

First Sentier Cash Fund

ARSN 634 630 229

Annual Report

For the period from 13 December 2019 to 30 June 2020

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Contents	Page
Directors' Report	2
Auditor's Independence Declaration	5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	11
Directors' Declaration	28
Independent auditor's report to the unitholders of the First Sentier Cash Fund	29

These financial statements cover First Sentier Cash Fund as an individual entity.

The Responsible Entity of the First Sentier Cash Fund 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) is the responsible entity (the "Responsible Entity") of First Sentier Cash Fund (the "Fund"). The directors of the Responsible Entity (the "Directors") present their report together with the financial statements of the Fund for the period from 13 December 2019 to 30 June 2020.

Principal activities

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

The Fund seeks investment in a portfolio of domestic short term money market securities which the Fund may access directly or indirectly. The Fund is actively managed and invests in assets that the Investment Manager believes offers the best value-for-risk by taking into account economic analysis and market trends.

The Fund was constituted on 3 July 2019 and commenced operations on 13 December 2019.

The Fund did not have any employees during the period.

There were no significant changes in the nature of the Fund's activities during the period.

Service providers for the Fund are detailed below:

Service	Provider
Responsible Entity	The Trust Company (RE Services) Limited
Investment Manager	First Sentier Investors (Australia) IM Limited
Custodian and Administrator	State Street Australia Limited
Statutory Auditors	Deloitte Touche Tohmatsu
Compliance plan	PricewaterhouseCoopers
Tax services	KPMG

Directors

The Directors of the Responsible Entity during the period 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	
Vicki Riggio	
Richard McCarthy	
Simone Mosse	Appointed as Director on 27 September 2019
Michael Vainauskas	Resigned as Director on 27 September 2019
Andrew McIver	Resigned as Alternate Director for Michael Vainauskas on 2 September 2019, Appointed as Alternate Director for Glenn Foster on 2 September 2019, Resigned as Alternate Director for Glenn Foster on 27 September 2019
Phillip Blackmore	Alternate Director for Vicki Riggio

Directors' Report (continued)

Review and results of operations

During the period, the Fund invested in accordance with the investment objective and guidelines as set out in the governing documents of the Fund and in accordance with the provisions of the Fund's Constitution.

Results

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

	Period from 13 December 2019 to 30 June 2020
Operating profit/(loss) (\$)	<u>816</u>
Distributions paid and payable (\$)	<u>6,307</u>
Distribution (cents per unit)	<u>6.58</u>

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 Fund. The current high-level of uncertainty regarding the severity and length of COVID-19 on investment markets has the potential to impact investment outcomes and increase volatility in investment performance.

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 Fund are uncertain. The Directors and management will continue to monitor this situation.

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

Matters subsequent to the end of the financial period

No matter or circumstances has arisen since 30 June 2020 that has significantly affected, or may significantly affect:

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

Likely developments and expected results of operations

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

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Fund in regards to insurance cover provided to either the officers of the Responsible Entity or the auditors of the Fund. So long as the officers of the Responsible Entity act in accordance with the Fund's Constitution and the *Corporations Act 2001*, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

The auditors of the Fund are in no way indemnified out of the assets of the Fund.

Directors' Report (continued)

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

Fees paid to the Responsible Entity and its associates out of the Fund's property during the period are disclosed in Note 16 to the financial statements.

No fees were paid out of the Fund's property to the Directors of the Responsible Entity during the period.

The number of interests in the Fund held by the Responsible Entity or its associates as at the end of the reporting period are disclosed in Note 16 to the financial statements.

Units in the Fund

The movement in units on issue in the Fund during the period is disclosed in Note 7 of the financial statements.

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

Environmental regulation

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

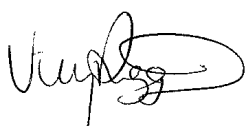
Rounding of amounts to the nearest dollar

The Fund is an entity 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 dollar in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

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 5.

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
18 September 2020

The Board of Directors
The Trust Company (RE Services) Limited
Level 18, 123 Pitt Street
Sydney NSW 2000

18 September 2020

Dear Directors,

Auditor's Independence Declaration to First Sentier Cash Fund

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of The Trust Company (RE Services) Limited, as the Responsible Entity for the First Sentier Cash Fund.

