

**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

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## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### DIRECTORY

#### THE MANAGER

FundRock NZ Limited  
Level 2, 1 Woodward Street  
Wellington

This is also the address of the registered office.

#### THE SUPERVISOR

Public Trust  
Level 2, 22 Willeston Street  
Private Bag 5902  
Wellington 6140, New Zealand

#### DIRECTORS OF THE MANAGER

Anthony R J Edmonds  
Ian H Russon (resigned 1 July 2023)  
Jeremy B Valentine  
Gareth Fleming  
Hugh D Stevens (appointed 1 July 2023)

#### INVESTMENT MANAGER

First Sentier Investors (Australia) IM Limited

#### AUDITOR

PricewaterhouseCoopers  
10 Waterloo Quay  
PO Box 243  
Wellington 6140, New Zealand

#### BANKERS

ANZ Bank New Zealand Limited ("ANZ")  
BNP Paribas

#### FUND ADMINISTRATOR AND CUSTODIAN

BNP Paribas Fund Services Australasia Pty Ltd, New Zealand  
branch

### CORRESPONDENCE

All correspondence and enquiries about the First Sentier Responsible Listed Infrastructure Fund should be addressed to the Manager, FundRock NZ Limited, at the above address.

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

First Sentier Responsible Listed Infrastructure Fund ("Fund") was constituted under a trust deed ("Trust Deed") dated 20 June 2013 between First Sentier Investors (Australia) IM Limited and Public Trust ("Supervisor") and a supplemental deed to the Trust Deed dated 22 September 2020 between FundRock NZ Limited and the Supervisor.

### STATEMENT BY THE MANAGER

In our opinion, the accompanying financial statements and notes are drawn up in accordance with generally accepted accounting practice in New Zealand and present fairly the financial position of the Fund as at 31 March 2024, and of the results of its financial performance and cash flows for the year ended on that date in accordance with the requirement of the Trust Deed dated 20 June 2013.

It is believed that there are no circumstances that may materially and adversely affect any interest of the Unitholders.

For and on behalf of the Manager:  
**FundRock NZ Limited**



.....  
Director **Anthony Edmonds**



.....  
Director **Jeremy Valentine**

This Statement was approved for signing at a meeting of the Directors on 17 July 2024.

**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 \$'000	2023 \$'000
<b>INCOME</b>			
Dividends		7,656	7,886
Distributions		2,197	1,884
Interest income on cash and cash equivalents		216	190
Net changes in fair value of financial assets and financial liabilities at fair value through profit or loss	4	(11,970)	(42,690)
Net foreign exchange (losses)/gains		(352)	1,802
Other income		-	119
<b>TOTAL LOSS</b>		<b><u>(2,253)</u></b>	<b><u>(30,809)</u></b>
<b>EXPENSES</b>			
Management fees	15	3,003	3,356
Brokerage fees and other expenses	5	<u>344</u>	<u>276</u>
<b>TOTAL EXPENSES</b>		<b><u>3,347</u></b>	<b><u>3,632</u></b>
<b>NET LOSS</b>		<b>(5,600)</b>	<b>(34,441)</b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE LOSS</b>		<b><u>(5,600)</u></b>	<b><u>(34,441)</u></b>

*The accompanying notes form part of and should be read in conjunction with these financial statements.*

**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND****STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS  
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 \$'000	2023 \$'000
<b>UNITHOLDERS' FUNDS AT THE BEGINNING OF THE YEAR</b>		<b>308,248</b>	<b>495,149</b>
Net loss and other comprehensive income for the year		<u>(5,600)</u>	<u>(34,441)</u>
<b>Total comprehensive loss</b>		<b>(5,600)</b>	<b>(34,441)</b>
Subscriptions from Unitholders		51,781	30,018
Redemptions by Unitholders		(39,253)	(172,542)
Distributions to Unitholders		<u>(9,387)</u>	<u>(9,936)</u>
		<b>3,141</b>	<b>(152,460)</b>
<b>UNITHOLDERS' FUNDS AT THE END OF THE YEAR</b>	12b	<b><u>305,789</u></b>	<b><u>308,248</u></b>

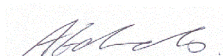
*The accompanying notes form part of and should be read in conjunction with these financial statements.*

**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND**


**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2024**

	Note	As at 31 March 2024 \$'000	As at 31 March 2023 \$'000
<b>ASSETS</b>			
Cash and cash equivalents		3,630	2,249
Receivables	8	5,446	647
Financial assets at fair value through profit or loss			
Investment Securities	6	304,864	301,908
Derivatives	7	19	4,693
<b>TOTAL ASSETS</b>		<b><u>313,959</u></b>	<b><u>309,497</u></b>
<b>LIABILITIES</b>			
Payables	9	2,381	540
Financial liabilities at fair value through profit or loss			
Derivatives	7	5,789	709
<b>TOTAL LIABILITIES</b>		<b><u>8,170</u></b>	<b><u>1,249</u></b>
<b>UNITHOLDERS' FUNDS</b>		<b><u>305,789</u></b>	<b><u>308,248</u></b>
<b>TOTAL LIABILITIES AND UNITHOLDERS' FUNDS</b>		<b><u>313,959</u></b>	<b><u>309,497</u></b>

For and on behalf of the Manager, FundRock NZ Limited, who authorised the issue of the financial statements on 17 July 2024.



