose of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

## 2 Summary of significant accounting policies (continued)

### (a) Basis of preparation (continued)

The Statements of financial position are 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 investments in financial assets and financial liabilities at fair value through profit or loss and net assets attributable to unitholders.

The Funds manage 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 year end.

In the case of net assets attributable to unitholders, the units are redeemed on demand at the unitholder's option. However, unitholders typically retain units for the medium to long-term. As such, the amount expected to be settled within twelve months cannot be reliably determined.

#### (i) Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Funds also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

#### (ii) New and amended standards adopted by the Funds

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2021 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

#### (iii) New standards, amendments and interpretations effective after 1 July 2022 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2022, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Funds.

### (b) Financial instruments

#### (i) Classification

- Assets:

The Funds classify their investments based on their business models for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Funds' portfolios of financial assets are managed and their performance are evaluated on a fair value basis in accordance with the Funds' documented investment strategies. The Funds' policies are for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

For equity securities and derivatives, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

For debt securities, managed funds, listed unit trusts and derivatives, the contractual cash flows are solely payments of principal and interest, however they are neither held for collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds' business model's objective. Consequently, the debt securities are measured at fair value through profit or loss.

A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument represent solely payments of principal and interest ("SPPI").

A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell.

## 2 Summary of significant accounting policies (continued)

### (b) Financial instruments (continued)

#### (i) Classification (continued)

All other debt instruments must be recognised at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held or trading, an irrevocable option is taken to measure at fair value through other comprehensive income. The financial assets are subject to the expected credit loss ("ECL") model impairment model under AASB 9.

- Liabilities:

First Sentier Australian Small Companies Long Short Fund makes short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are held for trading and are consequently classified as financial liabilities at fair value through profit or loss.

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost (Responsible Entity's fees payable, management fees payable, administration and custody fees payable, due to brokers, distributions payable and other payables).

#### (ii) Recognition/derecognition

The Funds recognise financial assets and financial liabilities on the date they become party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Funds have transferred substantially all of the risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Funds measure financial assets and financial liabilities at fair value. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in the Statements of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Statements of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise. This also includes dividend expense on short sales of securities, which have been classified at fair value through profit or loss.

Further details on how the fair values of financial instruments are determined are disclosed in Note 5.

#### (iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Refer to Note 4 to the financial statements for further information.

#### (v) Impairment

At each reporting date, the Fund shall measure the loss allowance on financial assets at amortised cost (cash, due from broker and receivables) at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit

## 2 Summary of significant accounting policies (continued)

### (v) Impairment (continued)

impaired, interest income will be calculated based on the net carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

### (c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Funds at any time for cash based on the redemption price.

The units are carried at the redemption amount that is payable at balance sheet date if the unitholder exercises the right to put the units back to the Funds. This amount represents the expected cash flows on redemption of these units.

Units are classified as equity when they satisfy the following criteria under *AASB 132 Financial Instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Funds' 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 Funds, and it is not a contract settled in the Funds' 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.

The Funds' units have been classified as equity as they satisfied all the above criteria. This has been consistently applied during the year.

### (d) Cash and cash equivalents

Cash comprises deposits held at custodian bank(s). Cash equivalents are short-term, highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Payments and receipts relating to the purchase and sale of financial instruments are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Funds' main income generating activity.

### (e) Margin accounts

Margin accounts comprise cash held as collateral for derivative transactions and short sales. The cash is held by the broker against existing margin calls and is restricted to only be available to meet margin calls. It is not included as a component of cash and cash equivalents.

### (f) Investment income

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities.



## 2 Summary of significant accounting policies (continued)

### (f) Investment income (continued)

Dividend and distribution income from financial assets at fair value through profit or loss is recognised in the Statements of comprehensive income within dividend income and distribution income when the Funds' right to receive payments is established.

Dividend and distribution income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense. The Fund currently incurs withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the Statement of comprehensive income.

Other changes in fair value for such instruments are recorded in accordance with the policies described in Note 2(b) to the financial statements. Other income is recognized on an accruals basis.

### (g) Expenses

All expenses are inclusive of GST, including Responsible Entity's fees, administration fees and custody fees, are recognised in the Statements of comprehensive income on an accruals basis.

### (h) Income tax

Under current legislation, the Funds are not subject to income tax provided they attribute the entirety of their taxable income to their unitholders.

### (i) Distributions

Distributions are payable as set out in the Funds' offering documents. Such distributions are determined by the Responsible Entity of the Funds. Distributable income includes capital gains arising from the disposal of financial instruments. Unrealised gains and losses on financial instruments that are recognised as income are transferred to net assets attributable to unitholders and are not assessable and distributable until realised. Capital losses are not distributed to unitholders but are retained to be offset against any realised capital gains.

Financial instruments at fair value may include unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be distributed so that the Funds are not subject to capital gains tax.

Realised capital losses are not distributed to unitholders but are retained in the Funds to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is distributed to unitholders.

The benefits of imputation credits and foreign tax paid are passed on to unitholders.

### (j) Increase/decrease in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. As the Funds' units are classified as equity, movements in net assets attributable to unitholders are recognised in the Statements of changes in equity.

### (k) Foreign currency translation

#### (i) Functional and presentation currency

Items included in the Funds' financial statements are measured using the currency of the primary economic environment in which they operate (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and is regulated. The Australian dollar is also the Funds' presentation currency.

#### (ii) Transactions and balances

Assets and liabilities in foreign currencies are translated into the functional currency at the prevailing exchange rate at the valuation date. Transactions denominated in foreign currencies are translated into the functional currency at the prevailing exchange rate on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such

## 2 Summary of significant accounting policies (continued)

### (k) Foreign currency translation (continued)

#### (ii) Transactions and balances (continued)

transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statements of comprehensive income. The Funds' income earned and expense incurred on foreign denominated balances are translated into the functional currency at the prevailing exchange rate on the date of such activity.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the Statement of comprehensive income on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

### (l) Due from/to Brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. The due from brokers balance is held for collection and consequently measured at amortised cost.

### (m) Receivables

Receivables include amounts for dividends, interest and trust distributions. Dividends are accrued when the right to receive payment is established. Interest is accrued at each dealing date in accordance with the policy set out in Note 2(f) above. Amounts are generally received within 30 days of being recorded as receivables.

Receivables also include such items as Reduced Input Tax Credits ("RITC") and application monies receivable from unitholders.

Receivables are recognised at amortised cost using the effective interest method, less any allowance for Expected Credit Loss (ECL). The Funds have applied a simplified approach to measuring ECL, which uses a lifetime expected loss allowance. To measure the ECL, receivables have been grouped based on days overdue.

The amount of the impairment loss, if any, is recognised in the Statements of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Statements of comprehensive income.

### (n) Payables

Payables include liabilities and accrued expenses owing by the Funds which are unpaid as at the end of the reporting period. Payables may include amounts for redemptions of units in the Funds where settlement has not yet occurred. These amounts are unsecured and are usually paid within 30 days of recognition.

The distribution amount payable to unitholders as at the end of each reporting year is recognised separately in the Statements of financial position when unitholders are presently entitled to the distributable income under the Funds' Constitutions.

### (o) Applications and redemptions

Applications received for units in the Funds are recorded net of any entry fees payable prior to the issue of units in the Funds. Redemptions from the Funds are recorded gross of any exit fees payable after the cancellation of the units redeemed.

## 2 Summary of significant accounting policies (continued)

### (p) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Funds by third parties such as audit fees, custodian services and management fees have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credits ("RITC") at a rate of 55% or 75%, hence Management fees, Administration and custody fees and other expenses have been recognised in the Statements of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office ("ATO"). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the Statements of financial position. Cash flows relating to GST are included in the Statements of cash flows on a gross basis.

### (q) Use of estimates

The Funds make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives, are fair valued using valuation techniques determined by the Investment Manager, in accordance with the valuation procedures approved by the Responsible Entity. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Investment Manager, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require Investment Manager to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other balances reported on Statements of financial position, including amounts due from/to brokers, accounts payable and accrued expenses, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

### (r) Rounding of amounts

The Funds are entities 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 that *ASIC Corporations Instrument*, unless otherwise indicated.

### (s) Comparative information

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 year.

## 3 Financial risk management

### (a) Overview

The Funds' activities expose them to a variety of financial risks. The management of these risks is undertaken by the Funds' Investment Manager who has been appointed by the Responsible Entity under an Investment Management Agreement to manage the Funds' assets in accordance with the Investment Objective and Strategy.

The Responsible Entity has in place a framework which includes:

- The Investment Manager providing the Responsible Entity with regular reports on their compliance with the Investment Management Agreement;

### 3 Financial risk management (continued)

#### (a) Overview (continued)

- Completion of regular reviews on the Service Provider which may include a review of the investment managers risk management framework to manage the financial risks of the Funds; and
- Regular reporting on the liquidity of the Funds in accordance with the Funds' Liquidity Risk Management Statement.

The Funds' Investment Manager has in place a framework to identify and manage the financial risks in accordance with the investment objective and strategy. This includes an investment due diligence process and on-going monitoring of the investments in the Funds. Specific controls the Investment Manager applies to manage the financial risks are detailed under each risk specified below.

#### (b) Market risk

##### (i) Price risk

Financial assets are either directly or indirectly exposed to price risk. This arises from investments held for which prices in the future are uncertain. They are classified on the balance sheet at fair value through profit or loss. All securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

An Investment Manager may mitigate price risk through diversification and a careful selection of securities and other financial instruments within specified limits and guidelines in accordance with the Product Disclosure Statement/Information Memorandum or Constitutions and monitored by the Investment Review Services Department of the Responsible Entity.

