

Mint Asset Management Funds  
Financial Statements  
For the year ended 31 March 2023

## Manager's Statement

In the opinion of the Manager, the accompanying Financial Statements are drawn up so as to present fairly the financial position of the Funds registered under the Managed Investment Scheme, Mint Asset Management Funds as at 31 March 2023 and their results for the year ended on that date in accordance with the requirements of the Trust Deed dated 6 September 2016, (and as varied and restated on 6 November 2019 and subsequently amended on 13 October 2020) which replaced the original Trust Deed dated 22 December 2009.

The directors are of the opinion that the Mint Asset Management Funds will be able to pay their debts as and when they fall due.

Director

Mint Asset Management Limited

27 July 2023

  
Director



## Additional Unitholder Information

### Notice of Trust Deed Amendment

The Manager and the Supervisor (Public Trust) agreed to amend and restate the Master Trust Deed dated 22 December 2009 for the purpose of compliance with the Financial Markets Conduct Act 2013 (the Act) and issued the Trust Deed of the Mint Asset Management Funds on 6 September 2016, (and as varied and restated on 6 November 2019 and subsequently amended on 13 October 2020).

Under clause 10.3 of the Master Trust Deed of Mint Asset Management Funds, the Manager/Mint Asset Management, is required to advise unitholders in summary form of any amendments to the Trust Deed.

In the year ended 31 March 2022, no changes were made to the Trust Deed.

A copy of the amended Master Trust Deed is available from <https://mfnccse-register.companiesoffice.govt.nz/search/schemes>, "Mint" as the Manager and go to documents tab).

# Statements of Comprehensive Income

Note	Mini Australian Equity Fund			Mini Australian Property Fund			Mini Diversified Income Fund			Mini Diversified Growth Fund			Mini New Zealand SRI Equity Fund		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
	<b>\$,000 - For the year ended 31 March</b>														
	<b>Income</b>														
	53	15	13	12	5,486	5,283	418	124	53	6					
Interest income	5,225	6,066	1,819	2,517	2,357	2,388	1,319	724	2,648	2,225					
Dividends and distributions	50	17	16	6	-	103	-	3	20	3					
Other income	(109)	(487)	13	6	277	186	119	(158)	(4,438)	(5,959)					
Net foreign currency gains/(losses) on cash and cash equivalents	(5,905)	11,661	(9,019)	763	(12,273)	(9,268)	(4,837)	(1,451)	(2,438)	(5,959)					
Net gain/(losses) on financial assets and liabilities at fair value through profit or loss	(685)	(6,030)	(6,158)	3,201	(4,255)	(1,707)	(2,981)	(663)	285	(2,626)					
<b>Total Income/(loss)</b>	<b>2,176</b>	<b>2,875</b>	<b>327</b>	<b>576</b>	<b>1,720</b>	<b>2,084</b>	<b>826</b>	<b>542</b>	<b>720</b>	<b>867</b>					
	<b>Expenses</b>														
Management fees	122	155	24	42	128	150	49	31	54	48					
Supplier fees	11	22	4	4	7	11	11	17	4	7					
Custody expenses	394	987	121	113	105	205	136	135	115	147					
Transaction costs	187	252	40	69	221	250	92	61	87	78					
Administration fees	21	17	21	17	21	17	21	17	21	17					
Audit fees	7	1	4	-	4	-	4	-	7	1					
Other expenses	-	-	-	-	-	-	-	-	-	-					
<b>Total operating expenses</b>	<b>2,928</b>	<b>4,319</b>	<b>541</b>	<b>821</b>	<b>2,206</b>	<b>2,717</b>	<b>1,339</b>	<b>403</b>	<b>3,008</b>	<b>665</b>					
<b>Operating profit/(loss)</b>	<b>(3,613)</b>	<b>(10,349)</b>	<b>(6,699)</b>	<b>(2,480)</b>	<b>(6,481)</b>	<b>(4,434)</b>	<b>(4,120)</b>	<b>(1,200)</b>	<b>(723)</b>	<b>(3,791)</b>					
<b>Profit/(loss) for the year attributable to Unitholders from operations</b>	<b>(3,613)</b>	<b>(10,349)</b>	<b>(6,699)</b>	<b>(2,480)</b>	<b>(6,481)</b>	<b>(4,424)</b>	<b>(4,120)</b>	<b>(1,200)</b>	<b>(723)</b>	<b>(3,791)</b>					
<b>Total comprehensive income/(loss) for the year attributable to Unitholders</b>	<b>(3,813)</b>	<b>(10,349)</b>	<b>(6,699)</b>	<b>(2,480)</b>	<b>(6,481)</b>	<b>(4,424)</b>	<b>(4,120)</b>	<b>(1,200)</b>	<b>(723)</b>	<b>(3,791)</b>					

These statements are to be read in conjunction with the accompanying notes.

Statements of Changes in Net Assets Attributable to Unitholders

Note	Mint Australian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Net assets attributable to Unitholders at the beginning of the year</b>	249,853	307,781	82,170	80,873	270,329	258,362	78,588	32,363	92,694	78,577
Proceeds from units issued*	14,831	31,784	2,437	12,591	29,688	86,022	38,648	48,613	24,848	27,228
Redemption of units*	(89,607)	(79,235)	(24,681)	(33,767)	(80,634)	(62,235)	(10,893)	(3,106)	(16,026)	(9,420)
Transfers from other funds	-	-	-	-	(7,866)	(7,524)	37	(852)	-	-
Unitholder tax rebates/(liabilities)	20	22	3	(7)	(121)	118	-	-	-	-
<b>Net increase/(decrease) from transactions with Unitholders</b>	(44,856)	(47,459)	(22,148)	(21,182)	(68,823)	15,391	27,782	46,345	8,823	17,808
Total comprehensive income/(loss) for the year attributable to Unitholders	(3,512)	(10,349)	(8,899)	2,490	(6,181)	(4,424)	(4,120)	(120)	(723)	(3,731)
<b>Net assets attributable to Unitholders at the end of the year</b>	201,724	249,963	31,331	62,170	185,026	270,329	102,220	78,508	98,584	92,334