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Director **Anthony Edmonds**



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Director **Jeremy Valentine**

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## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 \$'000	2023 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Dividends		7,341	8,150
Distributions		2,050	1,719
Interest income		233	164
Realisation of investment securities		241,227	398,006
Other income		-	119
Operating expenses		(3,138)	(4,294)
Purchase of investment securities		(244,834)	(343,785)
Net settlement of derivatives		<u>(4,893)</u>	<u>(34,501)</u>
<b>Net cash (outflow)/inflow from operating activities</b>	13	<b>(2,014)</b>	<b>25,578</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Subscriptions from Unitholders		51,532	30,018
Redemptions by Unitholders		(38,765)	(53,304)
Distributions to Unitholders		<u>(9,387)</u>	<u>(9,936)</u>
<b>Net cash inflow/(outflow) from financing activities</b>		<b>3,380</b>	<b>(33,222)</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<b>1,366</b>	<b>(7,644)</b>
Cash and cash equivalents at beginning of the year		2,249	9,903
Effect of exchange rate fluctuations on cash and cash equivalents		<u>15</u>	<u>(10)</u>
<b>Cash and cash equivalents at end of the year</b>		<b><u>3,630</u></b>	<b><u>2,249</u></b>
<b>Cash and cash equivalents comprise of:</b>			
Cash at bank		<u>3,630</u>	<u>2,249</u>
<b>Cash and cash equivalents at end of the year</b>		<b><u>3,630</u></b>	<b><u>2,249</u></b>

*The accompanying notes form part of and should be read in conjunction with these financial statements.*



**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024****1. GENERAL INFORMATION**

The First Sentier Responsible Listed Infrastructure Fund ("Fund") is a for-profit managed investment fund domiciled in New Zealand and established under the Financial Markets Conduct Act 2013 ("FMC Act"). The financial statements for the Fund have been prepared in accordance with the Trust Deed.

The Fund was established under a Trust Deed dated 20 June 2013 and commenced operations on 13 December 2013.

The Fund aims to achieve capital growth and inflation protected income by investing in a globally diversified portfolio of infrastructure securities, with a focus on companies that the Investment Manager believes can contribute to or benefit from sustainable development.

The Fund aims to outperform the FTSE Developed Core Infrastructure ex – Pipelines Net Total Return Index (NZD hedged), after fees and expenses, but before investor taxes, over rolling five-year periods. Currency exposure will be hedged back into New Zealand dollars using forward currency contract derivatives.

**2. BASIS OF PREPARATION****Reporting Period**

These financial statements are for the year ended 31 March 2024. The comparative figures are for the year ended 31 March 2023.

**Statement of Compliance**

The financial statements have been prepared in accordance with the Trust Deed and New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). The financial statements comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), and other applicable Financial Reporting Standards, as appropriate for a for-profit entity.

The financial statements also comply with International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board.

**Measurement Base**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgment in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are material to the financial statements are disclosed below.

The financial statements are prepared in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

FundRock NZ Limited is the Manager of the Scheme. The Manager enters into fund hosting arrangements with various investment managers. The arrangements involve the issuing and managing of funds, under the Manager's Managed Investment Scheme licence, on behalf of investment managers who want to provide investors with access to their investment solutions. The Manager contracts with other service providers to provide the services required to be provided directly to the Fund. This includes investment management, supervision, custody, fund administration and audit services. In respect of these services the Manager is acting as an agent of the Fund.

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 3. SUMMARY OF MATERIAL 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 the years presented, unless otherwise stated.

##### (a) Changes in accounting policies and accounting standards adopted during the year

*New Standards and amendments to existing standards effective 1 April 2023*

The Fund has adopted the amendment to NZ IAS 1 Presentation of Financial Statements effective from financial year 2024. It replaces the requirement for entities to disclose “significant” accounting policies with a requirement to disclose “material” accounting policies.

There have been no material changes in accounting policies during the year. All other policies have been applied on a basis consistent with those used in the prior period.

*Issued but not yet effective accounting standards*

NZ IFRS 18 Presentation and Disclosure in Financial Statements (NZ IFRS 18) was issued in May 2024 as replacement for NZ IAS 1 Presentation of Financial Statements (NZ IAS 1) and applies to an annual reporting period beginning on or after 1 January 2027. Most of the presentation and disclosure requirements would largely remain unchanged together with other disclosures carried forward from NZ IAS 1. NZ IFRS 18 primarily introduces the following:

- a defined structure for the statements of comprehensive income by classifying items into one of the five categories: operating, investing, financing, income taxes and discontinued operations. Entities will also present expenses in the operating category by nature, function, or a mix of both, based on facts and circumstances;
- disclosure of management-defined performance measures in a single note together with reconciliation requirements; and
- additional guidance on aggregation and disaggregation principles (applied to all primary financial statements and notes).

The Manager is currently assessing the impact of adopting the standard.

Other than above, there are no new standards, amendments to standards or interpretations that are not yet effective and have been early adopted that are expected to have a material effect on the Financial Statements of the Fund.

##### (b) Climate Related Disclosures

FundRock is a Climate Reporting Entity pursuant to the provisions of the Financial Markets Conduct Act 2013, as modified by the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021. Climate-related disclosures for the Funds will be prepared in accordance with Aotearoa New Zealand Climate Standards issued by External Reporting Board and will be available at the Climate-Related Disclosures Register.

The impacts of climate change have a high degree of uncertainty associated with them. FundRock and the investment manager have used and will continue to use scenario analysis and climate-related metrics (such as carbon emissions) to identify, assess, and monitor climate-related risks and opportunities for the Funds. FundRock has not attempted to quantify the impacts (or expected impacts) of said risks and opportunities because this poses substantial technical challenges; nonetheless, FundRock understands that expected impacts may be significant.

For more details on climate-related risks and opportunities for the Funds and how FundRock manages them, please refer to the Climate-Related Statements.

##### (c) Investment Entity

The Fund has multiple investors and directly holds multiple investments.

The Fund has been deemed to meet the definition of an investment entity per *NZ IFRS 10: Consolidated Financial Statements* as the following criteria are met:

- (i) The Fund has obtained funds for the purpose of providing investors with investment management services.
- (ii) The Fund’s business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income, through the investments.
- (iii) The performance of its investments is measured and evaluated on a fair value basis.

The Fund is considered to meet the definition of an investment entity, hence, it qualifies as an investment entity.

# FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

#### (d) Foreign Currency Translation

##### *Functional and presentation currency*

The Manager considers the New Zealand dollar the currency that most accurately represents the economic effect of the underlying transactions, events and conditions. The New Zealand dollar is the currency in which the Fund measures its performance and reports its results, as well as the currency in which it receives subscriptions from Unitholders.

##### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the reporting date.

Foreign exchange gains and losses relating to financial assets carried at fair value through profit or loss are presented in the Statement of Profit or Loss and Other Comprehensive Income within 'net changes in fair value of financial assets and financial liabilities at fair value through profit or loss'.

Other foreign exchange gains and losses, other than those relating to financial assets at fair value through profit or loss, arising from translation are included in profit or loss in the Statement of Profit and Loss and Other Comprehensive Income within "other foreign exchange losses".