As lead audit partner for the audit of the financial statements of the First Sentier Cash Fund for the financial period ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Jonathon Corbett
Partner
Chartered Accountants
Sydney, 18 September 2020

Statement of comprehensive income

	Notes	Period from 13 December 2019 to 30 June 2020 \$
Investment income		
Trust distribution income		472
Net gains/(losses) on financial instruments at fair value through profit or loss	5	(69)
Other income	14	<u>114,659</u>
Total investment income		<u>115,062</u>
Expenses		
Responsible Entity's fees		17,060
Administration and custody fees		56,181
Professional fees	11	39,216
Other expenses	15	<u>1,789</u>
Total operating expenses		<u>114,246</u>
Operating profit/(loss)		<u>816</u>
Profit/(loss) for the financial period	7	<u>816</u>
Other comprehensive income		<u>-</u>
Total comprehensive income for the financial period		<u>816</u>

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

Statement of financial position

	Notes	As at 30 June 2020 \$
Assets		
Cash and cash equivalents	9	98,058
Receivables	12	53,970
Financial assets at fair value through profit or loss	6	<u>100,485</u>
Total assets		<u>252,513</u>
Liabilities		
Responsible Entity's fees payable		8,043
Administration and custody fees payable		56,181
Other payables	13	41,005
Distributions payable	8	<u>1,149</u>
Total liabilities		<u>106,378</u>
Net assets attributable to unitholders - equity	7	<u>146,135</u>

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

Statement of changes in equity

	Notes	Period from 13 December 2019 to 30 June 2020 \$
Total equity at the beginning of the financial period	7	-
Comprehensive income for the financial period		
Profit/(loss) for the financial period		816
Total comprehensive income for the financial period		<u>816</u>
Transactions with unitholders		
Applications	7	146,468
Units issued upon reinvestment of distributions	7	5,158
Distributions paid and payable	7	<u>(6,307)</u>
Total transactions with unitholders		<u>145,319</u>
Total equity at the end of the financial period		<u>146,135</u>

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

Statement of cash flows

	Notes	Period from 13 December 2019 to 30 June 2020 \$
Cash flows from operating activities		
Purchase of financial instruments at fair value through profit or loss		(100,167)
Other income received		60,774
Responsible Entity's fees paid		<u>(9,017)</u>
Net cash inflow/(outflow) from operating activities	10(a)	<u>(48,410)</u>
Cash flows from financing activities		
Proceeds from applications by unitholders	7	<u>146,468</u>
Net cash inflow/(outflow) from financing activities		<u>146,468</u>
Net increase/(decrease) in cash and cash equivalents		98,058
Cash and cash equivalents at the beginning of the reporting period		<u>-</u>
Cash and cash equivalents at the end of the reporting period	9	<u>98,058</u>
Non-cash financing activities	10(b)	<u>5,158</u>

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

Contents of the notes to the financial statements

	Page	
1	General information	11
2	Summary of significant accounting policies	11
3	Financial risk management	15
4	Fair value measurement	18
5	Net gains/(losses) on financial instruments at fair value through profit or loss	20
6	Financial assets at fair value through profit or loss	21
7	Net assets attributable to unitholders	21
8	Distributions to unitholders	22
9	Cash and cash equivalents	22
10	Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	23
11	Professional fees	23
12	Receivables	24
13	Other payables	24
14	Other income	24
15	Other expenses	25
16	Related party transactions	25
17	Significant events during the period	27
18	Events occurring after the reporting period	27
19	Contingent assets and liabilities and commitments	27

1 General information

These financial statements cover the First Sentier Cash Fund (the “Fund”) as an individual entity. The Fund was constituted on 3 July 2019, registered by Australian Securities and Investments Commission (“ASIC”) as a managed investment scheme on 15 July 2019 and commenced operations on 13 December 2019. The Fund will terminate in accordance with the provisions of the Fund’s constitution. Accordingly, the financial report only includes the current financial period, covering the period from commencement to 30 June 2020.

The Trust Company (RE Services) Limited (ABN 45 003 278 831) is the Responsible Entity of the Fund (the “Responsible Entity”). The Responsible Entity’s registered office is Level 18, Angel Place, 123 Pitt Street, Sydney, NSW, 2000. The financial statements are presented in the Australian currency.

The investment manager of the Fund is First Sentier Investors (Australia) IM Limited (the “Investment Manager”).