The table at Note 3(c) to the financial statements summarises the impact of an increase/decrease of the global indexes on the Funds' net assets attributable to unitholders at the end of the reporting periods. The analysis is based on the assumptions that the relevant indexes increased or decreased as tabled with all other variables held constant and that fair values of the Funds move according to the historical correlation with the indexes.

##### (ii) Foreign exchange risk

The Funds may hold both monetary and non-monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk not foreign exchange risk. Foreign exchange risk arises as the value of monetary securities denominated in other currencies fluctuates due to changes in exchange rates. The risk is measured using sensitivity analysis.

The Funds may manage this risk by entering into foreign exchange forward contracts to hedge the risks. The terms and conditions of these contracts rarely exceed twelve months and are contracted in accordance with the investment guidelines.

First Sentier Premium Cash Enhanced Fund, First Sentier Institutional Cash Fund, First Sentier Australian MidCap Fund and First Sentier Mortgage Backed Securities Fund have no significant direct foreign exchange risk exposure as the Funds operate solely in Australia and the majority of the Funds' assets and liabilities are denominated in Australian currency.

### 3 Financial risk management (continued)

#### (b) Market risk (continued)

##### (ii) Foreign exchange risk (continued)

The tables below summarises the Stewart Investors Worldwide Sustainability Fund, First Sentier Australian Small Companies Long Short Fund and First Sentier Australian MidCap Fund assets and liabilities, monetary and non-monetary, that are denominated in a currency other than the Australian dollar.

#### Stewart Investors Worldwide Sustainability Fund

As at 30 June 2022	Euro \$'000	US Dollars \$'000	British Pounds \$'000	Japanese Yen \$'000	All other foreign currencies \$'000
Cash and cash equivalents	-	3	105	34	52
Receivables	25	3	-	40	164
Financial assets at fair value through profit or loss	47,850	45,734	21,204	18,390	54,067
Due to brokers	(715)	-	-	-	-
Payables	-	-	-	(4)	(22)
Financial liabilities at fair value through profit or loss	-	-	(1)	-	-
	<u>47,160</u>	<u>45,740</u>	<u>21,308</u>	<u>18,460</u>	<u>54,261</u>
Foreign currency contracts exposure	713	-	(104)	(33)	-
	<u>47,873</u>	<u>45,740</u>	<u>21,204</u>	<u>18,427</u>	<u>54,261</u>

  

As at 30 June 2021	US Dollars \$'000	Euro \$'000	British Pounds \$'000	Japanese Yen \$'000	All other foreign currencies \$'000
Cash and cash equivalents	1,896	-	-	-	-
Receivables	-	-	-	1	-
Financial assets at fair value through profit or loss	1,922	1,108	949	771	1,941
Due to brokers	(1,896)	(95)	-	-	-
	<u>1,922</u>	<u>1,013</u>	<u>949</u>	<u>772</u>	<u>1,941</u>
Foreign currency contracts exposure	-	65	-	-	-
	<u>1,922</u>	<u>1,078</u>	<u>949</u>	<u>772</u>	<u>1,941</u>

### 3 Financial risk management (continued)

#### (b) Market risk (continued)

##### (ii) Foreign exchange risk (continued)

#### First Sentier Australian Small Companies Long Short Fund

As at 30 June 2022	New Zealand Dollar \$'000	US Dollars \$'000	All other foreign currencies \$'000
Cash and cash equivalents	71	-	-
Receivables	-	68	-
Financial assets at fair value through profit or loss	968	-	-
Payables	-	(20)	-
	<u>1,039</u>	<u>48</u>	<u>-</u>

As at 30 June 2021	New Zealand Dollar \$'000	All other foreign currencies \$'000
Cash and cash equivalents	200	-
Receivables	27	-
Financial assets at fair value through profit or loss	1,281	-
Payables	(4)	-
	<u>1,504</u>	<u>-</u>

##### (iii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Funds' interest-bearing financial assets and liabilities expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows.

### 3 Financial risk management (continued)

#### (b) Market risk (continued)

##### (iii) Interest rate risk (continued)

Below table summarises the Funds' exposure to interest rate risks.

#### First Sentier Premium Cash Enhanced Fund

30 June 2022	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>				
Cash and cash equivalents	144,676	-	-	144,676
Receivables	-	-	1,261	1,261
Financial assets at fair value through profit and loss	<u>105,796</u>	<u>194,040</u>	<u>25,291</u>	<u>325,127</u>
<b>Total assets</b>	<u>250,472</u>	<u>194,040</u>	<u>26,552</u>	<u>471,064</u>
<b>Financial liabilities</b>				
Management fees payable	-	-	(200)	(200)
Responsible Entity's fees payable	-	-	(23)	(23)
Administration and custody fees payable	-	-	(32)	(32)
Other payables	-	-	(35)	(35)
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>(290)</u>	<u>(290)</u>
<b>Net assets attributable to unitholders</b>	<u>250,472</u>	<u>194,040</u>	<u>26,262</u>	<u>470,774</u>
30 June 2021				
<b>Financial assets</b>				
Cash and cash equivalents	205,788	-	-	205,788
Receivables	-	-	382	382
Financial assets at fair value through profit and loss	<u>212,126</u>	<u>344,937</u>	<u>5,000</u>	<u>562,063</u>
<b>Total assets</b>	<u>417,914</u>	<u>344,937</u>	<u>5,382</u>	<u>768,233</u>
<b>Financial liabilities</b>				
Management fees payable	-	-	(240)	(240)
Responsible Entity's fees payable	-	-	(212)	(212)
Administration and custody fees payable	-	-	(47)	(47)
Other payables	-	-	(46)	(46)
Distributions payable	-	-	(17)	(17)
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>(562)</u>	<u>(562)</u>
<b>Net assets attributable to unitholders</b>	<u>417,914</u>	<u>344,937</u>	<u>4,820</u>	<u>767,671</u>

### 3 Financial risk management (continued)

#### (b) Market risk (continued)

##### (iii) Interest rate risk (continued)

#### First Sentier Institutional Cash Fund

30 June 2022	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>				
Cash and cash equivalents	559,773	-	-	559,773
Receivables	-	-	673	673
Financial assets at fair value through profit and loss	-	704,233	-	704,233
<b>Total assets</b>	<u>559,773</u>	<u>704,233</u>	<u>673</u>	<u>1,264,679</u>
<b>Financial liabilities</b>				
Management fees payable	-	-	(160)	(160)
Responsible Entity's fees payable	-	-	(47)	(47)
Administration and custody fees payable	-	-	(58)	(58)
Other payables	-	-	(34)	(34)
Distributions payable	-	-	(651)	(651)
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>(950)</u>	<u>(950)</u>
<b>Net assets attributable to unitholders</b>	<u>559,773</u>	<u>704,233</u>	<u>(277)</u>	<u>1,263,729</u>
30 June 2021				
<b>Financial assets</b>				
Cash and cash equivalents	620,556	-	-	620,556
Due from brokers	-	-	204,999	204,999
Receivables	-	-	416	416
Financial assets at fair value through profit and loss	-	1,116,945	-	1,116,945
<b>Total assets</b>	<u>620,556</u>	<u>1,116,945</u>	<u>205,415</u>	<u>1,942,916</u>
<b>Financial liabilities</b>				
Overdraft	(15,863)	-	-	(15,863)
Due to brokers	-	-	(150,000)	(150,000)
Management fees payable	-	-	(297)	(297)
Responsible Entity's fees payable	-	-	(222)	(222)
Administration and custody fees payable	-	-	(73)	(73)
Other payables	-	-	(47)	(47)
Distributions payable	-	-	(35)	(35)
<b>Total liabilities</b>	<u>(15,863)</u>	<u>-</u>	<u>(150,674)</u>	<u>(166,537)</u>
<b>Net assets attributable to unitholders</b>	<u>604,693</u>	<u>1,116,945</u>	<u>54,741</u>	<u>1,776,379</u>



### 3 Financial risk management (continued)

#### (b) Market risk (continued)

##### (iii) Interest rate risk (continued)

#### Stewart Investors Worldwide Sustainability Fund

30 June 2022	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>				
Cash and cash equivalents	7,699	-	-	7,699
Receivables	-	-	26,465	26,465
Financial assets at fair value through profit and loss	-	-	398,645	398,645
<b>Total assets</b>	<b>7,699</b>	<b>-</b>	<b>425,110</b>	<b>432,809</b>
<b>Financial liabilities</b>				
Due to brokers	-	-	(715)	(715)
Management fees payable	-	-	(470)	(470)
Responsible Entity's fees payable	-	-	(19)	(19)
Administration and custody fees payable	-	-	(52)	(52)
Other payables	-	-	(1,107)	(1,107)
Distributions payable	-	-	(31,124)	(31,124)
Financial liabilities at fair value through profit and loss	-	-	(1)	(1)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>(33,488)</b>	<b>(33,488)</b>
<b>Net assets attributable to unitholders</b>	<b>7,699</b>	<b>-</b>	<b>391,622</b>	<b>399,321</b>
30 June 2021				
<b>Financial assets</b>				
Cash and cash equivalents	27,289	-	-	27,289
Receivables	-	-	15,858	15,858
Financial assets at fair value through profit and loss	-	-	324,091	324,091
<b>Total assets</b>	<b>27,289</b>	<b>-</b>	<b>339,949</b>	<b>367,238</b>
<b>Financial liabilities</b>				
Due to brokers	-	-	(1,991)	(1,991)
Management fees payable	-	-	(185)	(185)
Responsible Entity's fees payable	-	-	(4)	(4)
Administration and custody fees payable	-	-	(16)	(16)
Other payables	-	-	(41)	(41)
Distributions payable	-	-	(33,115)	(33,115)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>(35,352)</b>	<b>(35,352)</b>
<b>Net assets attributable to unitholders</b>	<b>27,289</b>	<b>-</b>	<b>304,597</b>	<b>331,886</b>