#### (e) Income Recognition

##### *(i) Dividends and distributions*

Dividend and distribution income is recognised on the date that the Fund's right to receive payment is established. It is probable that the economic benefits associated with the dividends and distributions will flow to the Fund, and the amounts for these can be measured reliably.

##### *(ii) Interest*

Interest income is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

##### *(iii) Changes in fair value of financial instruments*

Net gains or losses on investments at fair value through profit or loss are calculated as the difference between the fair value at sale, or at period end, and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses, but does not include interest, dividends and distributions income.

#### (f) Financial Instruments

##### *(i) Classification*

##### *(a) Assets*

The Fund classifies its financial instruments based on both the Fund's business model for managing those financial assets and contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund does not hold any debt securities. Consequently, all investments are measured at fair value through profit or loss.

##### *(b) Liabilities*

The Fund holds derivative financial instruments. Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

##### *(ii) Recognition, Derecognition and Measurement*

Purchases and sales of investments are recognised on the trade date – the date on which the Fund commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit and Loss and Other 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 Profit and Loss and Other Comprehensive Income within 'net changes in fair value of financial assets and liabilities at fair value through profit or loss' in the period in which they arise.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)***(iii) Fair value estimation*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value of financial instruments traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is the last sale price. Where the last sale price falls outside of the bid-ask spread for a particular security, bid price will be used to value the investment.

For investments with no active markets, fair values are determined using valuation techniques. Such techniques include: using recent arm's length transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible and keeping judgmental inputs to a minimum.

*(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. Agreements with derivative counterparties for the Fund are based on International Swaps and Derivatives Association ("ISDA") Master Agreements.

**(g) Financial Assets and Financial Liabilities at Amortised Cost**

Financial assets at amortised cost comprise cash and cash equivalents and receivables. These include cash balances and call deposits, accrued interest and dividends, and proceeds expected from sale transactions where the trade date and settlement date spanned the reporting date. The carrying value closely approximates their fair value.

Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method less any impairment losses. The effective interest method calculates the amortised cost of a financial asset or financial liability and allocates the interest income or interest expense, including any fees and directly related transaction costs that are an integral part of the effective interest rate, over the expected life of the financial asset or liability so as to achieve a constant yield on the financial asset or liability.

# FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

#### (i) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank, demand deposits and short-term deposits in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with an original maturity of three months or less and bank overdraft. Bank overdrafts are shown as current liabilities in the Statement of Financial Position.

#### (ii) Receivables

Receivables include amounts where settlement has not yet occurred, and include outstanding settlements on the sale of investments. Amounts are generally received within 30 days of being recorded as receivables. Given the short-term nature of most receivables, the carrying amount approximates their fair value.

#### (iii) Payables

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Fund, and include outstanding settlements on the purchase of investments. Payables are measured initially at fair value and subsequently at amortised cost. Amounts are generally paid within 30 days of being recorded as payables. Given the short-term nature of most payables, the carrying amount approximates their fair value.

#### (h) Impairment of Financial Assets at Amortised Cost

*NZ IFRS 9: Financial Instruments* requires the Fund to record expected credit losses (ECL) on all of its receivables, either on a 12-month or lifetime basis.

The Fund only holds receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply the simplified approach for expected credit losses (ECL) under *NZ IFRS 9: Financial Instruments* to all its receivables. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at the reporting date.

With the short time period and the simplistic nature of the financial assets, accrued interest and dividends and receivables from sale of investments measured at amortised cost, the Fund does not anticipate any expected credit losses for these assets.

#### (i) Expenses

All expenses are recognised on an accrual basis.

#### (j) Taxation

##### *Income taxation*

The Fund has elected to become a Portfolio Investment Entity ("PIE") for the purposes of the Income Tax Act 2007.

Tax treatment applicable to a PIE:

Under current taxation law the Fund pays no income tax on the taxable income of the Fund and all taxable income and associated tax credits applicable are allocated to investors, in proportion to the units they hold on the days when taxable income and credits arise.

Under the PIE regime, the Manager attributes the taxable income of the Fund to Unitholders in accordance with the proportion of their overall interest in the Fund. The income attributed to each Unitholder is taxed at the Unitholder's 'Prescribed Investor Rate' which is capped at 28%. The Fund is responsible for deducting tax from each investor's allocation using each investor's Prescribed Investor Rate and pays the tax to the taxation authorities on behalf of the investor.

##### *Goods and services tax (GST)*

The Fund is not registered for GST and consequently all components of the financial statements are stated inclusive of GST where appropriate.

**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)****(k) Distributions to Unitholders**

Distributions may be made from the Fund in accordance with the terms of the Trust Deed, the Establishment Deed and the relevant Fund's distribution policy. Amounts that are not distributed remain invested as part of the assets of the Fund. Proposed distributions to unitholders are recognised in the Statement of Changes in Unitholders' Funds when they are appropriately authorised and no longer at the discretion of the Fund Manager.

Unitholders have the choice to automatically reinvest their distributions. The reinvestment is made on the first available ex distribution net asset value price for the Fund.

**(l) Redeemable Units and Unitholders' Fund**

Ownership interests in the Fund are in the form of redeemable units in accordance with *NZ IAS 32: Financial Instruments: Presentation* and which are exposed to variable returns from changes in the fair value of the Fund's net assets. Units issued by the Fund provide the Unitholder the right to request redemption for cash at the value proportionate to the Unitholder's share in the Fund's net asset value. The Unitholders' Funds meet the definition of a "puttable instrument" in accordance with *NZ IAS 32: Financial Instruments: Presentation* and is classified as equity.

The redeemable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net assets value if the Unitholders exercise their right to relinquish the units. The redemption unit price is based on different valuation principles to that applied in financial reporting. This is explained in more detail in note 12.

**(m) Presentation of Cash Flows**

For the purposes of the Statement of Cash Flows, proceeds from the sale and purchase of investments at fair value through profit or loss and proceeds from realisation of derivatives are considered operating activities. The sales and purchases of investment securities maintain the operating capability of the Fund even though the investments may not be acquired specifically for resale or trading.

**(n) Critical Accounting Estimates and Assumptions***Fair value of financial assets held at fair value*

The investments of the Fund in listed equity and unit trust securities have been valued at closing last sale price, therefore there are no accounting estimates or assumptions required in the valuation of the carrying amounts of these assets.