The Fund seeks investment in a portfolio of domestic short term money market securities which the Fund may access directly or indirectly. The Fund is actively managed and invests in assets that the Investment Manager believes offers the best value-for-risk by taking into account economic analysis and market trends.

The financial statements were authorised for issue by the Directors of the Responsible Entity on 18 September 2020. 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 throughout the period presented, unless otherwise stated.

(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 Fund is a for-profit fund 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.

The Statement of financial position is 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 net assets attributable to unitholders.

The Fund manages 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 reporting date.

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 Fund also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

(ii) *New and amended standards adopted by the Fund*

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial period beginning 1 July 2019 that will affect the current or future periods.

2 Summary of significant accounting policies (continued)

(b) Financial Instruments

(i) Classification

Assets

The Fund classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Fund's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is 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, 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.

(ii) Recognition/derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes 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 Fund has transferred substantially all risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Fund measures 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 Statement 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 Statement of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise.

Further details on how the fair values of financial instruments are determined are disclosed in Note 4.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement 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.

At the end of the reporting period, there are no financial assets or liabilities offset or which could be offset in the Statement of financial position.

(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 Fund at any time for cash based on the redemption price.

The units are measured at the redemption amount that is payable at balance sheet date if the unitholder exercises the right to put the units back to the Fund. 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 Fund's liquidation;

2 Summary of significant accounting policies (continued)

(c) Net assets attributable to unitholders (continued)

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

(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 Fund's main income generating activity.

(e) 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.

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

Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(b) to the financial statements.

(f) Expenses

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

(g) Income tax

Under current legislation, the Fund is not subject to income tax provided it attributes the entirety of its taxable income to its unitholders.

(h) Distributions and Dividends

Distributions are payable as set out in the Fund's offering document. Such distributions are determined by the Responsible Entity of the Fund. 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.

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 Fund is not subject to capital gains tax.

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

2 Summary of significant accounting policies (continued)

(h) Distributions and Dividends (continued)

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

Dividend income is recognised on the ex-dividend date.

(i) Increase/decrease in net assets attributable to unitholders

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

(j) Foreign currency translation

(i) Functional and presentation currency

Items included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Fund competes for funds and is regulated. The Australian dollar is also the Fund's presentation currency.

(k) Receivables

Receivables include amounts for dividends, interest and trust distributions. Interest is accrued at each dealing date in accordance with the policy set out in Note 2(e) above. Trust distributions are accrued when the right to receive payment is established. 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 Fund has 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.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss, if any, is recognised in the Statement 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 Statement of comprehensive income.

(l) Payables

Payables include accrued expenses owing by the Fund which are unpaid as at the end of the reporting period.

Payables may include amounts for redemptions of units in the Fund 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 the reporting period is recognised separately on the Statement of financial position as unitholders are presently entitled to the distributable income under the Fund's Constitution.

2 Summary of significant accounting policies (continued)

(m) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Fund by third parties such as audit fees, custodian services and management fees have been passed onto the Fund. The Fund qualifies for RITC, hence Management fees, Administration and custody fees and other expenses have been recognised in the Statement 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 Statement of financial position. Cash flows relating to GST are included in the Statement of cash flows on a gross basis.

(n) Use of estimates

The Fund makes 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 Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, including unquoted securities 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 Statement 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.

(o) Rounding of amounts

The Fund is an entity 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 dollar in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

3 Financial risk management

(a) Overview

The Fund's activities expose it to a variety of financial risks. The management of these risks is undertaken by the Fund's Investment Manager who has been appointed by the Responsible Entity under an Investment Management Agreement to manage the Fund's 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;
- 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 Fund; and
- Regular reporting on the liquidity of the Fund in accordance with the Fund's Liquidity Risk Management Statement.

3 Financial risk management (continued)

(a) Overview (continued)

The Fund's 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 Fund. Specific controls the Investment Manager applies to manage the financial risks are detailed under each risk specified below.

(b) Market risk

(i) Price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

All securities investments present a risk of loss of capital. The Fund's market price risk is managed through deliberate securities selection.

The Fund manages market price risk by establishing limits as to the types and degrees of risk that may be undertaken. Additionally, the Fund monitors the fluctuation in its value and compares these fluctuations to its risk objective.