### 3 Financial risk management (continued)

#### (b) Market risk (continued)

##### (iii) Interest rate risk (continued)

#### First Sentier Australian Small Companies Long Short Fund

30 June 2022	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>				
Cash and cash equivalents	8,409	-	-	8,409
Margin account	259	-	-	259
Due from brokers	-	-	793	793
Receivables	-	-	1,238	1,238
Financial assets at fair value through profit and loss	-	-	250,784	250,784
<b>Total assets</b>	<b>8,668</b>	<b>-</b>	<b>252,815</b>	<b>261,483</b>
<b>Financial liabilities</b>				
Management fees payable	-	-	(284)	(284)
Responsible Entity's fees payable	-	-	(8)	(8)
Administration and custody fees payable	-	-	(26)	(26)
Other payables	-	-	(79)	(79)
Distributions payable	-	-	(54,563)	(54,563)
Financial liabilities at fair value through profit and loss	-	-	(40,425)	(40,425)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>(95,385)</b>	<b>(95,385)</b>
<b>Net assets attributable to unitholders</b>	<b>8,668</b>	<b>-</b>	<b>157,430</b>	<b>166,098</b>
30 June 2021				
<b>Financial assets</b>				
Cash and cash equivalents	20,134	-	-	20,134
Margin account	895	-	-	895
Receivables	-	-	1,279	1,279
Financial assets at fair value through profit and loss	-	-	330,178	330,178
<b>Total assets</b>	<b>21,029</b>	<b>-</b>	<b>331,457</b>	<b>352,486</b>
<b>Financial liabilities</b>				
Due to brokers	-	-	(2,086)	(2,086)
Management fees payable	-	-	(506)	(506)
Responsible Entity's fees payable	-	-	(142)	(142)
Administration and custody fees payable	-	-	(48)	(48)
Other payables	-	-	(60)	(60)
Distributions payable	-	-	(38,692)	(38,692)
Financial liabilities at fair value through profit and loss	-	-	(56,391)	(56,391)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>(97,925)</b>	<b>(97,925)</b>
<b>Net assets attributable to unitholders</b>	<b>21,029</b>	<b>-</b>	<b>233,532</b>	<b>254,561</b>

### 3 Financial risk management (continued)

#### (b) Market risk (continued)

##### (iii) Interest rate risk (continued)

#### First Sentier Australian MidCap Fund

30 June 2022	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>				
Cash and cash equivalents	1,245	-	-	1,245
Due from brokers	-	-	3,288	3,288
Receivables	-	-	144	144
Financial assets at fair value through profit and loss	-	-	<u>48,280</u>	<u>48,280</u>
<b>Total assets</b>	<u>1,245</u>	<u>-</u>	<u>51,712</u>	<u>52,957</u>
<b>Financial liabilities</b>				
Due to brokers	-	-	(694)	(694)
Management fees payable	-	-	(56)	(56)
Responsible Entity's fees payable	-	-	(2)	(2)
Administration and custody fees payable	-	-	(27)	(27)
Other payables	-	-	(38)	(38)
Distributions payable	-	-	<u>(3,754)</u>	<u>(3,754)</u>
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>(4,571)</u>	<u>(4,571)</u>
<b>Net assets attributable to unitholders</b>	<u>1,245</u>	<u>-</u>	<u>47,141</u>	<u>48,386</u>
30 June 2021				
<b>Financial assets</b>				
Cash and cash equivalents	1,229	-	-	1,229
Due from brokers	-	-	1,911	1,911
Receivables	-	-	256	256
Financial assets at fair value through profit and loss	-	-	<u>39,532</u>	<u>39,532</u>
<b>Total assets</b>	<u>1,229</u>	<u>-</u>	<u>41,699</u>	<u>42,928</u>
<b>Financial liabilities</b>				
Due to brokers	-	-	(314)	(314)
Management fees payable	-	-	(104)	(104)
Responsible Entity's fees payable	-	-	(26)	(26)
Administration and custody fees payable	-	-	(47)	(47)
Other payables	-	-	(45)	(45)
Distributions payable	-	-	<u>(2,655)</u>	<u>(2,655)</u>
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>(3,191)</u>	<u>(3,191)</u>
<b>Net assets attributable to unitholders</b>	<u>1,229</u>	<u>-</u>	<u>38,508</u>	<u>39,737</u>

### 3 Financial risk management (continued)

#### (b) Market risk (continued)

##### (iii) Interest rate risk (continued)

#### First Sentier Mortgage Backed Securities Fund

30 June 2022	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>				
Cash and cash equivalents	314	-	-	314
Receivables	-	-	18	18
Financial assets at fair value through profit and loss	<u>20,139</u>	-	-	<u>20,139</u>
<b>Total assets</b>	<u>20,453</u>	-	<u>18</u>	<u>20,471</u>
<b>Financial liabilities</b>				
Management fees payable	-	-	(6)	(6)
Responsible Entity's fees payable	-	-	(1)	(1)
Administration and custody fees payable	-	-	(17)	(17)
Other payables	-	-	(35)	(35)
Distributions payable	-	-	(21)	(21)
<b>Total liabilities</b>	-	-	<u>(80)</u>	<u>(80)</u>
<b>Net assets attributable to unitholders</b>	<u>20,453</u>	-	<u>(62)</u>	<u>20,391</u>
30 June 2021				
<b>Financial assets</b>				
Cash and cash equivalents	4	-	-	4
Receivables	-	-	75	75
Financial assets at fair value through profit and loss	<u>78</u>	-	-	<u>78</u>
<b>Total assets</b>	<u>82</u>	-	<u>75</u>	<u>157</u>
<b>Financial liabilities</b>				
Administration and custody fees payable	-	-	(27)	(27)
Other payables	-	-	(47)	(47)
<b>Total liabilities</b>	-	-	<u>(74)</u>	<u>(74)</u>
<b>Net assets attributable to unitholders</b>	<u>82</u>	-	<u>1</u>	<u>83</u>

An analysis of financial liabilities by maturities is provided under "Liquidity Risk" of Note 3 to the financial statements.

### 3 Financial risk management (continued)

#### (c) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Funds' operating profit or loss and net assets attributable to unitholders to interest rate risk, foreign exchange risk and other price risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and foreign exchange rates, historical correlation of the Funds' investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of and/or correlation between the performance of the economies, markets and securities in which the Funds invest. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

#### First Sentier Premium Cash Enhanced Fund

	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/Net assets attributable to unitholders					
	-100 basis points	+100 basis points	-10.00%	+10.00%	-5.00%	+5.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2022	564	564	-	-	(1,265)	1,265
30 June 2021	182	365	-	-	(250)	250

First Sentier Premium Cash Enhanced Fund's sensitivity factors for 30 June 2021 were -25 basis points and +50 basis points for interest rate risk. The Fund did not have any exposure to foreign exchange risk as at 30 June 2022 and 30 June 2021.

#### First Sentier Institutional Cash Fund

	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/Net assets attributable to unitholders					
	-100 basis points	+100 basis points	-10.00%	+10.00%	-5.00%	+5.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2022	(1,445)	(1,445)	-	-	-	-
30 June 2021	(1,281)	(2,561)	-	-	-	-

First Sentier Institutional Cash Fund's sensitivity factors for 30 June 2021 were -25 basis points and +50 basis points for interest rate risk. The Fund did not have any exposure to foreign exchange risk and price risk as at 30 June 2022 and 30 June 2021.

#### Stewart Investors Worldwide Sustainability Fund

	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/Net assets attributable to unitholders					
	-100 basis points	+100 basis points	-10.00%	+10.00%	-15.00%	+15.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2022	77	77	(26)	26	(59,797)	59,797
30 June 2021	68	136	3	(3)	(48,614)	48,614

### 3 Financial risk management (continued)

#### (c) Summarised sensitivity analysis (continued)

Stewart Investors Worldwide Sustainability Fund's sensitivity factors for 30 June 2021 were -25 basis points and +50 basis points for interest rate risk.

#### First Sentier Australian Small Companies Long Short Fund

	Interest rate risk		Foreign exchange risk		Price risk	
	-100 basis points	+100 basis points	-10.00%	+10.00%	-25.00%	+25.00%
	Impact on operating profit/Net assets attributable to unitholders					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2022	87	87	(12)	12	(53,671)	53,671
30 June 2021	53	105	(22)	22	(71,223)	71,223

First Sentier Australian Small Companies Long Short Fund's sensitivity factors for 30 June 2021 were -25 basis points and +50 basis points for interest rate risk.

#### First Sentier Australian MidCap Fund

	Interest rate risk		Foreign exchange risk		Price risk	
	-100 basis points	+100 basis points	-10.00%	+10.00%	-25.00%	+25.00%
	Impact on operating profit/Net assets attributable to unitholders					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2022	12	12	-	-	(12,070)	12,070
30 June 2021	3	6	-	-	(9,883)	9,883

First Sentier Australian MidCap Fund did not have any exposure to foreign exchange risk as at 30 June 2022 and 30 June 2021.

First Sentier Australian MidCap Fund's sensitivity factors for 30 June 2021 were -25 basis points and +50 basis points for interest rate risk.

#### First Sentier Mortgage Backed Securities Fund

	Interest rate risk		Foreign exchange risk		Price risk	
	-100 basis points	+100 basis points	n/a	n/a	n/a	n/a
	Impact on operating profit/Net assets attributable to unitholders					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2022	205	205	-	-	-	-
30 June 2021	-	-	-	-	-	-

First Sentier Mortgage Backed Securities Fund's sensitivity factors for 30 June 2021 were -25 basis points and +50 basis points for interest rate risk. The Fund did not have any exposure to foreign exchange risk and price risk as at 30 June 2022 and 30 June 2021.

First Sentier Mortgage Backed Securities Fund had exposure to Interest rate risk at \$205 and \$409 as at 30 June 2021 and rounded to nil.