Note	Mint Australian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Units on Issue</b>	64,686	76,019	23,825	31,815	254,342	233,125	64,089	23,346	60,868	49,388
Units on Issue at the beginning of the year	4,820	7,798	10,879	4,172	88,788	4,720	28,349	52,970	17,389	17,085
Units issued*	(18,533)	(10,222)	(10,879)	(12,572)	(69,788)	(55,972)	(5,177)	(2,143)	(7,487)	(9,677)
Units on Issue at the end of the year	52,282	64,596	14,264	23,975	183,816	254,342	74,878	54,089	66,669	60,186

Note	Mint Australian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Adjustments in Proceeds from units issued</b>	(2,272)	(704)	(704)	(9,016)	(9,016)	(387)	(6)	(387)	(6)	(6)
Adjustments in Redemption of units	2,272	704	704	9,016	9,016	387	387	387	387	387
<b>Adjustments in Units issued</b>	Units (557)	Units (557)	Units (557)	Units (557)	Units (557)	Units (557)	Units (557)	Units (557)	Units (557)	Units (557)
<b>Adjustments in Units redeemed</b>	551	551	551	551	551	551	551	551	551	551

\* Issuance and redemptions for the year ended 31 March 2022 have been restated to exclude intra-fund transfers previously recognised on a gross basis. The tables above sets out the adjustments for each Fund. There is no impact to Net assets attributable to Unitholders at the end of the year\* and the Units on Issue at the end of the year\*. The intra-fund transfers are transfers of units within the same Fund for registry purposes and do not represent units issued and redeemed by and from the Fund.

These statements are to be read in conjunction with the accompanying notes

Statements of Financial Position

2023's As at 31 March	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Current assets	2,812	388	3,695	7,983	12,338	3,753	7,441	1,717	7,062	
Cash and cash equivalents	7	-	-	1,217	781	1,218	-	-	181	
Future margin accounts	188,229	30,784	58,028	186,039	258,970	87,343	75,024	86,349	85,352	
Financial assets at fair value through profit or loss	888	-	7	82	181	114	107	421	480	
Dividends receivable	-	-	-	-	2	-	-	-	-	
Other receivables	784	447	-	7,889	1,085	1,485	1,130	87	128	
Due from brokers	-	-	-	-	-	-	-	-	-	
Interest receivable	21	16	8	843	1,114	27	55	1	-	
Unsettled tax refunds receivable	28	1	8	2	286	2	2	1	-	
Unimpaired contributions receivable	28	1	26	81	154	173	336	377	87	
<b>Total assets</b>	<b>202,391</b>	<b>31,816</b>	<b>65,875</b>	<b>203,578</b>	<b>271,472</b>	<b>184,418</b>	<b>84,286</b>	<b>88,923</b>	<b>81,185</b>	
Current liabilities	-	-	-	1,087	88	639	133	-	439	
Financial liabilities at fair value through profit or loss	208	119	372	7,280	764	1,830	5,325	112	60	
Due to brokers	208	27	40	182	201	88	86	82	80	
Related party payables	-	-	-	-	-	-	-	-	-	
Unitholder tax liabilities payable	208	108	88	108	82	26	58	1	43	
Unimpaired contributions payable	42	30	21	42	37	34	22	34	20	
Other payables	-	-	-	-	-	-	-	-	-	
<b>Total liabilities</b>	<b>667</b>	<b>285</b>	<b>505</b>	<b>8,851</b>	<b>1,142</b>	<b>2,198</b>	<b>5,808</b>	<b>229</b>	<b>571</b>	
<b>Net assets attributable to Unitholders</b>	<b>201,724</b>	<b>31,531</b>	<b>65,370</b>	<b>194,727</b>	<b>270,330</b>	<b>182,220</b>	<b>78,478</b>	<b>88,694</b>	<b>80,614</b>	

The Directors of Mint Asset Management Limited, in their role as Manager, authorised these Financial Statements for issue on 27 July 2023

Director

*Be Sutton*

Director

*SJA*

These statements are to be read in conjunction with the accompanying notes.

# Statements of Cash Flows

Note	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
<b>Cash flows from operating activities</b>										
Proceeds from sale of financial assets	101,531	230,094	32,654	39,575	92,150	98,096	34,627	22,802	14,285	20,116
Interest income	53	15	13	12	5,657	5,144	398	80	53	5
Dividends and distributions	4,948	4,286	1,743	2,168	2,136	2,236	1,262	623	1,962	1,447
Other income	50	17	16	5	2	101	-	3	20	3
Purchase of financial assets	(61,676)	(205,545)	(15,046)	(16,954)	(34,980)	(139,363)	(66,524)	(67,877)	(27,204)	(32,809)
Operating expense	(12,258)	(4,466)	(352)	(331)	(2,237)	(2,745)	(1,027)	(741)	(101)	(895)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>41,955</b>	<b>24,401</b>	<b>18,828</b>	<b>23,955</b>	<b>53,718</b>	<b>(35,520)</b>	<b>(31,335)</b>	<b>(45,017)</b>	<b>(11,865)</b>	<b>(12,292)</b>
<b>Cash flows from financing activities</b>										
Proceeds from units issued	14,824	32,019	2,462	12,633	24,959	81,552	36,711	54,281	24,568	27,925
Redemptions of units	(59,872)	(79,110)	(24,539)	(33,742)	(90,489)	(62,163)	(10,928)	(3,049)	(18,067)	(9,415)
Distributions paid	-	-	-	-	(2,974)	(2,988)	-	-	-	-
Unitholder tax rebates/(liabilities)	47	(29)	(3)	2	185	(338)	(215)	(187)	(1)	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(44,801)</b>	<b>(47,100)</b>	<b>(22,079)</b>	<b>(21,108)</b>	<b>(66,340)</b>	<b>15,992</b>	<b>27,569</b>	<b>51,058</b>	<b>6,500</b>	<b>17,910</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,846)</b>	<b>(22,699)</b>	<b>(3,251)</b>	<b>2,845</b>	<b>(12,622)</b>	<b>(20,439)</b>	<b>(3,707)</b>	<b>6,019</b>	<b>(5,365)</b>	<b>5,707</b>
Cash and cash equivalents at the beginning of the year	5,866	20,384	3,006	752	12,336	32,580	7,441	1,421	7,002	1,375
Foreign exchange gains/(losses) on cash and cash equivalents	(128)	(487)	13	3	367	197	119	1	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>2,612</b>	<b>5,566</b>	<b>368</b>	<b>3,605</b>	<b>7,983</b>	<b>12,338</b>	<b>3,793</b>	<b>7,441</b>	<b>1,637</b>	<b>7,082</b>

These statements are to be read in conjunction with the accompanying notes.