As at year end, the overall market exposure were as follows:

As at 30 June 2020	Fair value \$	% of net asset attributable to unitholders
Financial assets		
Unit trusts	100,485	68.76

(ii) Foreign exchange risk

Primarily the Fund's investment is a unit trust denominated in Australian dollars. The Fund does not have any exposure to foreign exchange risk as at 30 June 2020.

(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 majority of the Fund's financial assets are non-interest-bearing. Interest-bearing financial assets comprise solely of cash at bank. As a result the Fund is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

3 Financial risk management (continued)

(b) Market risk (continued)

(iii) Interest rate risk (continued)

Below table summarises the Fund's exposure to interest rate risks.

30 June 2020	Floating interest rate \$	Fixed interest rate \$	Non-interest bearing \$	Total \$
Financial assets				
Cash and cash equivalents	98,058	-	-	98,058
Receivables	-	-	53,970	53,970
Financial assets at fair value through profit or loss	-	-	100,485	100,485
Total assets	98,058	-	154,455	252,513
Financial liabilities				
Responsible Entity's fees payable	-	-	(8,043)	(8,043)
Administration and custody fees payable	-	-	(56,181)	(56,181)
Other payables	-	-	(41,005)	(41,005)
Distributions payable	-	-	(1,149)	(1,149)
Total liabilities	-	-	(106,378)	(106,378)
Net assets attributable to unitholders	98,058	-	48,077	146,135

(c) Summarised sensitivity analysis

The following table summarises the sensitivity of the Fund's operating profit and net assets attributable to unitholders to the 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 correlation of the Fund's 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 the economies, markets and securities in which the Fund invests. As a result, historical variations in risk variables are not a definitive indicator of future variations in the risk variables.

30 June 2020	Price risk	
	Impact on operating profit/Net assets attributable to unitholders	
	-10%	+10%
	\$	\$
	(10,049)	10,049

(d) Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to pay amounts in full when due.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets.

3 Financial risk management (continued)

(d) Credit risk (continued)

(i) Bank deposits, assets held with the custodian

The Fund's financial assets which are potentially subject to concentrations of credit risk consist principally of bank deposits, assets held with the custodian.

The table below summarises these assets at 30 June 2020:

As at 30 June 2020	\$	Credit rating	Source of credit rating
Bank and custodian			
State Street Bank and Trust Company	98,058	AA-	S&P

(e) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due and can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions of units in the Fund. The Fund invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

(i) Maturities of non-derivative financial liabilities

The table below analyses the Fund's non-derivative financial liabilities into relevant maturity groupings based on the remaining period to contractual maturity, as of the reporting period end. The amounts in the table are the contractual undiscounted cash flows. Balances that are due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 30 June 2020	Less than 1 month \$	1-6 months \$	6-12 months \$	Over 12 months \$	No stated maturity \$
Responsible Entity's fees payable	8,043	-	-	-	-
Administration and custody fees payable	56,181	-	-	-	-
Other payables	41,005	-	-	-	-
Distributions payable	1,149	-	-	-	-
Total financial liabilities	106,378	-	-	-	-

To assess the impact of COVID-19 on the liquidity of the Fund, the Responsible Entity conducted frequent and enhanced monitoring of the liquidity of the Fund during the second half of the period.

4 Fair value measurement

The Fund measures and recognises the following assets and liabilities at fair value on a recurring basis

- Financial assets at fair value through profit or loss (FVTPL) (see Note 6)

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current financial period. AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

4 Fair value measurement (continued)

- (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) *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 unlisted unit trusts with suspended applications and withdrawals.

Where discounted cash flow techniques are used, estimated future cash flows are based on Investment Manager's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such Funds. The Fund may make adjustments to the redemption value based on considerations such as liquidity of the unit trust 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 Fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

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

The determination of what constitutes 'observable' requires significant judgment by the Investment Manager. 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.

Recognised fair value measurement

The following table presents the Fund's financial assets and liabilities measured and recognised at fair value as at 30 June 2020.

As at 30 June 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Unit trusts	-	100,485	-	100,485
Total	-	100,485	-	100,485

4 Fair value measurement (continued)

Recognised fair value measurement (continued)

(i) Transfers between levels

The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels for the period ended 30 June 2020.

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

The Fund did not hold any financial instruments with fair value measurements using significant unobservable inputs during the period ended 30 June 2020.

(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 period.