*Fair value of derivative financial instruments*

The Fund may, from time to time, hold financial instruments that are not quoted in an active market, such as over-the-counter derivatives. All of the Fund's derivative financial instruments are held for the purpose of being traded. Fair values of such instruments are determined by using valuation techniques. Forward foreign exchange contracts are marked to market at the forward currency exchange rate at the valuation date.

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 4. NET CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	\$'000	\$'000
<i>Financial assets at fair value through profit or loss:</i>		
Gains	2,677	1,734
<i>Derivatives:</i>		
Losses	<u>(14,647)</u>	<u>(44,424)</u>
	<u><b>(11,970)</b></u>	<u><b>(42,690)</b></u>

#### 5. BROKERAGE FEES AND OTHER EXPENSES

	2024	2023
	\$'000	\$'000
Fees incurred to PricewaterhouseCoopers for the audit of the financial statements	49	28
Brokerage fees	253	214
Administration fees	<u>42</u>	<u>34</u>
	<u><b>344</b></u>	<u><b>276</b></u>

#### 6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	\$'000	\$'000
International listed infrastructure securities	262,345	259,407
International listed equity unit trusts	<u>42,519</u>	<u>42,501</u>
	<u><b>304,864</b></u>	<u><b>301,908</b></u>

#### 7. DERIVATIVES

The Fund holds forward foreign exchange contracts.

Forward foreign exchange contracts are contractual obligations to buy or sell foreign currencies on a future date at a specified price.

Forward foreign exchange contracts are settled on a net basis.

	2024	2023
	\$'000	\$'000
<b>Assets</b>		
<i>Derivatives:</i>		
Forward foreign exchange contracts	<u>19</u>	<u>4,693</u>
	<u><b>19</b></u>	<u><b>4,693</b></u>
<b>Liabilities</b>		
<i>Derivatives:</i>		
Forward foreign exchange contracts	<u>5,789</u>	<u>709</u>
	<u><b>5,789</b></u>	<u><b>709</b></u>

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 8. RECEIVABLES

	2024	2023
	\$'000	\$'000
Interest receivable	10	27
Distributions receivable	312	165
Dividends receivable	437	122
Outstanding application	249	-
Outstanding settlements from sale of investment securities	4,390	-
PIE tax receivable from Unitholders	-	283
Other receivables	48	50
	<u>5,446</u>	<u>647</u>

#### 9. PAYABLES

	2024	2023
	\$'000	\$'000
Outstanding redemption	488	-
Manager fees payable	408	221
Outstanding settlements for purchase of investment securities	1,429	-
PIE tax payable to Inland Revenue	-	283
Other expenses payable	56	36
	<u>2,381</u>	<u>540</u>

#### 10. AUDIT FEES

PricewaterhouseCoopers fees for the year ended 31 March 2024 amounted to \$27,762 (31 March 2023: \$25,142) excluding GST.

#### 11. NON-CASH TRANSACTIONS

During the year, the Fund had an in-specie transaction from outside of the Fund or non-cash transactions as follows:

	2024	2023
	\$'000	\$'000
In-specie and non cash transfers - sales of investments	-	119,238
In specie transfers - redemption to Unitholders	-	119,238

#### 12. UNITHOLDERS' FUNDS

##### 12a. Units on issue

	2024	2023
	'000	'000
Units on issue at the beginning of the year	148,873	210,900
Subscriptions from Unitholders	26,092	13,849
Redemptions by Unitholders	(20,182)	(75,876)
<b>Units on issue at the end of the year</b>	<u><b>154,783</b></u>	<u><b>148,873</b></u>

##### 12b. Units Holders' funds

	2024	2023
	\$'000	\$'000
<b>Unitholders' funds at the end of the year</b>	<u><b>305,789</b></u>	<u><b>308,248</b></u>
<b>Unit price NAV at the end of the year</b>	<u><b>305,805</b></u>	<u><b>308,256</b></u>



## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 12. UNITHOLDERS' FUNDS (Continued)

The unit price Net Asset Value ("NAV") is calculated using last sale price and the latest available prices at the close of business on the last business day of the reporting period. The NAV or the Funds attributable to Unitholders as per the Statement of Financial Position is also based on last sale price as at the last business day of the reporting period. Therefore, the difference in the NAV between the unit price and the financial statements is due to price valuation and timing, if any.

#### Redeemable Units and Capital Risk Management

The Fund issues redeemable units. The NAV of the units is shown in the Statement of Financial Position as Unitholders' Funds. Each Unitholder is entitled to payment based on the value of the Unitholder's share in the investment portfolio's NAV on the redemption date. The Fund has no restrictions or specific capital requirements on the subscription and redemption of units.

The relevant movements are shown on the Statement of Changes in Unitholders' Funds. The Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of securities where necessary.

Each unit in the Fund ranks equally with other units in that Fund and shall confer an equal undivided interest in the relevant Fund. Unitholders have various rights under the Trust Deed of the Fund, including the rights to:

- Have their units redeemed
- Receive the Unitholders' funds of the Fund upon termination of the Fund
- Receive distributions distributed by the Fund; and
- Attend and vote at meetings of Unitholders

#### 13. RECONCILIATION OF NET PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	\$'000	\$'000
<b>Net (loss)/profit</b>	<b>(5,600)</b>	<b>(34,441)</b>
<i>Adjustments for:</i>		
Payments for the purchase of investments	(244,834)	(343,785)
Proceeds from sale of investments	241,227	398,006
Net changes in fair value of financial assets at fair value through profit or loss	11,970	42,690
Foreign exchange loss	352	(1,802)
Net settlement of derivatives	(4,893)	(34,501)
<i>Changes in assets and liabilities:</i>		
Decrease/(increase) in receivables	(160)	233
(Decrease)/increase in payables	(76)	(822)
<b>Net cash (outflow) from operating activities</b>	<b><u>(2,014)</u></b>	<b><u>25,578</u></b>