### 3 Financial risk management (continued)

#### (d) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when they fall due. Credit risk primarily arises from investments in debt securities and derivative products. Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions, amounts due from brokers and other receivables.

Some funds may transact in derivatives in the over the counter (OTC) markets. OTC derivatives are entered into directly with the counterparty as there is no Clearing House arrangement. Such transactions are only dealt through suitably credit-worthy counterparties. The maximum exposure to credit risk for these OTC derivatives is the contract/notional amount, as shown in Note 8 to the financial statements.

Derivatives may be traded on an exchange (exchange traded) or they may be privately negotiated contracts, which are referred to as Over The Counter (OTC) derivatives. The Funds' OTC derivatives are cleared and settled either through central clearing counterparties (OTC-cleared), or bilateral contracts between two counterparties.

Certain funds invest in debt securities which have an investment grade as rated by the Standard & Poor's rating agency. For unrated assets a rating is assigned by the Investment Manager using an approach that is consistent with the approach used by rating agencies.

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a credit rating of at least AA.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. An analysis of debt securities by rating is set out in the table below for the Funds which have such securities.

	<b>First Sentier Premium Cash Enhanced Fund</b>	
	<b>As at</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Credit rating of debt securities</b>		
AAA	105,796	212,126
AA+ to AA-	89,540	274,976
A+ to A-	9,985	9,999
BBB+ to BBB-	<u>94,515</u>	<u>59,962</u>
Total	<u>299,836</u>	<u>557,063</u>

	<b>First Sentier Institutional Cash Fund</b>	
	<b>As at</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Credit rating of debt securities</b>		
AA+ to AA-	659,300	1,071,948
A+ to A-	<u>44,933</u>	<u>44,997</u>
Total	<u>704,233</u>	<u>1,116,945</u>

### 3 Financial risk management (continued)

#### (d) Credit risk (continued)

	<b>First Sentier Mortgage Backed Securities Fund</b>	
	<b>As at</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Credit rating of debt securities</b>		
AAA	<u>20,139</u>	<u>78</u>
Total	<u>20,139</u>	<u>78</u>

#### (e) Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable units. They therefore primarily hold investments that are traded in an active market and can be readily disposed. Only a limited proportion of their assets are held in investments not actively traded on a stock exchange.

The Funds' listed securities are considered readily realisable, as they are listed on either the Australian Stock Exchange or other recognised International Stock Exchanges.

Certain funds may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to quickly liquidate their investments in these instruments at an amount close to their fair value to meet their liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty. Investments with a higher liquidity risk have been disclosed under "Level 3" in Note 5.

The Funds' financial liabilities, excluding derivative financial liabilities, comprise trade and other payables and are contractually due within 30 days.

##### (i) Maturities of net settled derivative financial instruments

The table below analyses the Funds' net settled derivative financial instruments based on their contractual maturity. The Funds may, at their discretion, settle financial instruments prior to their original contractual settlement date, in accordance with their investment strategy, where permitted by the terms and conditions of the relevant instruments.

	<b>First Sentier Australian Small Companies Long Short Fund</b>				
	<b>Less than 1 month \$'000</b>	<b>1-6 months \$'000</b>	<b>6-12 months \$'000</b>	<b>Over 12 months \$'000</b>	<b>Not stated maturity \$'000</b>
<b>At 30 June 2022</b>					
Net settled derivatives					
Futures	-	(62)	-	-	-
<b>At 30 June 2021</b>					
Net settled derivatives					
Futures	-	(46)	-	-	-



#### 4 Offsetting financial assets and financial liabilities

The following tables present the Funds' gross OTC derivative assets and liabilities by contract type, net of amounts available for offset under netting arrangements and any related collateral received or pledged by the Funds as of 30 June 2022 and 30 June 2021.

##### Stewart Investors Worldwide Sustainability Fund

Financial assets	Effects of offsetting on the Statement of financial position			Related amounts not offset		
	Gross amounts of financial assets \$'000	Gross amounts set off in the Statement of financial position \$'000	Net amount of financial assets presented in the Statement of financial position \$'000	Amounts subject to master netting arrangements \$'000	Cash collateral received \$'000	Net amount \$'000
<b>30 June 2022</b>						
Forwards	853	(852)	1	-	-	1
<b>Total</b>	<b>853</b>	<b>(852)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>30 June 2021</b>						
Forwards	65	(65)	-	-	-	-
<b>Total</b>	<b>65</b>	<b>(65)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financial liabilities	Effects of offsetting on the Statement of financial position			Related amounts not offset		
	Gross amounts of financial liabilities \$'000	Gross amounts set off in the Statement of financial position \$'000	Net amount of financial liabilities presented in the Statement of financial position \$'000	Amounts subject to master netting arrangements \$'000	Cash collateral received \$'000	Net amount \$'000
<b>30 June 2022</b>						
Forwards	853	(852)	1	-	-	1
<b>Total</b>	<b>853</b>	<b>(852)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>30 June 2021</b>						
Forwards	65	(65)	-	-	-	-
<b>Total</b>	<b>65</b>	<b>(65)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 4 Offsetting financial assets and financial liabilities (continued)

Financial liabilities	Effects of offsetting on the Statement of financial position			Related amounts not offset		
	Gross amounts of financial liabilities \$'000	Gross amounts set off in the Statement of financial position \$'000	Net amount of financial liabilities presented in the Statement of financial position \$'000	Amounts subject to master netting arrangements \$'000	Cash collateral received \$'000	Net amount \$'000
<b>First Sentier Australian Small Companies Long Short Fund</b>						
<b>30 June 2022</b>						
Futures	62	-	62	-	(62)	-
<b>Total</b>	<b>62</b>	<b>-</b>	<b>62</b>	<b>-</b>	<b>(62)</b>	<b>-</b>
<b>30 June 2021</b>						
Futures	46	-	46	-	(46)	-
<b>Total</b>	<b>46</b>	<b>-</b>	<b>46</b>	<b>-</b>	<b>(46)</b>	<b>-</b>

At the end of the reporting period, there are no assets or liabilities offset or which could be offset in the Statements of financial position for First Sentier Premium Cash Enhanced Fund, First Sentier Institutional Cash Fund, First Sentier Australian MidCap Fund and First Sentier Mortgage Backed Securities Fund.

##### (a) Master netting arrangement – not currently enforceable

Agreements with derivative counterparties are based on the ISDA Master Agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Funds do not presently have a legally enforceable right of set-off, these amounts have not been offset in the Statements of financial position, but have been presented separately in the above tables.

#### 5 Fair value measurement

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis.

- Financial assets/liabilities at fair value through profit or loss (FVTPL) (see Note 6 and Note 7)
- Derivative financial instruments (see Note 8)

The Funds have no assets or liabilities measured at fair value on a non-recurring basis in the current reporting year. *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); and
- (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 year without any deduction for estimated future selling costs.

## 5 Fair value measurement (continued)

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

The Funds value their investments in accordance with the accounting policies set out in Note 2 to the financial statements. For the majority of these 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 Funds 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.

### (ii) Valuation techniques used to derive level 2 and level 3 fair value

The fair value of financial assets and liabilities that are not exchange-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. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This may be the case for certain unlisted shares, certain corporate debt securities and managed funds with suspended applications and withdrawals.

Where discounted cash flow techniques are used, estimated future cash flows are based on the Investment Manager's best estimates and the discount rate used is a market rate at the end of the reporting year 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 year. 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 Funds would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

Investments in other managed funds are recorded at the redemption value per unit as reported by the investment managers of such funds. The Funds may make adjustments to the redemption value based on considerations such as liquidity of the fund or its underlying investments, or any restrictions on redemptions and the basis of accounting.

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 Funds hold. 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 Funds for similar financial instruments.

The determination of what constitutes 'observable' requires significant judgment by the Investment Manager. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

## 5 Fair value measurement (continued)

### Recognised fair value measurement

The following tables present the Funds' financial assets and liabilities measured and recognised at fair value as at 30 June 2022 and 30 June 2021.

#### First Sentier Premium Cash Enhanced Fund

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>As at 30 June 2022</b>				
<b>Financial assets at fair value through profit or loss</b>				
Managed funds	-	25,291	-	25,291
Debt securities	-	299,836	-	299,836
<b>Total financial assets at fair value through profit or loss</b>	<b>-</b>	<b>325,127</b>	<b>-</b>	<b>325,127</b>

As at 30 June 2021

<b>Financial assets at fair value through profit or loss</b>				
Managed funds	-	5,000	-	5,000
Debt securities	-	557,063	-	557,063
<b>Total financial assets at fair value through profit or loss</b>	<b>-</b>	<b>562,063</b>	<b>-</b>	<b>562,063</b>

#### First Sentier Institutional Cash Fund

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>As at 30 June 2022</b>				
<b>Financial assets at fair value through profit or loss</b>				
Debt securities	-	704,233	-	704,233
<b>Total financial assets at fair value through profit or loss</b>	<b>-</b>	<b>704,233</b>	<b>-</b>	<b>704,233</b>

As at 30 June 2021

<b>Financial assets at fair value through profit or loss</b>				
Debt securities	-	1,116,945	-	1,116,945
<b>Total financial assets at fair value through profit or loss</b>	<b>-</b>	<b>1,116,945</b>	<b>-</b>	<b>1,116,945</b>

## 5 Fair value measurement (continued)

### Recognised fair value measurement (continued)

#### Stewart Investors Worldwide Sustainability Fund

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>As at 30 June 2022</b>				
<b>Financial assets at fair value through profit or loss</b>				
Foreign currency exchange contracts	-	1	-	1
Equities securities	194,625	5,668	-	200,293
Managed funds	-	198,351	-	198,351
<b>Total financial assets at fair value through profit or loss</b>	<b>194,625</b>	<b>204,020</b>	<b>-</b>	<b>398,645</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Foreign currency exchange contracts	-	1	-	1
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>As at 30 June 2021</b>				
<b>Financial assets at fair value through profit or loss</b>				
Equities securities	6,934	-	-	6,934
Managed funds	-	317,157	-	317,157
<b>Total financial assets at fair value through profit or loss</b>	<b>6,934</b>	<b>317,157</b>	<b>-</b>	<b>324,091</b>