(iv) Fair values of other financial instruments

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

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

Net gains/(losses) recognised in relation to financial instruments at fair value through profit or loss:

	Period from 13 December 2019 to 30 June 2020 \$
Financial assets	
Net unrealised gains/(losses) on financial assets at fair value through profit or loss	(69)
Total net gains/(losses) on financial instruments at fair value through profit or loss	(69)

6 Financial assets at fair value through profit or loss

	As at 30 June 2020 \$
Financial assets at fair value through profit or loss	
Unit trusts	100,485
Total financial assets at fair value through profit or loss	<u>100,485</u>

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

7 Net assets attributable to unitholders

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

	Period from 13 December 2019 to 30 June 2020 No.	Period from 13 December 2019 to 30 June 2020 \$
Net assets attributable to unitholders - Class A		
Opening balance	-	-
Applications	46,455	46,468
Units issued upon reinvestment of distributions	-	-
Distributions paid and payable	-	(364)
Profit/(loss) for the financial period	-	125
Closing balance	<u>46,455</u>	<u>46,229</u>
Net assets attributable to unitholders - Class W		
Opening balance	-	-
Applications	100,000	100,000
Units issued upon reinvestment of distributions	5,306	5,158
Distributions paid and payable	-	(5,943)
Profit/(loss) for the financial period	-	691
Closing balance	<u>105,306</u>	<u>99,906</u>
Total net assets attributable to unitholders		<u>146,135</u>

As stipulated within the Fund Constitution, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are two separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

Capital risk management

The Fund classifies its net assets attributable to unitholders as equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unitholders.

7 Net assets attributable to unitholders (continued)

Capital risk management (continued)

Daily applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets by the Investment Manager. Under the terms of the Fund's constitution, 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.

8 Distributions to unitholders

Distributions are payable at the end of each financial period. Such distributions are determined by reference to the net taxable income of the Fund.

The distributions for the period were paid/payable as follows:

	Period from 13 December 2019 to 30 June 2020 \$	Period from 13 December 2019 to 30 June 2020 CPU*
Distributions - Class A Units		
30 June (payable)	364	0.78
	<u>364</u>	<u>0.78</u>
Distributions - Class W Units		
31 December	260	0.26
31 January	1,178	1.17
29 February	930	0.92
31 March	894	0.87
30 April	1,030	1.00
31 May	866	0.83
30 June (payable)	785	0.75
	<u>5,943</u>	<u>5.80</u>
Total distributions	<u>6,307</u>	

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

9 Cash and cash equivalents

	As at 30 June 2020 \$
Cash at bank	<u>98,058</u>
Total cash and cash equivalents	<u>98,058</u>

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

	Period from 13 December 2019 to 30 June 2020 \$
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	
Profit/(loss) from operating activities	816
Purchase of financial instruments at fair value through profit or loss	(100,167)
Trust distributions income reinvested	(387)
Net (gains)/losses on financial instruments at fair value through profit or loss	69
Net change in receivables	(53,970)
Net change in payables	<u>105,229</u>
Net cash inflow/(outflow) from operating activities	<u>(48,410)</u>
(b) Non-cash financing activities	
During the reporting period, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	<u>5,158</u>

As described in Note 2(i), income not distributed is included in net assets attributable to unitholders. The change in this amount during the period (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.

11 Professional fees

During the period the following fees were paid or payable for professional services.

	Period from 13 December 2019 to 30 June 2020 \$
Auditors Remuneration amounts due to Deloitte Touche Tohmatsu	
Audit of financial statements	<u>21,945</u>
	<u>21,945</u>
Other services:	
Audit of the Compliance Plan (PricewaterhouseCoopers)	2,456
Tax compliance (KPMG)	<u>14,815</u>
	<u>17,271</u>
Total remuneration	<u>39,216</u>

12 Receivables

	As at 30 June 2020 \$
Distribution receivable	85
Management fee reimbursement receivable	49,851
Other receivable	4,034
Total receivables	53,970

13 Other payables

	As at 30 June 2020 \$
Professional fees payable	39,926
Other payables	1,079
Total other payables	41,005

14 Other income

	Period from 13 December 2019 to 30 June 2020 \$
Management fee reimbursement	114,659
Total other income	114,659

Operating expenses incurred by the Fund above the investment management fee rate of 0.20% per annum of the net asset value of the Fund are ultimately reimbursed by the Investment Manager and recorded as Management fee reimbursement in these financial statements.