# Notes to the Financial Statements

## 1. General information

### Reporting Entities

The Financial Statements are for the separate funds within the Mint Asset Management Funds Managed Investment Scheme (the 'Funds'), and are referred to throughout these financial statements as the 'Funds'.

These financial statements are for the year ended 31 March 2023 and have been prepared for the Funds which have been registered under the Mint Asset Management Funds on 31 August 2019 (including the Mint Diversified Growth Fund registered on 3 December 2018 and the Mint New Zealand SRI Equity Fund registered on 25 March 2021). The Funds are registered as a Managed Investment Scheme in accordance with the Financial Markets Conduct Act 2013.

The Funds are open-ended investment funds domiciled in New Zealand under a Master Trust Deed and Unit Trust Establishment Deeds supplemental to the Trust Deed dated 22 December 2006. To be in compliance with the Financial Markets Conduct Act 2013 a Trust Deed has been issued dated 6 September 2016 (and as varied and restated on 6 November 2019 and subsequently amended on 13 October 2020).

### The Funds

- The objective of the Mint Australasian Equity Fund is to outperform the S&P/NZ500 Gross Index by 3% per annum, before fees, over the medium to long term.
- The objective of the Mint Australasian Property Fund is to outperform the S&P/NZX All Real Estate (Industry Group) Gross Index by 1% per annum, before fees, over the medium to long term.
- The objective of the Mint New Zealand SRI Equity Fund is to outperform the S&P/NZ500 Gross Index by 2% per annum, before fees, over the medium to long term.
- The objective of the Mint Diversified Income Fund is to deliver a total return in excess of the Consumers Price Index (CPI) by 3% per annum, before fees, over the medium to long term.
- The objective of the Mint Diversified Growth Fund is to deliver returns in excess of the CPI by 4.5% per annum, before fees, over the medium to long term.

The Funds investment activities are managed by Mint Asset Management Limited. The registered office for Mint Asset Management Limited is Level 29, 161 Queen Street, Auckland.

### Statutory Base

The Funds are a Managed Investment Scheme as defined by the Financial Markets Conduct Act 2013 and are subject to the provisions of that Act.

The Financial Statements have been prepared in accordance with the requirements of the Financial Markets Conduct Act 2013 and the Trust Deed.

The Financial Statements for the Funds are for the year ended 31 March 2023. Comparative figures are for the year ended 31 March 2022.

## 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Basis of preparation

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). These Financial Statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards as appropriate for Tier 1 for-profit entities. The Financial Statements comply with International Financial Reporting Standards (IFRS). These Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss.

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the Financial Statements.

Standards and amendments to existing standards effective 1 April 2022, impacting the Funds

There are no standards, amendments to standards or interpretations that are effective for the year beginning on 1 April 2022 that have a material effect on the Financial Statements of the Funds.

Standards not yet issued and not yet effective

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 Statement of the Funds.

### Climate Related Disclosures

The Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021 amends the Financial Markets Conduct Act 2013 (FMC Act) to require impacter entities (climate reporting entities) to make climate-related disclosures. Funds are expected to publish climate related statements for annual periods beginning on or after 1 January 2022 based upon climate standards issued by the External Reporting Board (XRB). The first climate statement will be required to be prepared for the year ending 31 March 2024.

The XRB intends to issue the following

- Aotearoa New Zealand Climate Standard 1: Climate-related Disclosures (NZ CS 1)
- Aotearoa New Zealand Climate Standard 2: Adoption of Climate-related Disclosures (NZ CS 2)
- Aotearoa New Zealand Climate-related Disclosures Concepts (NZ CRDC)

NZ CS 1 is the main disclosure standard and will be based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). NZ CS 2 will be an adoption standard to enable entities to begin their climate-related disclosure journey. NZ CRDC will be an authoritative notice containing key concepts like materiality.

The TCFD recommendations are structured around four thematic areas that represent core elements of how organisations operate: governance, strategy, risk management, and metrics and targets.

The Manager will continue to monitor developments associated with climate related disclosures.

## Notes to the Financial Statements

### 2. Summary of significant accounting policies (continued)

#### 2.2 Financial Instruments

##### (a) Classification

###### Financial assets

Financial assets are recognised initially at fair value. After initial recognition, financial assets are measured at fair value or amortised cost, determined on the basis of both (a) the Funds' business model for managing the financial assets, and (b) the contractual cash flow characteristics of the financial asset.

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

Financial assets at fair value through profit or loss can be either designated as such upon initial recognition or measured at fair value in accordance with NZ IFRS 9. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and use that information to assess the assets' performance and to make decisions. The contractual cash flows of the Funds' debt securities (excluding term deposits) are solely principal and interest; however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental in achieving the Funds' business model. Consequently, these financial assets are measured at fair value through profit or loss. Financial assets at fair value through profit or loss comprise of listed equities and funds, fixed interest securities, floating rate notes, options and forward foreign exchange contracts.

###### (ii) Financial assets at amortised cost

(a) Cash and cash equivalents include cash in hand, deposits held at call with banks, deposits and overdraft balances with brokers in New Zealand dollars and foreign currencies.

(b) Receivables are amounts representing assets owing to the Funds and may include amounts due for interest or dividends, or amounts due from brokers for securities sold that have been contracted for, but not yet settled or delivered at year end, or related party receivables.

###### Financial liabilities

###### (i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss can be either designated as such upon initial recognition or measured at fair value in accordance with NZ IFRS 9. The Financial liabilities of the Funds are financial derivatives. These are managed and performance is evaluated on a fair value basis. All financial derivatives are measured at fair value through profit or loss. Foreign exchange contracts and options that have a negative fair value are presented as financial liabilities at fair value through profit or loss.

###### (ii) Financial liabilities at amortised cost

(a) Payables are amounts representing liabilities and accrued expenses owing by the Funds at period end and may include related party fees, withdrawals payable and amounts due to brokers for purchase of unsettled securities at year end.