## 5 Fair value measurement (continued)

### Recognised fair value measurement (continued)

#### First Sentier Australian Small Companies Long Short Fund

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>As at 30 June 2022</b>				
<b>Financial assets at fair value through profit or loss</b>				
Equities securities	221,838	-	-	221,838
Listed unit trusts	<u>28,946</u>	-	-	<u>28,946</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>250,784</u>	-	-	<u>250,784</u>
<b>Financial liabilities at fair value through profit or loss</b>				
Futures	62	-	-	62
Equities securities- short	<u>40,363</u>	-	-	<u>40,363</u>
<b>Total financial liabilities at fair value through profit or loss</b>	<u>40,425</u>	-	-	<u>40,425</u>
<b>As at 30 June 2021</b>				
<b>Financial assets at fair value through profit or loss</b>				
Equities securities	286,519	-	-	286,519
Listed unit trusts	<u>43,659</u>	-	-	<u>43,659</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>330,178</u>	-	-	<u>330,178</u>
<b>Financial liabilities at fair value through profit or loss</b>				
Futures	46	-	-	46
Equities securities- short	<u>56,345</u>	-	-	<u>56,345</u>
<b>Total financial liabilities at fair value through profit or loss</b>	<u>56,391</u>	-	-	<u>56,391</u>

## 5 Fair value measurement (continued)

### Recognised fair value measurement (continued)

#### First Sentier Australian MidCap Fund

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>As at 30 June 2022</b>				
<b>Financial assets at fair value through profit or loss</b>				
Equities securities	47,740	-	-	47,740
Listed unit trusts	<u>540</u>	<u>-</u>	<u>-</u>	<u>540</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>48,280</u>	<u>-</u>	<u>-</u>	<u>48,280</u>
<b>As at 30 June 2021</b>				
<b>Financial assets at fair value through profit or loss</b>				
Equities securities	39,154	-	-	39,154
Listed unit trusts	<u>378</u>	<u>-</u>	<u>-</u>	<u>378</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>39,532</u>	<u>-</u>	<u>-</u>	<u>39,532</u>

#### First Sentier Mortgage Backed Securities Fund

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>As at 30 June 2022</b>				
<b>Financial assets at fair value through profit or loss</b>				
Debt securities	<u>-</u>	<u>20,139</u>	<u>-</u>	<u>20,139</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>-</u>	<u>20,139</u>	<u>-</u>	<u>20,139</u>
<b>As at 30 June 2021</b>				
<b>Financial assets at fair value through profit or loss</b>				
Debt securities	<u>-</u>	<u>78</u>	<u>-</u>	<u>78</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>-</u>	<u>78</u>	<u>-</u>	<u>78</u>

#### (i) Transfers between levels

The Funds' policies are to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.

There were no transfers between levels for the year ended 30 June 2022 and year ended 30 June 2021.

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

The Funds did not hold any financial instruments with fair value measurements using significant unobservable inputs as at 30 June 2022 or at 30 June 2021.

## 5 Fair value measurement (continued)

### Recognised fair value measurement (continued)

#### (iii) Valuation processes

Portfolio reviews are undertaken regularly by the Investment Manager 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 year.

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

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

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

	<b>First Sentier Premium Cash Enhanced Fund</b>		<b>First Sentier Institutional Cash Fund</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at fair value through profit or loss</b>				
Managed funds	25,291	5,000	-	-
Debt securities	299,836	557,063	704,233	1,116,945
<b>Total financial assets at fair value through profit or loss</b>	<b>325,127</b>	<b>562,063</b>	<b>704,233</b>	<b>1,116,945</b>
	<b>Stewart Investors Worldwide Sustainability Fund</b>		<b>First Sentier Australian Small Companies Long Short Fund</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at fair value through profit or loss</b>				
Foreign currency exchange contracts	1	-	-	-
Equities securities	200,293	6,934	221,838	286,519
Listed unit trusts	-	-	28,946	43,659
Managed funds	198,351	317,157	-	-
<b>Total financial assets at fair value through profit or loss</b>	<b>398,645</b>	<b>324,091</b>	<b>250,784</b>	<b>330,178</b>



## 6 Financial assets at fair value through profit or loss (continued)

	First Sentier Australian MidCap Fund		First Sentier Mortgage Backed Securities Fund	
	As at		As at	
	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Financial assets at fair value through profit or loss</b>				
Equities securities	47,740	39,154	-	-
Listed unit trusts	540	378	-	-
Debt securities	-	-	20,139	78
<b>Total financial assets at fair value through profit or loss</b>	<b>48,280</b>	<b>39,532</b>	<b>20,139</b>	<b>78</b>

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in Note 3.

## 7 Financial liabilities at fair value through profit or loss

	Stewart Investors Worldwide Sustainability Fund		First Sentier Australian Small Companies Long Short Fund	
	As at		As at	
	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>Financial liabilities at fair value through profit or loss</b>				
Futures	-	-	62	46
Foreign currency exchange contracts	1	-	-	-
Equities securities- short	-	-	40,363	56,345
<b>Total financial liabilities at fair value through profit or loss</b>	<b>1</b>	<b>-</b>	<b>40,425</b>	<b>56,391</b>

An overview of the risk exposures relating to financial liabilities at fair value through profit or loss is included in Note 3.

## 8 Derivative financial instruments

In the normal course of business the Funds may enter into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

## 8 Derivative financial instruments (continued)

Derivative transactions include a wide assortment of instruments such as futures, forwards and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Funds' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Funds against a fluctuation in market values or to reduce volatility;
- as a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

Certain derivative transactions provide the economic effect of financial leverage by creating additional investment exposure, as well as the potential for greater loss. The Investment Manager targets a level of volatility and sets leverage accordingly.

The Funds hold the following derivative instruments:

### (a) Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised market.

### (b) Foreign currency exchange contracts

Foreign currency exchange contracts are primarily used by the Funds to hedge against foreign currency exchange rate risks on their non-Australian dollar denominated trading securities. The Funds agree to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Foreign currency exchange contracts are valued at the prevailing bid price at the reporting date. The Funds recognise a gain or loss equal to the change in fair value at the reporting date.

The Funds' derivative financial instruments at year end are detailed below:

#### Stewart Investors Worldwide Sustainability Fund

	Contract/ Notional \$'000	Fair Values	
		Assets \$'000	Liabilities \$'000
<b>As at 30 June 2022</b>			
Foreign currency exchange contracts	852	1	1
	852	1	1
<b>As at 30 June 2021</b>			
Foreign currency exchange contracts	65	-	-
	65	-	-

\*Foreign currency contracts for Stewart Investors Worldwide Sustainability Fund is \$(208) and rounds to nil as at 30 June 2021.

## 8 Derivative financial instruments (continued)

### First Sentier Australian Small Companies Long Short Fund

	Contract/ Notional \$'000	Fair Values	
		Assets \$'000	Liabilities \$'000
<b>As at 30 June 2022</b>			
Share price index futures	4,262	-	62
	<u>4,262</u>	<u>-</u>	<u>62</u>
<b>As at 30 June 2021</b>			
Share price index futures	11,060	-	46
	<u>11,060</u>	<u>-</u>	<u>46</u>

## 9 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, and the relevant activities are directed by means of contractual arrangements. An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Funds. The Funds consider investments in unit trusts and managed funds to be structured entities. The Funds invest in these unrelated unit trusts and managed funds for the purpose of capital appreciation and/or earning of investment income.

The exposure to investments in unit trusts and managed funds are disclosed in the following table:

### First Sentier Premium Cash Enhanced Fund

	Fair value of investment		Interest held	
	2022 \$'000	2021 \$'000	2022 %	2021 %
First Sentier Mortgage Backed Securities Fund	20,287	-	99.60	-
First Sentier Premium Cash Fund	5,004	5,000	58.43	55.56

### Stewart Investors Worldwide Sustainability Fund

	Fair value of investment		Interest held	
	2022 \$'000	2021 \$'000	2022 %	2021 %
Stewart Investors Wholesale WorldWide Sustainability Fund	198,351	317,157	29.27	31.91

The Funds have exposures to structured entities through their trading activities. The Funds typically have no other involvement with the structured entity other than the securities they hold as part of their trading activities and their maximum exposure to loss are restricted to the carrying value of the assets. Exposure to trading assets are managed in accordance with financial risk management practices as set out in Note 3(b), which includes an indication of changes in risk measures compared to prior year.

## 10 Net assets attributable to unitholders

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds have elected into the AMIT tax regime and consequently the Funds' Constitutions have been amended. The Funds do not have a contractual obligation to pay distributions to unitholders. Therefore, the net assets attributable to unitholders of the Funds meet the criteria set out under AASB 132 and are classified as equity.