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

## 14. CLASSIFICATION OF FINANCIAL INSTRUMENTS

			2024		Total
	Financial liabilities at fair value through profit or loss	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
Cash and cash equivalents	-	-	3,630	-	3,630
Receivables	-	-	5,446	-	5,446
Financial assets at fair value through profit or loss	-	304,864	-	-	304,864
Derivatives held for trading	-	19	-	-	19
<b>Total Assets</b>	<b>-</b>	<b>304,883</b>	<b>9,076</b>	<b>-</b>	<b>313,959</b>
<b>LIABILITIES</b>					
Payables	-	-	-	2,381	2,381
Derivatives held for trading	5,789	-	-	-	5,789
<b>Total Liabilities</b>	<b>5,789</b>	<b>-</b>	<b>-</b>	<b>2,381</b>	<b>8,170</b>
			2023		Total
	Financial liabilities at fair value through profit or loss	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
Cash and cash equivalents	-	-	2,249	-	2,249
Receivables	-	-	364	-	364
Financial assets at fair value through profit or loss	-	301,908	-	-	301,908
Derivatives held for trading	-	4,693	-	-	4,693
<b>Total Assets</b>	<b>-</b>	<b>306,601</b>	<b>2,613</b>	<b>-</b>	<b>309,214</b>
<b>LIABILITIES</b>					
Payables	-	-	-	257	257
Derivatives held for trading	709	-	-	-	709
<b>Total Liabilities</b>	<b>709</b>	<b>-</b>	<b>-</b>	<b>257</b>	<b>966</b>

**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024****15. RELATED PARTY TRANSACTIONS**

A party is related to the Fund if:

- (i) directly or indirectly through one or more of its intermediaries, it controls, is controlled by, or is under common control with the Fund;
- (ii) it has an interest in or relationship with the Funds that gives it significant influence over the Fund;
- (iii) the Fund has an interest in or relationship with the party that gives significant influence over the party; or
- (iv) they are a member of the key management personnel.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity. This includes the Board and members of senior leadership team of; the Manager, Investment Manager, and the Supervisor. No key management personnel held units in the Fund as at any time during the financial year 31 March 2024 (31 March 2023: Nil).

The following are considered to be related parties of the Fund: FundRock NZ Limited (Manager of the Fund), First Sentier Investors (Australia) IM Ltd (Investment Manager of the Fund), Public Trust (supervisor of the Fund), Apex Investment Administration (NZ) Limited (registry provider for the Fund and shares the same parent company as the Manager).

*Management fees*

As outlined in the Fund's Product Disclosure Statement ("PDS"), the Fund incurs Annual Fund Charges capped at 1.01% (31 March 2023: 1.01%) of the net asset value including GST. The Fixed Annual Fund Charges include any fees within underlying funds or securities that the Fund may invest into, as well as fees paid to the Investment Manager, the Supervisor, the Auditor, the Custodian and the Administration Manager, bank charges and other various costs and expenses incurred. Where there is a shortfall, the Manager will pay the shortfall on behalf of the Fund and will recover the shortfall from the Investment Manager.

The Supervisor of the Fund is Public Trust. For the year ended 31 March 2024 Supervisor fees charged to the Fund amounted to \$86,048 (31 March 2023: \$97,313).

The registry provider for the Fund is Apex Investment Administration (NZ) Limited. For the year ended 31 March 2024 the total fee charged to the Fund amounted to \$15,372 (31 March 2023: \$14,367).

*Investments in and by related parties*

During the year, no other funds managed by the Manager invested in the Fund (31 March 2023: nil), the Fund did not hold investments in any funds managed by the Manager (31 March 2023: nil).

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 16. FINANCIAL RISK MANAGEMENT

##### Strategy in Using Financial Instruments

The Fund aims to achieve capital growth and inflation protected income by investing in a globally diversified portfolio of infrastructure securities, with a focus on companies that the Investment Manager believes can contribute to or benefit from sustainable development.

The Fund aims to outperform the FTSE Developed Core Infrastructure ex – Pipelines Net Total Return Index (NZD hedged), after fees and expenses, but before investor taxes, over rolling five-year periods.

Currency exposure will be hedged back into New Zealand dollars using forward currency contract derivatives.

The Fund invests in listed infrastructure securities around the world. The infrastructure sector includes operating assets from the transport, utilities, energy and communications sectors. The assets held by these companies typically offer high barriers to entry, pricing power, and structural growth.

The strategy is based on active, bottom-up security selection which seeks to identify mispricing.

The Fund seeks to minimise risk through on-the-ground research, a focus on quality and sensible portfolio construction. The Fund focuses on infrastructure companies that are delivering sustainable solutions from an environmental, social and economic point of view; and that are seeking to contribute to, or benefit from sustainable development.

The Fund's activities expose it to a variety of financial risks: market risk (including market price risk, currency risk and interest rate risk), credit risk and liquidity risk. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance. The Fund uses derivative financial instruments to moderate certain risk exposures. The Fund will only use derivatives such as forward currency contracts, to hedge foreign currency back into New Zealand dollars.

##### 16a. Market Price Risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Fund's overall market position is monitored on a daily basis by the Investment Manager. The Fund's investments in listed equities and listed unit trusts are susceptible to market price risk arising from uncertainties about future values of the investments.

The overall market exposure was as follows:

	2024	2023
	Fair value	Fair value
	\$'000	\$'000
International listed infrastructure securities	262,345	259,407
International listed equities unit trusts	<u>42,519</u>	<u>42,501</u>
	<b><u>304,864</u></b>	<b><u>301,908</u></b>

The table below shows the sensitivity analysis to a reasonably possible change in market price with all other variables held constant. As at 31 March 2024, the analysis is based on the assumptions that the market price movement increased or decreased by 10%. The Manager believes the 10% market price movement assumption to be management's best estimate of reasonable possible change in current market condition. The analysis is performed on the same basis for 31 March 2023.

	2024			
	Profit or loss		Unitholders' Funds	
	10% increase	10% decrease	10% increase	10% decrease
	\$'000	\$'000	\$'000	\$'000
International listed infrastructure securities	26,235	(26,235)	26,235	(26,235)
International listed equity unit trusts	4,252	(4,252)	4,252	(4,252)

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 16. FINANCIAL RISK MANAGEMENT (Continued)

	2023			
	Profit or loss		Unitholders' Funds	
	10% increase	10% decrease	10% increase	10% decrease
	\$'000	\$'000	\$'000	\$'000
International listed infrastructure securities	25,941	(25,941)	25,941	(25,941)
International listed equity unit trusts	4,250	(4,250)	4,250	(4,250)

FundRock considers that the market prices of the investments factor in climate change impacts and, as such, no adjustment has been made to balances or transactions in these financial statements as a result of climate changes.