###### (b) Recognition, derecognition and measurement

###### (i) Financial assets and liabilities at fair value through profit or loss

The Funds recognise financial assets and liabilities at fair value through profit or loss on the date they become parties to the contractual agreement. Financial assets and liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the Statements of Comprehensive Income. Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the Statements of Comprehensive Income when they arise.

Financial assets at fair value through profit or loss are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all of the risks and rewards of ownership. Financial liabilities at fair value through profit or loss are derecognised when the obligation under the liability is discharged, cancelled or expires. Any gain or loss arising on derecognition of the financial asset or financial liability at fair value through profit or loss is included in the Statements of Comprehensive Income in the year the item is derecognised.

###### (ii) Financial assets and liabilities at amortised cost

The Funds recognise financial assets and liabilities at amortised cost on the date they become parties to the contractual agreement. Financial assets and liabilities at amortised cost are initially recognised at fair value.

Subsequent to initial recognition, all financial assets and liabilities at amortised cost are measured at amortised cost less any impairment. Any impairment charge is recognised in the Statements of Comprehensive Income.

Financial assets at amortised cost are derecognised when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all of the risks and rewards of ownership. Financial liabilities at amortised cost are derecognised when the obligation under the liability is discharged, cancelled or expires. Any gain or loss arising on derecognition of the financial asset or financial liability at amortised cost is included in the Statements of Comprehensive Income in the year the item is derecognised.



## Notes to the Financial Statements

### 2. Summary of significant accounting policies (continued)

#### 2.2 Financial Instruments (continued)

##### (c) Fair value estimation

###### *Fair value in an active market*

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the balance date. The quoted market price for financial assets held by the Funds is the current (last) price; the appropriate quoted market price for financial liabilities is the current (last) price, where the last traded price falls within the bid-ask spread. The Manager will determine the point within the bid-ask spread that is most representative of fair value.

###### *Fair value in an inactive or unquoted market*

Investments in other funds are subject to the terms and conditions of their respective funds' offering documentation. The investments in other funds are primarily valued based on the latest available redemption price of such units for each other fund investment, as determined by the other funds' administrators. The Funds review the details of the reported information obtained from the other funds and consider the liquidity of the other fund or its underlying investments, the value date of the net asset value provided, and restrictions on redemptions, and the basis of accounting and, in instances where the basis of accounting is other than fair value, fair valuation information is obtained from the other funds' advisors.

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each balance date. Valuation techniques used include the use of recent arm's length market transactions; reference to other instruments that are substantially the same; discounted cash flow analysis; option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The fair value of derivatives that are not exchange-traded is estimated at the amount that the Funds would receive or pay to terminate the contract at the balance date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as the net present value of estimated future cash flows discounted at appropriate market rates as at the valuation date.

##### 2.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

##### 2.4 Investment entity

The Funds meet the definition of investment entities per NZ IFRS 10 'Consolidated financial statements' as the following conditions exist:

- The Funds have obtained funds for the purpose of providing investors with investment management services.
- The Funds' business purpose, which is communicated directly to investors, is investing solely for return from capital appreciation and investment income.
- The performance of investments made through other funds managed by the Manager is measured and evaluated on a fair value basis.

The Funds also display all four typical characteristics that are associated with an investment entity

- all the Funds have more than one investment
- they have more than one investor
- they have investors that are not related parties
- ownership interests in the Funds are represented by units in the Funds.

##### 2.5 Net assets attributable to unitholders

The Funds issue units that are redeemable at the Unitholders' option and have identical features and are therefore classified as equity. The Funds have classified units as equity instruments in accordance with revised NZ IAS 32 'Financial Instruments: Presentation'. The Funds continue to assess the classification of the redeemable units to ensure they have all the features or meet all the conditions set out in paragraphs 10A and 10B of NZ IAS 32. The units can be put back to the Funds at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the balance date if Unitholders exercised their right to redeem.

Applications received for units in the Funds are recorded net of any entry fees payable prior to the issue of units in the Funds. Redemptions from the Funds are recorded gross of any exit fees payable after the cancellation of the units redeemed. Units are issued and redeemed at the holder's option at prices based on the Funds' net asset value per unit at the time of issue or redemption. The Funds' net asset value per unit is calculated by dividing the net assets attributable to the holders of the Funds with the total number of outstanding units of the Funds. In accordance with the provisions of the offering documents, investment positions are valued based at the appropriate current last price for the purpose of determining the net asset value per unit for subscriptions and redemptions.

In accordance with the Trust Deeds, the Manager has full discretion as to whether to distribute any net income of the Funds. Any distributions are recognised in the Statements of Changes in Net Assets Attributable to Unitholders as distributions. Income that is not distributed is invested as part of the assets of the Funds or may be used to make later distributions to Unitholders.

##### 2.6 Investment income

###### *Interest income*

Interest income on assets at fair value through profit or loss is included as interest in the Statements of Comprehensive Income. Interest is recognised as it accrues using the effective interest method. Changes in fair value for such instruments are recorded in accordance with the policies described in Note 2.2.

###### *Dividend and distribution income*

Dividend income is recognised on the ex-dividend date in the Statements of Comprehensive Income, with any related foreign withholding tax recorded in the Statements of Net Assets Attributable to Unitholders as a unitholder tax liability. Fund income distribution is recognised when it is declared, and the right to receive payment is established.

###### *Net gains and losses on financial assets at fair value through profit or loss*

Realised and unrealised gains and losses are reflected in the Statements of Comprehensive Income as net gain/loss on financial instruments at fair value through profit or loss.

Unrealised gains or losses include the change in net market value of investments held as at balance date and the reversal of prior periods unrealised gains or losses on investments that have been realised in the current year. Realised gains or losses are calculated based on the gross sale proceeds and the weighted average cost of the investments sold.

## Notes to the Financial Statements

### 2. Summary of significant accounting policies (continued)

#### 2.7 Expenses

All expenses, including the Funds' management and Supervisor fees, are recognised in the Statements of Comprehensive Income on an accruals basis.

#### 2.8 Foreign currency translation

##### (a) Functional and presentation currency

Items included in the Funds' financial statements are measured using the currency of the primary economic environment in which they operate (the "functional currency"). The functional currency for the Funds is the New Zealand dollar, which reflects the currency in which the Funds compete for funds and are regulated. The Funds' investors are from New Zealand, with the subscriptions and redemptions of the units denominated in New Zealand dollars. The performance of the Funds is measured in New Zealand dollars.