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

	<b>First Sentier Premium Cash Enhanced Fund</b>			
	<b>Year ended</b>			
	<b>30 June 2022 No.'000</b>	<b>30 June 2021 No.'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2021 \$'000</b>
<b>Net assets attributable to unitholders</b>				
Opening balance	767,671	855,814	767,671	855,573
Applications	560,681	608,336	560,681	608,336
Redemptions	(857,765)	(699,094)	(856,779)	(699,094)
Units issued upon reinvestment of distributions	184	2,615	184	2,615
Distributions paid and payable	-	-	(177)	(2,632)
Profit/(loss) for the year	-	-	(806)	2,873
Closing balance	<u>470,771</u>	<u>767,671</u>	<u>470,774</u>	<u>767,671</u>
<b>Total net assets attributable to unitholders</b>			<u><b>470,774</b></u>	<u><b>767,671</b></u>

	<b>First Sentier Institutional Cash Fund</b>			
	<b>Year ended</b>			
	<b>30 June 2022 No.'000</b>	<b>30 June 2021 No.'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2021 \$'000</b>
<b>Net assets attributable to unitholders</b>				
Opening balance	1,776,379	3,627,580	1,776,379	3,626,696
Applications	3,469,226	3,756,923	3,469,226	3,756,923
Redemptions	(3,982,453)	(5,608,830)	(3,982,394)	(5,608,830)
Units issued upon reinvestment of distributions	578	706	578	706
Distributions paid and payable	-	-	(1,263)	(759)
Profit/(loss) for the year	-	-	1,203	1,643
Closing balance	<u>1,263,730</u>	<u>1,776,379</u>	<u>1,263,729</u>	<u>1,776,379</u>
<b>Total net assets attributable to unitholders</b>			<u><b>1,263,729</b></u>	<u><b>1,776,379</b></u>

## 10 Net assets attributable to unitholders (continued)

	<b>Stewart Investors Worldwide Sustainability Fund</b>			
	<b>Year ended</b>			
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>No.'000</b>	<b>No.'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Net assets attributable to unitholders</b>				
Opening balance	223,574	133,866	331,886	178,700
Applications	169,160	107,057	250,388	158,284
Redemptions	(38,256)	(17,394)	(55,192)	(25,431)
Units issued upon reinvestment of distributions	748	45	1,113	64
Distributions paid and payable	-	-	(31,560)	(34,143)
Profit/(loss) for the year	-	-	(97,314)	54,412
Closing balance	<u>355,226</u>	<u>223,574</u>	<u>399,321</u>	<u>331,886</u>
<b>Total net assets attributable to unitholders</b>			<u><b>399,321</b></u>	<u><b>331,886</b></u>

	<b>First Sentier Australian Small Companies Long Short Fund</b>			
	<b>Year ended</b>			
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>No.'000</b>	<b>No.'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Net assets attributable to unitholders</b>				
Opening balance	203,250	228,128	254,561	231,404
Applications	21	10,790	28	15,025
Redemptions	(41,831)	(39,765)	(57,000)	(50,000)
Units issued upon reinvestment of distributions	32,069	4,097	40,344	5,086
Distributions paid and payable	-	-	(56,215)	(43,778)
Profit/(loss) for the year	-	-	(15,620)	96,824
Closing balance	<u>193,509</u>	<u>203,250</u>	<u>166,098</u>	<u>254,561</u>
<b>Total net assets attributable to unitholders</b>			<u><b>166,098</b></u>	<u><b>254,561</b></u>

## 10 Net assets attributable to unitholders (continued)

	<b>First Sentier Australian MidCap Fund</b>			
	<b>Year ended</b>			
	<b>30 June 2022 No.'000</b>	<b>30 June 2021 No.'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2021 \$'000</b>
<b>Net assets attributable to unitholders</b>				
Opening balance	29,753	20,296	39,737	21,442
Applications	17,966	11,686	24,720	14,771
Redemptions	(3,298)	(2,243)	(4,448)	(2,709)
Units issued upon reinvestment of distributions	271	14	363	18
Distributions paid and payable	-	-	(3,983)	(2,972)
Profit/(loss) for the year	-	-	(8,003)	9,187
Closing balance	<u>44,692</u>	<u>29,753</u>	<u>48,386</u>	<u>39,737</u>
<b>Total net assets attributable to unitholders</b>			<u><b>48,386</b></u>	<u><b>39,737</b></u>

	<b>First Sentier Mortgage Backed Securities Fund</b>			
	<b>Year ended</b>			
	<b>30 June 2022 No.'000</b>	<b>30 June 2021 No.'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2021 \$'000</b>
<b>Net assets attributable to unitholders</b>				
Opening balance	81	74,813	83	76,567
Applications	20,036	185	20,496	182
Redemptions	-	(76,389)	-	(77,650)
Units issued upon reinvestment of distributions	91	1,472	93	1,500
Distributions paid and payable	-	-	(114)	(1,507)
Profit/(loss) for the year	-	-	(167)	991
Closing balance	<u>20,208</u>	<u>81</u>	<u>20,391</u>	<u>83</u>
<b>Total net assets attributable to unitholders</b>			<u><b>20,391</b></u>	<u><b>83</b></u>

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

### Capital risk management

The Funds classify their net assets attributable to unitholders as equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of unitholders.

Daily applications and redemptions are reviewed relative to the liquidity of the Funds' underlying assets by the Responsible Entity. Under the terms of the Funds' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of the unitholders.

## 11 Distributions to unitholders

Distributions are determined by reference to the net taxable income of the Funds. The distributions for the year were paid/payable as follows:

	<b>First Sentier Premium Cash Enhanced Fund</b>			
	Year ended			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	\$'000	Annualised Income Rate %	\$'000	Annualised Income Rate %
31 July	54	0.34	44	0.06
31 August	49	0.33	90	0.12
30 September	74	0.38	111	0.14
31 October	-	-	392	0.52
30 November	-	-	199	0.28
31 December	-	-	83	0.12
31 January	-	-	356	0.51
28 February	-	-	375	0.50
31 March	-	-	534	0.95
30 April	-	-	156	0.48
31 May	-	-	275	0.68
30 June	-	-	17	0.28
<b>Total distributions to unitholders</b>	<b>177</b>	<b>1.05</b>	<b>2,632</b>	<b>4.64</b>

	<b>First Sentier Institutional Cash Fund</b>			
	Year ended			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	\$'000	Annualised Income Rate %	\$'000	Annualised Income Rate %
31 July	-	-	80	0.03
31 August	-	-	4	0.04
30 September	-	-	35	0.15
31 October	-	-	261	0.18
30 November	43	0.10	162	0.12
31 December	60	0.12	76	0.05
31 January	130	0.17	28	0.02
28 February	245	0.27	-	(0.04)
31 March	-	-	50	0.10
30 April	32	0.10	13	0.08
31 May	102	0.17	15	0.08
30 June	651	0.71	35	0.09
<b>Total distributions to unitholders</b>	<b>1,263</b>	<b>1.64</b>	<b>759</b>	<b>0.90</b>

## 11 Distributions to unitholders (continued)

	Stewart Investors Worldwide Sustainability Fund			
	Year ended			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	\$'000	CPU*	\$'000	CPU*
31 December	436	0.15	1,028	0.60
30 June	<u>31,124</u>	<u>8.76</u>	<u>33,115</u>	<u>14.81</u>
<b>Total distributions to unitholders</b>	<u>31,560</u>	<u>8.91</u>	<u>34,143</u>	<u>15.41</u>

	First Sentier Australian Small Companies Long Short Fund			
	Year ended			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	\$'000	CPU*	\$'000	CPU*
31 December	1,652	0.79	5,086	2.70
30 June	<u>54,563</u>	<u>28.20</u>	<u>38,692</u>	<u>19.04</u>
<b>Total distributions to unitholders</b>	<u>56,215</u>	<u>28.99</u>	<u>43,778</u>	<u>21.74</u>

	First Sentier Australian MidCap Fund			
	Year ended			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	\$'000	CPU*	\$'000	CPU*
31 December	229	0.59	317	1.40
30 June	<u>3,754</u>	<u>8.40</u>	<u>2,655</u>	<u>8.92</u>
<b>Total distributions to unitholders</b>	<u>3,983</u>	<u>8.99</u>	<u>2,972</u>	<u>10.32</u>



## 11 Distributions to unitholders (continued)

	First Sentier Mortgage Backed Securities Fund			
	Year ended			
	30 June 2022	30 June 2022	30 June 2021	30 June 2021
	\$'000	CPU*	\$'000	CPU*
31 July**	-	0.04	75	0.10
31 August	6	0.03	75	0.10
30 September	12	0.06	67	0.10
31 October	10	0.05	62	0.10
30 November	11	0.05	63	0.10
31 December	7	0.03	63	0.10
31 January	10	0.05	63	0.10
28 February	11	0.05	1,039	1.68
31 March	9	0.04	-	-
30 April	6	0.03	-	-
31 May	11	0.06	-	-
30 June	21	0.10	-	-
<b>Total distributions to unitholders</b>	<b>114</b>	<b>0.59</b>	<b>1,507</b>	<b>2.38</b>

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

\*\*Distribution in July 2021 for First Sentier Mortgage Backed Securities Fund is \$32 and rounds to nil.