15 Other expenses

	Period from 13 December 2019 to 30 June 2020 \$
Other expenses	1,789
Total other expenses	1,789

16 Related party transactions

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

Responsible Entity

The Responsible Entity of First Sentier Cash Fund is The Trust Company (RE Services) Limited.

Key management personnel

(a) Directors

The Directors of The Trust Company (RE Services) Limited during the period and up to the date of this report are as follows:

Glenn Foster	
Vicki Riggio	
Richard McCarthy	
Simone Mosse	Appointed as Director on 27 September 2019
Michael Vainauskas	Resigned as Director on 27 September 2019
Andrew Mclver	Resigned as Alternate Director for Michael Vainauskas on 2 September 2019, Appointed as Alternate Director for Glenn Foster on 2 September 2019, Resigned as Alternate Director for Glenn Foster on 27 September 2019
Phillip Blackmore	Alternate Director for Vicki Riggio

(b) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly, during the period.

Key management personnel unitholdings

No key management personnel of the Responsible Entity held units in the Fund as at 30 June 2020.

Key management personnel compensation

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

16 Related party transactions (continued)

Key management personnel compensation (continued)

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

Key management personnel loan disclosures

The Fund has 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 period.

Other transactions within the Fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund during the period and there were no material contracts involving Director's interests existing for the period ended 30 June 2020.

Responsible Entity's fees and other transactions

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

	Period from 13 December 2019 to 30 June 2020 \$
Management fees reimbursement received for the reporting period	114,659
Responsible Entity's fees paid and payable for the reporting period	17,060
Aggregate amounts receivable from the Investment Manager at the end of the reporting period	49,851
Aggregate amounts payable to the Responsible Entity at the end of the reporting period	8,043

Related party unitholdings

Parties related to the Fund (including The Trust Company (RE Services) Limited, its related parties and other funds managed by The Trust Company (RE Services) Limited), held units in the Fund as follows:

2020

Unitholder	No. of units held opening (Units)	No. of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	No. of units acquired (Units)	No. of units disposed (Units)	Distributions paid/payable by the Fund (\$)
The Trust Company (PTAL) Limited	-	46,455	46,138	31.63	46,455	-	364
Total	-	46,455	46,138	31.63	46,455	-	364

Investments

The Fund 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 2020.

17 Significant events during the period

The Directors continue to assess the potential financial and other impacts of the coronavirus (COVID-19) outbreak to the Fund. 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 Fund are uncertain. The Directors and management will continue to monitor this situation.

There were no other significant events during the period.

18 Events occurring after the reporting period

The Directors are not aware of any 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 Fund, the results of those operations or the state of affairs of the Fund in subsequent years. The Fund continues to operate as a going concern.

19 Contingent assets and liabilities and commitments

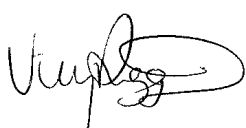
There are no outstanding contingent assets, liabilities or commitments as at 30 June 2020.

Directors' Declaration

In the opinion of the Directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 6 to 27 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001*; and other mandatory professional reporting requirements and
 - (ii) giving a true and fair view of the Fund's financial position as at 30 June 2020 and of its performance for the financial period ended on that date,
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
- (c) 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
18 September 2020

Independent Auditor's Report to the Unitholders of First Sentier Cash Fund

Opinion

We have audited the financial report of First Sentier Cash Fund (the "Fund"), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the directors of The Trust Company (RE Services) Limited (the "Responsible Entity")

In our opinion the accompanying financial report of the Fund, is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Fund's financial position as at 30 June 2020 and of its financial performance for the period then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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. We are independent of the Fund in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of The Trust Company (RE Services) Limited ("Responsible Entity"), would be in the same terms if given to directors as at the time of this auditor's report.

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

Other Information

The directors of the Responsible Entity are responsible for the other information. The other information comprises the information included in the Fund's annual report for the period ended 30 June 2020, 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 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, 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.

Responsibilities of the Directors 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 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 are responsible for assessing the Fund's ability 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 either intend to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Responsible Entity.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability

to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

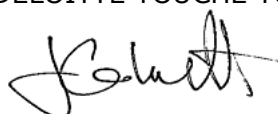
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors of the Responsible Entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors of with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Jonathon Corbett
Partner
Chartered Accountants
Sydney, 18 September 2020