##### (b) 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 resulting from translation are included in the Statements of Comprehensive Income.

The Funds do not isolate that portion of gains or losses on securities, foreign cash and derivative instruments that are measured at fair value through profit or loss and which are due to changes in foreign exchange rates in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit or loss in the Statements of Comprehensive Income.

Foreign exchange gains and losses relating to financial assets and liabilities carried at fair value through profit or loss are presented in the Statements of Comprehensive Income within other net changes in fair value on financial assets at fair value through profit or loss.

#### 2.9 Income tax

The Funds are Portfolio Investment Entities (PIE) for tax purposes. Under the PIE regime income is effectively taxed in the hands of the Unitholders and therefore the Funds have no income tax expense. Accordingly, no income tax expense has been recognised in profit or loss in the Statements of Comprehensive Income in respect of income earned from this date. Income is disclosed gross of any resident and foreign withholding taxes deducted at source and the taxes are included in Unitholder tax liabilities in the Statements of Changes in Net Assets Attributable to Unitholders.

Under the PIE regime, the Manager attributes the taxable income of the Fund to Unitholders in accordance with the proportion of their interest in the Fund. The income attributed to each Unitholder is taxed at the Unitholder's "prescribed investor rate" (which is capped at 28%) on redemptions and annually at 31 March each year.

Unitholder tax liabilities disclosed in the Statements of Changes in Net Assets Attributable to Unitholders consist of withdrawals to meet Unitholder tax liabilities under the PIE regime and any resident and foreign withholding taxes deducted at source.

#### 2.10 Goods and services tax ("GST")

The Funds are not registered for GST. The Statements of Comprehensive Income and Statements of Cash Flows have been prepared so that all components are stated inclusive of GST. All items in the Statements of Financial Position are stated inclusive of GST.

#### 2.11 Distributions to Unitholders

For investments in the Mini Diversified Income Fund, distributions are made quarterly. Unitholders can elect to automatically reinvest the distribution.

### 3. Critical accounting estimates and judgments

The Funds make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates of the carrying value of financial assets and financial liabilities 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. The resulting accounting estimates will, by definition, seldom equal the related actual results. Refer to notes 2.2(6) and 10.3 for further information on fair value estimation.

#### Fair value of derivative financial instruments

The Funds may, from time to time, hold financial instruments that are not quoted in active markets, such as over the counter derivatives. Fair values for such instruments are determined by using valuation techniques. Valuation techniques, including models, use observable data to the extent possible. However, areas such as credit risk, volatilities and correlations require management to make estimates. Changes or assumptions about these factors could affect the reported fair value of financial instruments.

#### Fair value of securities not quoted in an active market

The fair value for such securities not quoted in an active market may be determined by the Funds using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. Broker quotes as obtained from pricing sources may be indicative and not executable or binding. The Manager would exercise judgement and estimates on the quantity and quality of pricing sources used. Where no market data is available, the Funds may price positions using their own models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. The models for debt securities are based on net present value of estimated future cash flows, adjusted as appropriate for liquidity and credit and market risk factors. The fair value of investments in other funds that are not quoted in active markets is determined by reference to the redemption price per unit of the underlying funds.

The fair value of investments in other funds have been fair valued in accordance with the policies set out above.

For certain other financial instruments, including amounts due from/to brokers, outstanding settlements receivable, contributions receivable, other receivables, accounts payable and accrued expenses, the carrying amounts approximate fair value due to the short term nature of these financial instruments.

#### Net assets attributable to Unitholders

The Funds classify units as equity instruments in accordance with revised NZ IAS 32, "Financial Instruments: Presentation". The Funds continue to assess the classification of the redeemable units to ensure they have all the features or meet all the conditions set out in paragraphs 16A and 16B of NZ IAS 32.



## Notes to the Financial Statements

### 6. Financial assets and liabilities at fair value through profit or loss

	Note	Mint Australasian Equity Fund		Mint Australian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>\$ 000's</b>											
For the year ended 31 March											
<b>Financial assets at fair value through profit or loss</b>											
Listed trusts		-	-	-	698	-	2,809	-	350	-	-
Unlisted unit trusts		-	-	-	-	1,000	486	154	75	-	-
Other equities		198,155	245,377	30,790	58,412	56,997	82,559	83,325	65,118	-	-
Fixed interest securities		-	-	-	-	124,994	170,789	12,905	9,474	-	-
Equity market options		-	36	-	-	1,278	2	638	1	-	-
Foreign exchange contracts		74	-	4	8	172	31	321	16	-	-
<b>Total financial assets valued at fair value through profit or loss</b>		<b>198,229</b>	<b>245,413</b>	<b>30,794</b>	<b>59,028</b>	<b>186,029</b>	<b>255,876</b>	<b>97,243</b>	<b>75,024</b>	<b>96,349</b>	<b>85,382</b>
<b>Financial liabilities at fair value through profit or loss</b>											
Equity market options		-	-	-	-	1,065	2	52	1	-	-
Forward foreign exchange contracts		-	-	-	-	2	97	7	132	-	-
<b>Total financial liabilities at fair value through profit or loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,067</b>	<b>99</b>	<b>59</b>	<b>133</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements

### 7. Financial instruments by category

Notes	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Financial assets at fair value through profit or loss	196,229	245,413	30,784	59,028	186,039	255,676	97,243	75,054	98,348	85,382
Financial assets at amortised cost	2,612	5,566	368	3,606	7,893	12,338	3,793	7,441	1,717	7,062
Cash and cash equivalents	7	7	-	-	1,217	1,219	761	161	-	-
Futures margin accounts	688	1,227	-	7	92	161	104	107	421	480
Dividend receivables	-	-	-	-	-	-	-	-	-	-
Other receivables	20	13	-	26	81	2	179	356	372	92
Unitholder contributions receivable	-	-	-	-	943	1,114	1,465	776	55	-
Accrued interest	784	-	447	-	7,289	-	-	-	63	129
Due from brokers	-	283	-	-	-	-	-	-	-	-
Total financial assets at amortised cost	4,131	7,866	816	3,639	17,585	14,530	6,851	6,866	2,573	7,783
Total financial assets	202,360	252,500	31,600	62,667	203,624	271,206	104,194	81,920	100,921	93,165
Financial liabilities at fair value through profit or loss	-	-	-	-	1,867	59	539	133	-	-
Financial liabilities at amortised cost	206	1,925	119	372	7,200	744	1,800	5,355	112	439
Due to brokers	209	238	27	46	200	200	90	69	82	66
Related party payables	209	375	109	66	106	52	25	58	1	43
Withdrawable payable	42	35	28	21	42	37	34	22	34	23
Other payables	-	-	-	-	-	-	-	-	-	-
Total financial liabilities at amortised cost	688	2,573	264	505	7,512	1,045	1,859	5,474	229	571
Total financial liabilities	888	2,573	264	505	8,578	1,142	2,197	5,607	229	571