## 12 Cash and cash equivalents

	First Sentier Premium Cash Enhanced Fund		First Sentier Institutional Cash Fund	
	As at		As at	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
Cash at bank	144,676	205,788	559,773	620,556
<b>Total cash and cash equivalents</b>	<b>144,676</b>	<b>205,788</b>	<b>559,773</b>	<b>620,556</b>

	Stewart Investors Worldwide Sustainability Fund		First Sentier Australian Small Companies Long Short Fund	
	As at		As at	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
Cash at bank	7,699	27,289	8,409	20,134
<b>Total cash and cash equivalents</b>	<b>7,699</b>	<b>27,289</b>	<b>8,409</b>	<b>20,134</b>

## 12 Cash and cash equivalents (continued)

	First Sentier Australian MidCap Fund		First Sentier Mortgage Backed Securities Fund	
	As at		As at	
	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
Cash at bank	1,245	1,229	314	4
<b>Total cash and cash equivalents</b>	<b>1,245</b>	<b>1,229</b>	<b>314</b>	<b>4</b>

### (a) Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the year as follows:

	First Sentier Institutional Cash Fund	
	As at	
	30 June 2022 \$'000	30 June 2021 \$'000
Balances as above	559,773	620,556
Overdraft	-	(15,863)
<b>Balances as per statement of cash flows</b>	<b>559,773</b>	<b>604,693</b>

### 13 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	First Sentier Premium Cash Enhanced Fund		First Sentier Institutional Cash Fund	
	Year ended		Year ended	
	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>				
Profit/(loss) for the year	(806)	2,873	1,203	1,643
Proceeds from sale of financial instruments at fair value through profit or loss	1,956,175	2,302,082	6,165,913	20,127,585
Payments for purchase of financial instruments at fair value through profit or loss	(1,721,283)	(2,103,245)	(5,697,786)	(17,834,604)
Dividends/Trust distributions income reinvested	(97)	-	-	-
Management fee rebate reinvested	885	-	83	-
Net (gains)/losses on financial instruments at fair value through profit or loss	2,178	(1,888)	(416)	2,400
Interest bought/sold	(37)	68	-	-
Net change in receivables	(879)	(278)	(257)	(52)
Net change in payables	(255)	231	(340)	51
Net foreign exchange (gains)/losses	1	(12)	-	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>235,882</b>	<b>199,831</b>	<b>468,400</b>	<b>2,297,023</b>
<b>(b) Non-cash financing activities</b>				
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	184	2,615	578	706
The following purchases of investments were satisfied by the participation on dividend and distribution reinvestment plans	97	-	-	-
Management fee rebate reinvested	885	-	83	-
<b>Total non-cash operating and financing activities</b>	<b>1,166</b>	<b>2,615</b>	<b>661</b>	<b>706</b>

### 13 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities (continued)

	Stewart Investors Worldwide Sustainability Fund		First Sentier Australian Small Companies Long Short Fund	
	Year ended		Year ended	
	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>				
Profit/(loss) for the year	(97,314)	54,412	(15,620)	96,824
Proceeds from sale of financial instruments at fair value through profit or loss	83,864	20,814	202,307	189,262
Payments for purchase of financial instruments at fair value through profit or loss	(289,203)	(126,424)	(161,836)	(149,790)
Dividends/Trust distributions income reinvested	(3)	(14,173)	-	(788)
Management fee rebate reinvested	10	-	28	-
Net (gains)/losses on financial instruments at fair value through profit or loss	128,779	(24,168)	20,077	(93,338)
Amount received from/(paid to) brokers for margin	-	-	636	(895)
Net change in receivables	(10,079)	(15,832)	41	(164)
Net change in payables	359	238	(359)	579
Net foreign exchange (gains)/losses	751	(52)	3	76
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(182,836)</b>	<b>(105,185)</b>	<b>45,277</b>	<b>41,766</b>
<b>(b) Non-cash financing activities</b>				
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	1,113	64	40,344	5,086
The following purchases of investments were satisfied by the participation on dividend and distribution reinvestment plans	3	14,173	-	788
Management fee rebate reinvested	10	-	28	-
<b>Total non-cash operating and financing activities</b>	<b>1,126</b>	<b>14,237</b>	<b>40,372</b>	<b>5,874</b>

### 13 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities (continued)

	First Sentier Australian MidCap Fund		First Sentier Mortgage Backed Securities Fund	
	Year ended		Year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>				
Profit/(loss) for the year	(8,003)	9,187	(167)	991
Proceeds from sale of financial instruments at fair value through profit or loss	20,672	15,859	10,414	87,359
Payments for purchase of financial instruments at fair value through profit or loss	(38,888)	(27,107)	(30,780)	(14,167)
Dividends/Trust distributions income reinvested	-	(10)	-	-
Management fee rebate reinvested	17	-	51	-
Net (gains)/losses on financial instruments at fair value through profit or loss	8,470	(9,025)	295	(440)
Interest bought/sold	-	-	10	(-)
Net change in receivables	(11)	(35)	57	(75)
Net change in payables	(99)	204	(15)	74
Net foreign exchange (gains)/losses	1	-	-	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(17,841)</b>	<b>(10,927)</b>	<b>(20,135)</b>	<b>73,742</b>
<b>(b) Non-cash financing activities</b>				
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	363	18	93	1,500
The following purchases of investments were satisfied by the participation on dividend and distribution reinvestment plans	-	10	-	-
Management fee rebate reinvested	17	-	51	-
<b>Total non-cash operating and financing activities</b>	<b>380</b>	<b>28</b>	<b>144</b>	<b>1,500</b>

As described in Note 2(j), income not distributed is included in net assets attributable to unitholders. The change in this amount during the year (as reported in (a) above) represents a non-cash financing cost as it is not settled in cash until such time as it becomes distributable.

## 14 Remuneration of auditors

During the year, the following fees were paid or payable for services provided by the auditors of the Funds:

	<b>First Sentier Premium Cash Enhanced Fund</b>		<b>First Sentier Institutional Cash Fund</b>	
	<b>Year ended</b>		<b>Year ended</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	\$	\$	\$	\$
<b>PricewaterhouseCoopers</b>				
Audit of financial statements	19,400	18,500	19,400	18,500
Audit of compliance plan	<u>2,284</u>	<u>2,135</u>	<u>2,284</u>	<u>2,135</u>
<b>Total remuneration for audit and other assurance services</b>	<u>21,684</u>	<u>20,635</u>	<u>21,684</u>	<u>20,635</u>
<b>Taxation services</b>				
Taxation services (KPMG)	<u>6,500</u>	<u>20,815</u>	<u>6,500</u>	<u>20,815</u>
<b>Total remuneration for taxation services</b>	<u>6,500</u>	<u>20,815</u>	<u>6,500</u>	<u>20,815</u>
<b>Total remuneration</b>	<u>28,184</u>	<u>41,450</u>	<u>28,184</u>	<u>41,450</u>
	<b>Stewart Investors Worldwide Sustainability Fund</b>		<b>First Sentier Australian Small Companies Long Short Fund</b>	
	<b>Year ended</b>		<b>Year ended</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	\$	\$	\$	\$
<b>PricewaterhouseCoopers</b>				
Audit of financial statements	24,900	14,000	20,400	19,500
Audit of compliance plan	<u>2,284</u>	<u>2,135</u>	<u>2,284</u>	<u>2,135</u>
<b>Total remuneration for audit and other assurance services</b>	<u>27,184</u>	<u>16,135</u>	<u>22,684</u>	<u>21,635</u>
<b>Taxation services</b>				
Taxation services (KPMG)	<u>20,815</u>	<u>20,815</u>	<u>6,500</u>	<u>20,815</u>
<b>Total remuneration for taxation services</b>	<u>20,815</u>	<u>20,815</u>	<u>6,500</u>	<u>20,815</u>
<b>Total remuneration</b>	<u>47,999</u>	<u>36,950</u>	<u>29,184</u>	<u>42,450</u>

## 14 Remuneration of auditors (continued)

	First Sentier Australian MidCap Fund		First Sentier Mortgage Backed Securities Fund	
	Year ended		Year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$	\$	\$	\$
<b>PricewaterhouseCoopers</b>				
Audit of financial statements	17,400	16,500	19,400	18,500
Audit of compliance plan	2,284	2,135	2,284	2,135
<b>Total remuneration for audit and other assurance services</b>	<b>19,684</b>	<b>18,635</b>	<b>21,684</b>	<b>20,635</b>
<b>Taxation services</b>				
Taxation services (KPMG)	6,500	20,815	6,500	20,815
<b>Total remuneration for taxation services</b>	<b>6,500</b>	<b>20,815</b>	<b>6,500</b>	<b>20,815</b>
<b>Total remuneration</b>	<b>26,184</b>	<b>39,450</b>	<b>28,184</b>	<b>41,450</b>

The auditors' remuneration fees are stated exclusive of GST.

## 15 Receivables

	First Sentier Premium Cash Enhanced Fund		First Sentier Institutional Cash Fund	
	As at		As at	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
Interest receivables	232	114	559	71
Dividends/distribution receivable	24	-	-	-
Management fee reimbursement receivable	33	134	60	207
Other receivable	972	134	54	138
<b>Total receivables</b>	<b>1,261</b>	<b>382</b>	<b>673</b>	<b>416</b>

## 15 Receivables (continued)

	<b>Stewart Investors Worldwide Sustainability Fund</b>		<b>First Sentier Australian Small Companies Long Short Fund</b>	
	As at		As at	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
Application receivables	528	-	-	-
Interest receivables	-	-	23	4
Dividends/distribution receivable	25,634	15,496	1,107	1,087
Responsible Entity's fees rebate receivable	-	56	-	-
Management fee reimbursement receivable	165	298	6	100
Other receivable	138	8	102	88
<b>Total receivables</b>	<b>26,465</b>	<b>15,858</b>	<b>1,238</b>	<b>1,279</b>

	<b>First Sentier Australian MidCap Fund</b>		<b>First Sentier Mortgage Backed Securities Fund</b>	
	As at		As at	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
Application receivables	-	123	-	-
Interest receivables	-	-	14	1
Dividends/distribution receivable	109	26	-	-
Management fee reimbursement receivable	7	92	1	74
Other receivable	28	15	3	-
<b>Total receivables</b>	<b>144</b>	<b>256</b>	<b>18</b>	<b>75</b>

## 16 Other payables

	<b>First Sentier Premium Cash Enhanced Fund</b>		<b>First Sentier Institutional Cash Fund</b>	
	As at		As at	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
Remuneration of auditors	34	46	34	46
Other payables	1	-	-	1
<b>Total other payables</b>	<b>35</b>	<b>46</b>	<b>34</b>	<b>47</b>



## 16 Other payables (continued)

	<b>Stewart Investors Worldwide Sustainability Fund</b>		<b>First Sentier Australian Small Companies Long Short Fund</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Remuneration of auditors	37	41	35	47
Interest payable	-	-	23	9
Withholding tax payable	26	-	20	4
Redemption payables	1,043	-	-	-
Other payables	1	-	1	-
<b>Total other payables</b>	<b>1,107</b>	<b>41</b>	<b>79</b>	<b>60</b>

	<b>First Sentier Australian MidCap Fund</b>		<b>First Sentier Mortgage Backed Securities Fund</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Remuneration of auditors	32	44	34	46
Withholding tax payable	4	1	-	-
Other payables	2	-	1	1
<b>Total other payables</b>	<b>38</b>	<b>45</b>	<b>35</b>	<b>47</b>

## 17 Related party transactions

For the purpose of these financial statements, parties are considered to be related to the Funds if they have the ability, directly or indirectly, to control or exercise significant influence over the Funds in making financial and operating disclosures. Related parties may be individuals or other entities.