#### 16b. Currency Risk

Currency risk is the risk that the value of the financial instruments or foreign cash will fluctuate due to changes in foreign exchange rates.

The Fund predominantly invests in international equity securities and therefore is subject to risk due to fluctuations in the prevailing currency exchange rate. A change in exchange rates would impact the New Zealand dollar equivalent market value of the Fund's underlying investments.

The Fund enters into forward exchange contracts designed to economically hedge the currency exposure of the underlying investments. The foreign exchange contracts are held to mitigate the currency exposure by aiming to be fully hedged to the New Zealand dollars. The Investment Manager has a limited discretion to take some currency risk within the overall risk constraint of the portfolio. Accordingly at any point in time currency risk is limited to the currency market movement on the unhedged portion of the portfolio, typically recent gains and losses that have not been hedged.

The portfolios within the Fund are to be economically hedged up to 100%.

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 16. FINANCIAL RISK MANAGEMENT (Continued)

##### 16b. Currency risk (Continued)

The table below summarises the Fund's exposure to currency risks in New Zealand dollar (NZD) value of monetary assets and liabilities. NZ IFRS 7, 'Financial Instruments: Disclosures', considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk and not foreign currency risk.

	2024						
	AUD \$'000	CAD \$'000	EUR \$'000	GBP \$'000	Others \$'000	JPY \$'000	USD \$'000
<b>Monetary assets and liabilities</b>							
Foreign cash and cash equivalents	192	12	13	179	4	388	941
Receivables/(payables)	<u>312</u>	<u>43</u>	<u>37</u>	<u>191</u>	<u>-</u>	<u>37</u>	<u>3,093</u>
	<u>504</u>	<u>55</u>	<u>50</u>	<u>370</u>	<u>4</u>	<u>425</u>	<u>4,034</u>
Forward foreign exchange contracts							
<b>Notional value</b>	<u>(14,527)</u>	<u>(21,501)</u>	<u>(35,533)</u>	<u>(17,377)</u>	<u>(9,230)</u>	<u>(4,962)</u>	<u>(209,021)</u>
	2023						
	AUD \$'000	CAD \$'000	EUR \$'000	GBP \$'000	Others \$'000	JPY \$'000	USD \$'000
<b>Monetary assets and liabilities</b>							
Foreign cash and cash equivalents	8	81	75	2	8	-	727
Receivables/(payables)	<u>165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125</u>
	<u>173</u>	<u>81</u>	<u>75</u>	<u>2</u>	<u>8</u>	<u>-</u>	<u>852</u>
Forward foreign exchange contracts							
<b>Notional value</b>	<u>(12,185)</u>	<u>(25,846)</u>	<u>(34,861)</u>	<u>(7,745)</u>	<u>(3,941)</u>	<u>-</u>	<u>(216,671)</u>

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 16. FINANCIAL RISK MANAGEMENT (Continued)

##### 16b. Currency risk (Continued)

	2024			
	Monetary assets & liabilities			
	Profit or loss		Unitholders' Funds	
	10% increase \$'000	10% decrease \$'000	10% increase \$'000	10% decrease \$'000
AUD	1,404	(1,404)	1,404	(1,404)
CAD	2,145	(2,145)	2,145	(2,145)
EUR	3,553	(3,553)	3,553	(3,553)
GBP	1,701	(1,701)	1,701	(1,701)
Others	919	(919)	919	(919)
JPY	456	(456)	456	(456)
USD	20,498	(20,498)	20,498	(20,498)

	2023			
	Monetary assets & liabilities			
	Profit or loss		Unit Holders' Funds	
	10% increase \$'000	10% decrease \$'000	10% increase \$'000	10% decrease \$'000
AUD	1,203	(1,203)	1,203	(1,203)
CAD	2,578	(2,578)	2,578	(2,578)
EUR	3,485	(3,485)	3,485	(3,485)
GBP	775	(775)	775	(775)
Others	391	(391)	391	(391)
JPY	-	-	-	-
USD	21,581	(21,581)	21,581	(21,581)

##### 16c. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not directly subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

The interest rate risk on cash and cash equivalents is immaterial.

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 16. FINANCIAL RISK MANAGEMENT (Continued)

##### 16d. Credit Risk

Credit risk represents the risk that a counterparty to the financial instrument will fail to perform contractual obligations under a contract and cause the Fund to incur a financial loss.

With respect to credit risk arising from the financial assets of the Fund, other than derivatives, the Fund's exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these instruments as disclosed in the Statement of Financial Position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the reporting date.

There are no financial assets that are past due or impaired, or would otherwise be past due or impaired.

The Fund's cash and cash equivalents balances are held with ANZ (Standard & Poor's ("S&P") credit rating AA-) (31 March 2023: AA-) and BNP Paribas (S&P credit rating A+) (31 March 2023: A+).

At 31 March 2024 and 31 March 2023, substantially all assets are placed in custody with BNP Paribas, which has a S&P credit rating of A+ (31 March 2023: A+).

As at 31 March 2024 and 31 March 2023, all amounts due from brokers, cash and short-term deposits are held with counterparties with a credit rating of A or higher and are due to be settled within 1 week. The Manager considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

The analysis below summarises the credit quality of the Fund's exposure rated externally by equivalent Standard & Poor's, credit rating agencies.

	2024				2023			
	AAA TO AA-	A+ TO A-	BBB+ to B-	Total	AAA TO AA-	A+ TO A-	BBB+ to B-	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Forward foreign exchange contracts	<u>670</u>	<u>117</u>	<u>19</u>	<u>806</u>	<u>2,748</u>	<u>2,696</u>	<u>-</u>	<u>5,444</u>

##### 16e. Liquidity Risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due.

The liquidity risk of the Fund is assessed with reference to liquidity of the underlying assets and securities. The Manager then establishes an appropriate application and redemption frequency for the Fund. The Fund invests predominantly in liquid securities and hence has daily applications and redemptions. Market conditions can, however, change resulting in some assets becoming difficult to sell. Hence if the Fund were to experience liquidity problems the Manager may defer or suspend redemptions for a period of time.