### 8. Reconciliation of operating (loss)/profit to net cash outflow from operating activities

Notes	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Profit/(loss) for the year	(3,613)	(10,349)	(8,669)	2,480	(6,461)	(4,424)	(4,120)	(120)	(723)	(3,791)
Adjusted for										
Net unrealised (gains)/losses on financial instruments at fair value through profit or loss	1,537	14,629	5,038	2,117	5,541	13,989	(2,094)	2,915	1,540	5,460
Dividends reinvested	(809)	(1,610)	(83)	(389)	(190)	(182)	(66)	(28)	(725)	(581)
Net foreign currency (gains)/losses on cash and cash equivalents	108	467	(113)	(61)	(277)	(180)	(119)	-	-	-
	839	13,666	4,842	1,722	5,074	(3,301)	(2,273)	2,866	915	4,879
Movements in working capital items										
(Increase)/decrease in trade and other receivables	529	(190)	7	40	242	(112)	(19)	(117)	59	(187)
(Increase)/decrease in trade and other payables	(22)	(129)	(11)	(30)	(31)	(29)	42	55	27	1
(Increase)/decrease in net cost of investments	44,223	21,360	22,589	10,744	64,864	(45,290)	(24,866)	(47,721)	(12,143)	(13,095)
	44,730	21,064	22,585	10,754	65,105	(45,407)	(24,943)	(47,763)	(12,057)	(13,201)
Net cash inflow/(outflow) from operating activities	41,955	24,401	18,928	23,856	63,718	(36,530)	(31,336)	(45,617)	(11,865)	(12,263)

## Notes to the Financial Statements

### 9. Derivative financial instruments

The Funds' investment guidelines permit the use of derivatives. The Funds only use derivatives for forward foreign exchange hedging, for efficient portfolio management and to manage stock specific and broader portfolio risk. In practical terms, other than for foreign exchange, there are very few opportunities to use these strategies in New Zealand because of the small number of counterparties in the market, the lack of depth or liquidity in the market itself and the consequent pricing structure in place.

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

Derivative instruments include a wide assortment of instruments such as forwards, futures, swaps and options. Derivatives are considered to be part of the investment process. The use of derivatives is an essential part of the Funds' portfolio management. Derivatives may be used for:

- (i) economic hedging to protect assets or liabilities of the Funds against a fluctuation in market values or to reduce volatility;

- (ii) a substitution for trading of physical securities; and

- (iii) adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash positions.

The Funds held derivative financial instruments in the year ended 31 March 2023. While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio, causing a portfolio value to exceed the underlying value of the Fund.

#### 9.1 Forward foreign exchange contracts

Forward foreign exchange contracts are contractual obligations to exchange currencies - to buy or sell an amount of a particular currency in return for delivering or receiving a second currency - at an agreed date in the future, at a rate (the 'forward rate') agreed now. Forward foreign exchange contracts are negotiated between the two parties to the contract, rather than being standardised contracts traded on an exchange.

The Funds hold obligations to receive/deliver the following currencies:

\$ (NZD '000)	Note	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
		2021	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Forward foreign exchange contracts (nominal value in NZD)										
	Sell USD/Buy NZD					16,870	24,451	41,985	32,502		
	Sell CHF/Buy NZD					766	1,943	3,009	2,765		
	Sell EUR/Buy NZD					793	2,784	1,782	2,320		
	Sell AUD/Buy NZD					3,306	4,425	7,922	5,142		
	Sell NOK/Buy NZD	22,267	30,289	1,120	5,734	15,475	19,474	2,194	2,705		
	Sell GBP/Buy NZD					683		5,743	1,680		
	Sell JPY/Buy NZD							873	1,530		
	Sell DKK/Buy NZD							2,892	1,594		
	Forward foreign exchange contracts (fair value in NZD)										
	Sell USD/Buy NZD					108	(1)	270	(4)		
	Sell CAD/Buy NZD					(2)	1	(8)	1		
	Sell CHF/Buy NZD					4	(32)	9	(27)		
	Sell EUR/Buy NZD					7	(60)	14	(64)		
	Sell AUD/Buy NZD	74	36	4	5	52	26	8	4		
	Sell NOK/Buy NZD					3			6		
	Sell GBP/Buy NZD							10	1		
	Sell JPY/Buy NZD							9	(12)		
	Sell DKK/Buy NZD							(1)	(21)		



## Notes to the Financial Statements

### 10. Financial risk management (continued)

#### (b) Foreign exchange risk

Foreign exchange risk arises as the value of monetary assets and liabilities denominated in other currencies will fluctuate due to changes in foreign exchange rates. The Funds have direct exposure to foreign exchange risk as they hold both monetary and non-monetary assets denominated in currencies other than New Zealand Dollars: the functional currency. The Manager has hedging policies and monitors the foreign exchange exposures of the Funds against such policies on a daily basis. The Funds enter into foreign exchange derivatives both to hedge the foreign currency risk implicit in the value of the portfolio securities denominated in a foreign currency and to secure a particular exchange rate for a planned purchase or sale of securities.

The Funds' approach to currency hedging is strategic rather than tactical and occurs individually/infrequently at the discretion of the Funds. The Funds' default position is to be hedged. The aim of currency hedging when it is carried out is therefore to minimise the volatility of investment returns due to significant currency fluctuations. The Funds incur costs in hedging using forward exchange contracts which will have a adverse impact on investment returns, when utilising these contracts. The Funds contract with approved counterparties (New Zealand registered banks) and the contracts will not exceed six months in duration. All such contracts are marked to market and will either be physically settled at maturity of the contract or by entering into an actual and offsetting trade to close out the exposure and cash settle the difference.