### Responsible Entity

The Responsible Entity of the Funds is The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235150).

### Key Management Personnel

#### (a) Directors

Key management personnel includes persons who were Directors of the Responsible Entity at any time during the financial year as follows:

Glenn Foster	
Simone Mosse	
Vicki Riggio	
Phillip Blackmore	Alternate Director for Vicki Riggio
Richard McCarthy	Resigned as Director on 1 February 2022

## 17 Related party transactions (continued)

### (b) Other key management personnel

There were no other key management personnel with responsibility for planning, directing and controlling the activities of the Funds, directly or indirectly, during the financial year.

#### Key management personnel unitholdings

During or since the end of the year, none of the Directors or Director related entities held units in the Funds, either directly, indirectly or beneficially.

Neither the Responsible Entity nor its affiliates held units in the Funds at the end of the year.

#### Key management personnel compensation

Key management personnel do not receive any remuneration directly from the Funds. They receive remuneration from a related party of the Responsible Entity in their capacity as Directors or employees of the Responsible Entity or its related parties.

Consequently, the Funds do not pay any compensation to its key management personnel. Payments made from the Funds to the Responsible Entity do not include any amounts attributable to the compensation of key management personnel.

#### Key management personnel loan disclosures

The Funds have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting year.

#### Other transactions within the Funds

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Funds since the end of the previous financial year and there were no material contracts involving Director's interests existing at year end.

#### Responsible Entity's/Investment Manager's fees and other transactions

Under the terms of the Funds' Constitutions, the Responsible Entity is entitled to receive a fee per annum calculated as a percentage of the gross asset value of the Funds. The Investment Manager of the Funds is First Sentier Investors (Australia) IM Limited. The Investment Manager is entitled to receive a management fee at the rates stipulated in the Funds' governing documents.

The management fees rate charged during the year were as follows:

Name of Fund	Year ended	
	30 June 2022 %	30 June 2021 %
First Sentier Premium Cash Enhanced Fund	<b>0.25</b>	0.25
First Sentier Institutional Cash Fund	<b>0.20</b>	0.20
Stewart Investors Worldwide Sustainability Fund	<b>0.75</b>	0.75
First Sentier Australian Small Companies Long Short Fund	<b>0.69</b>	0.69
First Sentier Australian MidCap Fund	<b>1.01</b>	1.01
First Sentier Mortgage Backed Securities Fund	<b>0.30</b>	0.30

## 17 Related party transactions (continued)

### Responsible Entity's/Investment Manager's fees and other transactions (continued)

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year and amounts receivable/payable at year end between the Funds and the Responsible Entity and the Investment Manger were as follows:

	<b>First Sentier Premium Cash Enhanced Fund</b>		<b>First Sentier Institutional Cash Fund</b>	
	<b>Year ended</b>		<b>Year ended</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	\$	\$	\$	\$
Management fees for the year paid and payable by the Fund to the Investment Manager	<b>1,824,070</b>	698,151	<b>1,083,690</b>	429,572
Management fees reimbursement received for the year	<b>291,359</b>	124,954	<b>454,969</b>	226,816
Responsible Entity's fees paid and payable for the year	<b>94,627</b>	2,208,115	<b>200,924</b>	2,104,615
Aggregate amounts payable to the Investment Manager at the end of the year	<b>199,987</b>	239,523	<b>160,108</b>	296,716
Aggregate amounts receivable from the Investment Manager at the end of the year	<b>33,330</b>	134,098	<b>59,949</b>	207,334
Aggregate amounts payable to the Responsible Entity at the end of the year	<b>23,205</b>	211,994	<b>46,789</b>	221,704
	<b>Stewart Investors Worldwide Sustainability Fund</b>		<b>First Sentier Australian Small Companies Long Short Fund</b>	
	<b>Year ended</b>		<b>Year ended</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	\$	\$	\$	\$
Management fees for the year paid and payable by the Fund to the Investment Manager	<b>2,574,897</b>	172,274	<b>1,921,785</b>	598,568
Responsible Entity's fee rebate received for the year	-	454,247	-	-
Management fees reimbursement received for the year	<b>2,853,962</b>	296,906	<b>112,291</b>	93,624
Responsible Entity's fees paid and payable for the year	<b>54,906</b>	3,751	<b>36,747</b>	1,130,802
Aggregate amounts payable to the Investment Manager at the end of the year	<b>470,207</b>	184,880	<b>284,436</b>	506,071
Aggregate amounts receivable from the Responsible Entity at the end of the year	-	56,478	-	-
Aggregate amounts receivable from the Investment Manager at the end of the year	<b>164,511</b>	297,956	<b>5,508</b>	100,475
Aggregate amounts payable to the Responsible Entity at the end of the year	<b>18,929</b>	3,948	<b>8,178</b>	141,910

## 17 Related party transactions (continued)

### Responsible Entity's/Investment Manager's fees and other transactions (continued)

	First Sentier Australian MidCap Fund		First Sentier Mortgage Backed Securities Fund	
	Year ended		Year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$	\$	\$	\$
Management fees for the year paid and payable by the Fund to the Investment Manager	513,343	122,381	55,241	105
Performance fees for the year paid and payable by the Fund to the Investment Manager	64,337	-	-	-
Management fees reimbursement received for the year	113,944	85,632	83,238	96,332
Responsible Entity's fees paid and payable for the year	6,740	177,465	2,404	5
Aggregate amounts payable to the Investment Manager at the end of the year	56,469	104,061	5,784	29
Aggregate amounts receivable from the Investment Manager at the end of the year	6,641	91,898	864	74,101
Aggregate amounts payable to the Responsible Entity at the end of the year	1,859	25,570	683	5

### Related party unitholdings

Parties related to the Funds (including the The Trust Company (RE Services) Limited, their related parties and other funds managed by The Trust Company (RE Services) Limited), held no units in the Funds.

### Investments

The Funds did not hold any investments in The Trust Company (RE Services) Limited, its related parties or other funds managed by The Trust Company (RE Services) Limited as at 30 June 2022 (2021: Nil).

## 18 Significant events during the year

The Directors continue to assess the potential financial and other impacts of the coronavirus ("COVID-19") outbreak to the Funds. The current high-level of uncertainty regarding the severity and length of COVID-19 on investment markets has the ability to impact investment outcomes and increase volatility in investment performance during the period.

At the date of signing, the future impacts of COVID-19 on global and domestic economies and investment market indices, and their resulting impact on the Funds are uncertain. The Directors and management will continue to monitor this situation.

Further to this, the current geopolitical events have also 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 Funds.

On 1 February 2022, Richard McCarthy resigned as a Director.

There were no other significant events during the year.

## **19 Events occurring after the reporting period**

Stewart Investors Worldwide Sustainability Fund fully redeemed its investments in Stewart Investors Wholesale WorldWide Sustainability Fund in August 2022.

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 Funds, the results of their operations or the state of affairs of the Funds in subsequent years. The Funds continue to operate as a going concern.

## **20 Contingent assets and liabilities and commitments**

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2022 and 30 June 2021.

## Directors' declaration

In the opinion of the Directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 7 to 68 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 Funds' financial positions as at 30 June 2022 and of their performance for the financial year ended on that date
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable; and
- (c) Note 2(a) confirms that the financial statements 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  
21 September 2022



## Independent auditor's report

To the unitholders of First Sentier Domestic and Cash Funds

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### Our opinion

In our opinion:

The accompanying financial report of First Sentier Domestic and Cash Funds (each a Registered Scheme) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of each Registered Scheme's financial position as at 30 June 2022 and of their financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2022
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- directors' declaration.

for each of the following Registered Schemes:

- First Sentier Premium Cash Enhanced Fund (formerly known as "Colonial First State Wholesale Premium Cash Enhanced Fund")
- First Sentier Institutional Cash Fund (formerly known as "Colonial First State Investment Fund 30")
- Stewart Investors Worldwide Sustainability Fund (formerly known as "Colonial First State Investment Fund 3")
- First Sentier Australian Small Companies Long Short Fund (formerly known as "Colonial First State Investments Fund 32")
- First Sentier Australian MidCap Fund (formerly known as "Colonial First State Investment Fund 56")
- First Sentier Mortgage Backed Securities Fund (formerly known as "Colonial First State Wholesale Mortgage Backed Securities Fund")

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### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

#### **PricewaterhouseCoopers, ABN 52 780 433 757**

One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001  
T: +61 2 8266 0000, F: +61 2 8266 9999, [www.pwc.com.au](http://www.pwc.com.au)

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124  
T: +61 2 9659 2476, F: +61 2 8266 9999, [www.pwc.com.au](http://www.pwc.com.au)

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We are independent of the Registered Schemes 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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### **Other information**

The directors of the Responsible Entity are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### **Responsibilities of the directors of the Responsible Entity for the financial report**

The directors of the Responsible Entity are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the Responsible Entity are responsible for assessing the ability of the Registered Schemes to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Responsible Entity either intend to liquidate the Registered Schemes or to cease operations, or have no realistic alternative but to do so.





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### Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'Paul Collins'.

Paul Collins  
Partner

Sydney  
21 September 2022