All financial liabilities are expected to be settled within 12 months.



**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**16. FINANCIAL RISK MANAGEMENT (Continued)**

**16e. Liquidity Risk (Continued)**

The table below analyses the Fund's financial assets and financial liabilities into relevant maturity groupings based on the remaining period at reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Statement of Financial Position \$'000	Contractual cash flows \$'000	Within 6 months \$'000	2024			Over 5 years \$'000
				Between 6-12 months \$'000	Between 1-2 years \$'000	Between 2-5 years \$'000	
<b>LIABILITIES</b>							
Payables	2,381	2,381	2,381	-	-	-	-
<b>Total</b>	<b>2,381</b>	<b>2,381</b>	<b>2,381</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Statement of Financial Position \$'000	Contractual cash flows \$'000	Within 6 months \$'000	2023			Over 5 years \$'000
				Between 6-12 months \$'000	Between 1-2 years \$'000	Between 2-5 years \$'000	
<b>LIABILITIES</b>							
Payables	257	257	257	-	-	-	-
<b>Total</b>	<b>257</b>	<b>257</b>	<b>257</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 16. FINANCIAL RISK MANAGEMENT (Continued)

##### 16e. Liquidity Risk (Continued)

The table below analyses the net settled derivative financial liabilities into relevant maturity groupings based on the remaining period at reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

The contractual cash flows are based on the spot rate as at 31 March 2024 and 31 March 2023.

	Statement of Financial Position \$'000	Contractual cash flows \$'000	Within 6 months \$'000	2024			
				Between 6- 12 months \$'000	Between 1-2 years \$'000	Between 2-5 years \$'000	Over 5 years \$'000
<b>Derivative assets held for trading:</b>							
Forward foreign exchange contracts	19						
<i>Inflow</i>		9,204	9,204	-	-	-	-
<i>Outflow</i>		(9,230)	(9,230)	-	-	-	-
<b>Derivative liabilities held for trading:</b>							
Forward foreign exchange contracts	5,789						
<i>Inflow</i>		932,213	932,213	-	-	-	-
<i>Outflow</i>		(937,916)	(937,916)	-	-	-	-
	Statement of Financial Position \$'000	Contractual cash flows \$'000	Within 6 months \$'000	2023			
				Between 6- 12 months \$'000	Between 1-2 years \$'000	Between 2-5 years \$'000	Over 5 years \$'000
<b>Derivative assets held for trading:</b>							
Forward foreign exchange contracts	4,693						
<i>Inflow</i>		671,006	671,006	-	-	-	-
<i>Outflow</i>		(666,306)	(666,306)	-	-	-	-
<b>Derivative liabilities held for trading:</b>							
Forward foreign exchange contracts	709						
<i>Inflow</i>		319,145	319,145	-	-	-	-
<i>Outflow</i>		(319,806)	(319,806)	-	-	-	-

**FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**16. FINANCIAL RISK MANAGEMENT (Continued)**

**16f. Financial assets and financial liabilities subject to offsetting, Enforceable Master Netting Arrangements and Similar Agreements**

The Fund holds derivative financial instruments.

The following table presents the recognised financial assets and financial liabilities that are subject to offsetting, or other similar arrangements but not offset, as at 31 March 2024.

	2024					
	Related amounts not set-off in the statement of financial position					
	Gross amounts of recognised financial instruments	Gross amounts of recognised financial instruments set-off in the statement of financial position	Net amounts of financial instruments presented in the statement of financial position	Financial instruments	Cash collateral received/pledged	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>						
Derivatives - FFX Contracts	807	(788)	19	(19)	-	-
<b>Total financial assets</b>	<u>807</u>	<u>(788)</u>	<u>19</u>	<u>(19)</u>	<u>-</u>	<u>-</u>
<b>Financial liabilities</b>						
Derivatives - FFX Contracts	6,577	(788)	5,789	(19)	-	5,770
<b>Total financial liabilities</b>	<u>6,577</u>	<u>(788)</u>	<u>5,789</u>	<u>(19)</u>	<u>-</u>	<u>5,770</u>
	2023					
	Related amounts not set-off in the statement of financial position					
	Gross amounts of recognised financial instruments	Gross amounts of recognised financial instruments set-off in the statement of financial position	Net amounts of financial instruments presented in the statement of financial position	Financial instruments	Cash collateral received/pledged	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>						
Derivatives - FFX Contracts	5,444	(751)	4,693	(608)	-	4,085
<b>Total financial assets</b>	<u>5,444</u>	<u>(751)</u>	<u>4,693</u>	<u>(608)</u>	<u>-</u>	<u>4,085</u>
<b>Financial liabilities</b>						
Derivatives - FFX Contracts	1,460	(751)	709	(608)	-	101
<b>Total financial liabilities</b>	<u>1,460</u>	<u>(751)</u>	<u>709</u>	<u>(608)</u>	<u>-</u>	<u>101</u>

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 17. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The following table analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value is measured at 31 March 2024 and 31 March 2023

	2024			Total \$'000
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
<b>Financial assets</b>				
<i>Financial assets at fair value through profit or loss:</i>				
International listed infrastructure securities	262,345	-	-	262,345
International listed equity unit trusts	<u>42,519</u>	<u>-</u>	<u>-</u>	<u>42,519</u>
	<u><b>304,864</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>304,864</b></u>
<i>Derivatives:</i>				
Forward foreign exchange contracts	<u>-</u>	<u>19</u>	<u>-</u>	<u>19</u>
	<u><b>-</b></u>	<u><b>19</b></u>	<u><b>-</b></u>	<u><b>19</b></u>
<b>Financial liabilities</b>				
<i>Derivatives:</i>				
Forward foreign exchange contracts	<u>-</u>	<u>5,789</u>	<u>-</u>	<u>5,789</u>
	<u><b>-</b></u>	<u><b>5,789</b></u>	<u><b>-</b></u>	<u><b>5,789</b></u>
<b>2023</b>				
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets</b>				
<i>Financial assets at fair value through profit or loss:</i>				
International listed infrastructure securities	259,407	-	-	259,407
International listed equity unit trusts	<u>42,501</u>	<u>-</u>	<u>-</u>	<u>42,501</u>
	<u><b>301,908</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>301,908</b></u>
<i>Derivatives:</i>				
Forward foreign exchange contracts	<u>-</u>	<u>4,693</u>	<u>-</u>	<u>4,693</u>
	<u><b>-</b></u>	<u><b>4,693</b></u>	<u><b>-</b></u>	<u><b>4,693</b></u>
<b>Financial liabilities</b>				
<i>Derivatives:</i>				
Forward foreign exchange contracts	<u>-</u>	<u>709</u>	<u>-</u>	<u>709</u>
	<u><b>-</b></u>	<u><b>709</b></u>	<u><b>-</b></u>	<u><b>709</b></u>

The fair value of listed shares investments at the reporting date are based on quoted market prices. They are actively traded on international stock exchanges and are therefore included within level 1.