At the balance date, the Funds had the following foreign currency exposures (expressed in NZD equivalents):

\$ '000's	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Australian Dollar</b>										
<i>AUD</i>										
Monetary instruments	286	1,580	63	2,788	289	37	68	1,013	-	-
Cash and cash equivalents	38	206	-	7	-	-	-	-	-	-
Other receivables	(208)	(1,385)	(119)	(372)	-	-	-	(181)	-	-
Forward foreign exchange contracts	(22,179)	(30,230)	(1,123)	(5,722)	(15,415)	(18,434)	(2,783)	(2,889)	-	-
Fixed interest securities	-	-	-	-	7,728	11,117	215	216	-	-
Non-monetary instruments	-	-	-	-	-	-	-	-	-	-
Liabilities	23,153	31,186	1,198	3,467	6,781	8,282	2,461	1,744	-	-
Unsettled trades	-	-	-	-	1,000	486	154	75	-	-
<b>Total net exposure (AUD)</b>	<b>1,102</b>	<b>1,377</b>	<b>19</b>	<b>148</b>	<b>358</b>	<b>478</b>	<b>113</b>	<b>168</b>	<b>-</b>	<b>-</b>
<b>Euro</b>										
<i>EUR</i>										
Monetary instruments	-	-	-	-	1,133	693	279	43	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	124	-	-
Other receivables	-	-	-	-	-	-	-	(202)	-	-
Other payables	-	-	-	-	(3,387)	(4,479)	(7,888)	(5,189)	-	-
Forward foreign exchange contracts	-	-	-	-	2,422	3,955	8,072	5,316	-	-
Non-monetary instruments	-	-	-	-	-	-	-	-	-	-
Unsettled trades	-	-	-	-	164	230	453	32	-	-
<b>Total net exposure (EUR)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>164</b>	<b>230</b>	<b>453</b>	<b>32</b>	<b>-</b>	<b>-</b>
<b>Danish Krone</b>										
<i>DKK</i>										
Monetary instruments	-	-	-	-	8	7	402	22	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	115	-	-
Other receivables	-	-	-	-	-	-	(2,881)	(1,819)	-	-
Forward foreign exchange contracts	-	-	-	-	-	-	-	-	-	-
Non-monetary instruments	-	-	-	-	-	-	-	-	-	-
Unsettled trades	-	-	-	-	-	-	2,577	1,562	-	-
<b>Total net exposure (DKK)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>7</b>	<b>88</b>	<b>87</b>	<b>-</b>	<b>-</b>
<b>Canadian Dollar</b>										
<i>CAD</i>										
Monetary instruments	-	-	-	-	90	812	231	972	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	88	-	-
Other receivables	-	-	-	-	(788)	(1,842)	(3,012)	(2,763)	-	-
Forward foreign exchange contracts	-	-	-	-	-	-	-	-	-	-
Non-monetary instruments	-	-	-	-	-	-	-	-	-	-
Unsettled trades	-	-	-	-	728	1,291	2,868	1,787	-	-
<b>Total net exposure (CAD)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49</b>	<b>61</b>	<b>87</b>	<b>84</b>	<b>-</b>	<b>-</b>



Notes to the Financial Statements

10. Financial risk management (continued)

	Mini Australasian Equity Fund		Mini Diversified Income Fund		Mini Diversified Growth Fund		Mini New Zealand S&P Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022
Swiss Franc								
CHF								
Monetary instruments	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Forward foreign exchange contracts	-	-	-	-	-	-	-	-
Non-monetary instruments	-	-	-	-	-	-	-	-
Limited equities	-	-	-	-	-	-	-	-
<b>Total net exposure (CHF)</b>	-	-	-	-	-	-	-	-
Japanese Yen								
JPY								
Monetary instruments	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Forward foreign exchange contracts	-	-	-	-	-	-	-	-
Non-monetary instruments	-	-	-	-	-	-	-	-
Limited equities	-	-	-	-	-	-	-	-
<b>Total net exposure (JPY)</b>	-	-	-	-	-	-	-	-
British Pound								
GBP								
Monetary instruments	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
Forward foreign exchange contracts	-	-	-	-	-	-	-	-
Non-monetary instruments	-	-	-	-	-	-	-	-
Limited equities	-	-	-	-	-	-	-	-
<b>Total net exposure (GBP)</b>	-	-	-	-	-	-	-	-
Swedish Krona								
SEK								
Monetary instruments	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-
<b>Total net exposure (SEK)</b>	-	-	-	-	-	-	-	-
Norwegian Krone								
NOK								
Monetary instruments	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Forward foreign exchange contracts	-	-	-	-	-	-	-	-
Non-monetary instruments	-	-	-	-	-	-	-	-
Limited equities	-	-	-	-	-	-	-	-
<b>Total net exposure (NOK)</b>	-	-	-	-	-	-	-	-

Notes to the Financial Statements

10. Financial risk management (continued)

	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
\$ 000's										
As at 31 March										
United States Dollar										
USD										
Monetary instruments										
Cash and cash equivalents										
Other receivables	20	33			1,244	1,385	1,383	719		
Other payables					19	19	30	377		
Forward foreign exchange contracts								(12,248)		
Monetary instruments					(16,862)	(24,441)	(41,717)	(32,482)		
Listed equities					15,515	23,656	41,317	34,317		
Equity index options					211		105			
Total net exposure (USD)	20	33			127	659	1,129	673		

The table below summarises the sensitivity of the Funds' net assets attributable to Unitholders to the movements in exchange rates between the New Zealand dollar and the foreign currencies as at 31 March 2023 and 31 March 2022. If the exchange rate had increased or decreased by 5% with all other variables held constant, this would have had the following impact on the Statements of Comprehensive Income and Net Assets Attributable to Unitholders.