The Fund uses widely recognised valuation models for determining fair values of over-the-counter derivatives. For these financial instruments, inputs into models are market observable and are therefore included within level 2. The fair values of forward foreign exchange contracts are calculated by reference to current exchange rates for contracts with similar maturity and risk profiles.

Due to their short term nature, carrying amounts of cash and cash equivalents, receivables and payables stated in the Statement of Financial Position approximate their fair value.

#### Transfers between levels of the fair value hierarchy

There were no transfers between levels in the year ended 31 March 2024 (31 March 2023: nil).

## FIRST SENTIER RESPONSIBLE LISTED INFRASTRUCTURE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 18. CONTINGENT LIABILITIES AND COMMITMENTS

The Fund had no material commitments or contingencies at 31 March 2024 (31 March 2023: nil).

#### 19. EVENTS SUBSEQUENT TO BALANCE DATE

No significant events occurred after balance date.



## Independent auditor's report

To the unitholders of First Sentier Responsible Listed Infrastructure Fund (the Fund)

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### Our opinion

In our opinion, the accompanying financial statements of the Fund present fairly, in all material respects, the financial position of the Fund as at 31 March 2024, its financial performance and its cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

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### What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at 31 March 2024;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in unitholders' funds for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

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### Independence

We are independent of the Fund in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We have audited the financial statements of certain other funds managed by FundRock NZ Limited, the Manager. In addition, we have reported to the Trustee in respect of certain Wholesale funds managed by the Manager. Subject to certain restrictions, employees of our firm may invest in the Fund on normal terms within the ordinary course of trading activities of the Fund. These services and relationships have not impaired our independence as auditor of the Fund.



### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the key audit matter	How our audit addressed the key audit matter
<p><b>Valuation and existence of financial assets and financial liabilities at fair value through profit or loss</b></p> <p>Refer to note 17 to the financial statements for the reported values of financial assets and financial liabilities (financial instruments) at fair value through profit or loss.</p> <p>This was an area of focus for our audit as it represents the majority of the unitholders' funds of the Fund.</p> <p><b>Valuation</b></p> <p>The fair value of the financial instruments traded in active markets are based on quoted market prices at the reporting date and are categorised as Level 1 in the fair value hierarchy.</p> <p>The fair value of the financial instruments that are not traded in an active market is determined using valuation techniques. The valuation technique depends on the underlying financial instrument and includes assumptions that are based on market conditions existing at the reporting date.</p> <p>Such financial instruments with inputs to the valuation that are observable either directly or indirectly are categorised as Level 2 in the fair value hierarchy.</p> <p>For financial instruments quoted in foreign currencies, these are translated to New Zealand dollars using the exchange rates at the reporting date.</p> <p><b>Existence</b></p> <p>Holdings of certain financial instruments at fair value through profit or loss are held by the custodian on behalf of the Fund (the Custodian).</p> <p>For financial instruments at fair value through profit or loss not held by the Custodian, the position is recorded with the counterparty.</p>	<p>We assessed the processes employed by the Manager, for recording and valuing the financial instruments at fair value through profit or loss including the relevant controls operated by a third party service organisation, the Administrator. Our assessment of the processes included obtaining the internal controls report over investment accounting provided by the Administrator.</p> <p>We evaluated the evidence provided by the internal controls report over the design and operating effectiveness of the relevant controls operated by the Administrator.</p> <p>For financial instruments where quoted market prices in an active market were available, we compared the market price at the reporting date to independent third party pricing sources.</p> <p>For financial instruments that are not traded in an active market and with inputs that are observable either directly or indirectly, we agreed the observable inputs to third party pricing sources and used our PwC valuation experts to evaluate the fair value, using independent valuation models.</p> <p>We have assessed the reasonableness of the exchange rates used to translate financial instruments quoted in foreign currencies.</p> <p>We obtained confirmation from the Custodian and counterparties of the holdings and positions of the financial instruments at fair value through profit or loss as recognised by the Fund as at the reporting date.</p>



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## Our audit approach

### Overview

#### Materiality

Our materiality for the Fund is calculated based on approximately 1% of unitholders' funds for the Fund.

We chose unitholders' funds as the benchmark because, in our view, the objective of the Fund is to provide unitholders with a total return on the Fund's net assets, taking into account both capital and income returns.

#### Key audit matters

As reported above, we have one key audit matter, being valuation and existence of financial instruments at fair value through profit or loss.

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As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

#### Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements of the Fund as a whole as set out above. These, together with qualitative considerations, helped us to determine the scope of our audit, the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements of the Fund as a whole.

#### How we tailored our audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements of the Fund as a whole, taking into account the structure of the Fund, the Fund's investments and the accounting and registry processes and controls.

The Manager is responsible for the governance and control activities of the Fund. The Fund's investments are held by the Custodian. The Manager has outsourced investment accounting (Administrator) and registry services (Registrar) to third party service providers.





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### **Other information**

The Manager is responsible for the other information. The other information comprises the information included in the annual report and climate-related statements, but does not include the financial statements and our auditor's report thereon which the annual report refers to.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 Manager for the financial statements**

The Manager is responsible for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS Accounting Standards, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is 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 Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are 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 ISAs (NZ) and ISAs 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-2/>

This description forms part of our auditor's report.



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**Who we report to**

This report is made solely to the Fund's unitholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund's unitholders, as a body, for our audit work, for this report or for the opinions we have formed.

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The engagement partner on the audit resulting in this independent auditor's report is Christopher Barber.

For and on behalf of:

*PricewaterhouseCoopers*

Chartered Accountants  
17 July 2024

Wellington