	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
\$ 000's										
As at 31 March										
Exchange rates increased by 5%										
Australian Dollar	55	99	1	7	18	24	6	8		
Euro					8	10	23	4		
Danish Krone							4	4		
Canadian Dollar					2	3	4	4		
Swiss Franc						1	1	5		
Japanese Yen							3	1		
British Pound					1	50	12	4		
Swedish Krona								5		
United States Dollar					6	30	55	34		
Exchange rates decreased by 5%										
Australian Dollar	(55)	(99)	(1)	(7)	(18)	(24)	(6)	(8)		
Euro					(8)	(10)	(23)	(4)		
Danish Krone							(4)	(4)		
Canadian Dollar					(2)	(3)	(4)	(4)		
Swiss Franc						(1)	(1)	(5)		
Japanese Yen							(3)	(1)		
British Pound					(1)	(50)	(12)	(4)		
Swedish Krona								(5)		
United States Dollar	(1)	(2)			(6)	(30)	(56)	(34)		

## Notes to the Financial Statements

### 10. Financial risk management (continued)

#### (c) Cashflow interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow. The Funds may hold cash and cash equivalents, term deposits and floating rate notes in New Zealand dollars and other currencies that expose them to cash flow interest rate risk. The Funds had the following exposure to cashflow interest rate risk:

\$ '000's As at 31 March	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Cash and cash equivalents	2,619	5,573	368	3,606	9,200	13,059	5,012	7,622	1,717	7,092
At balance date, had the interest rate increased or decreased by 1% with all other variables held constant, the increase or decrease in interest earned over the following 12 month period to be reported in the Net Assets Attributable to Unitholders would be as follows:										
\$ '000's As at 31 March	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Increase of 1%	26	56	4	36	82	131	80	76	17	71
Decrease of 1%	(26)	(65)	(4)	(35)	(92)	(131)	(50)	(76)	(17)	(71)

#### (c)(ii) Fair value interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow. The Funds may hold fixed interest securities that expose them to fair value interest rate risk.

The following table summarises the fair value sensitivity of the Funds' investments to changes in interest rate movements at the balance date. The analysis is based on the assumptions that the relevant interest rate increased/decreased by 1% with all other variables held constant. This represents the Manager's best estimate of a reasonable shift in the interest rates with regard to historical volatility of those rates.

\$ '000's As at 31 March	Mint Australasian Equity Fund		Mint Australasian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Increase of 1%	-	-	-	-	(4,896)	(6,238)	(481)	(355)	-	-
Decrease of 1%	-	-	-	-	5,187	6,560	524	373	-	-

#### 10.1.2 Credit risk

Credit risk is the potential loss resulting from the failure of counterparties to honour fully the terms and conditions of a contract with the Funds. The Funds are primarily exposed to credit risk through depositing cash and cash equivalents with the Funds' custodians and its fixed interest securities. All transactions in listed securities are settled for upon delivery using approved brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on purchase once the securities have been received by the broker. The trade will fail if either party fails to meet their obligations. The maximum credit risk of financial instruments is considered to be the carrying value. The Supervisor regularly reviews and approves an investment strategy that is implemented by the Manager.

The Fund invests cash with banks registered in New Zealand which carry a minimum short term credit rating of AA- (Standard & Poor's), as well as cash with non New Zealand banks which currently carry a credit rating of A+.

## Notes to the Financial Statements

### 10. Financial risk management (continued)

#### 10.1.2 Credit risk (continued)

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers the probability of default to be close to zero as the instruments have a low risk of default. As a result, no loss allowance has been recognised, as any such impairment would be wholly insignificant to the Fund.

The following table sets out the equivalent Standard and Powl's credit ratings for cash and cash equivalents and other fixed interest securities designated at fair value through profit or loss.

	Mint Australasian Equity Fund			Mint Australasian Property Fund			Mint Diversified Income Fund			Mint Diversified Growth Fund			Mint New Zealand SRI Equity Fund		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Cash and cash equivalents – held with Westpac	1,038	3,993	838	305	838	4,468	8,823	4,808	960	4,808	4,808	960	1,717	7,082	–
Cash and cash equivalents – held with BNP	1,573	1,573	2,788	63	–	3,515	3,515	2,833	2,833	2,833	2,833	2,833	–	–	–
Future margin accounts – held with OMF	7	7	–	–	–	1,217	761	181	1,219	181	181	1,219	–	–	–
Fixed interest securities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
AAA	–	–	–	–	–	12,013	3,863	2,436	2,436	1,531	1,531	1,531	–	–	–
AA+ to AA-	–	–	–	–	–	12,684	24,673	1,015	1,015	1,035	1,035	1,035	–	–	–
A to A-	–	–	–	–	–	26,141	30,273	2,040	2,040	2,040	2,040	2,040	–	–	–
BBB to BBB+	–	–	–	–	–	96,797	82,083	6,229	6,229	2,954	2,954	2,954	–	–	–
Not rated	–	–	–	–	–	17,349	24,894	1,195	1,195	1,243	1,243	1,243	–	–	–

#### 10.1.3 Liquidity risk

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

The Funds are exposed to the daily redemptions of units. The Funds invest in active markets through both listed and unlisted securities. Eligible securities are identified through the investment process and must pass through screens which penalise companies with low liquidity or free float. As a consequence, the majority of assets can be readily disposed.

The table below analyses the Funds' financial liabilities into relevant maturity grouping based on the remaining period at the balance date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Mint Australasian Equity Fund			Mint Australasian Property Fund			Mint Diversified Income Fund			Mint Diversified Growth Fund			Mint New Zealand SRI Equity Fund		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Financial liabilities at fair value through profit or loss	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 days to 1 month	–	–	–	–	–	–	97	97	7	532	132	–	–	–	–
1 – 12 months	–	–	–	–	–	1,065	–	–	–	–	–	–	–	–	–
Due to brokers	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Less than 7 days	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 days to 1 month	206	1,925	372	119	372	7,209	744	1,500	1,500	1,500	1,500	1,500	112	419	–
1 – 12 months	206	1,925	372	119	372	7,209	744	1,500	1,500	1,500	1,500	1,500	112	419	–
Related party payables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 days to 1 month	209	238	46	27	46	164	200	99	99	69	69	69	82	66	–
1 – 12 months	209	238	46	27	46	164	200	99	99	69	69	69	82	66	–
Other payables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Less than 7 days	210	375	66	108	66	128	54	26	26	150	150	150	1	43	–
7 days to 1 month	210	375	66	108	66	128	54	26	26	150	150	150	1	43	–
1 – 12 months	16	19	3	3	5	16	21	8	8	6	6	6	8	7	–
7 days to 1 month	16	19	3	3	5	16	21	8	8	6	6	6	8	7	–
1 – 12 months	25	16	16	26	16	26	16	16	26	15	15	15	26	16	–
252	410	410	138	138	87	170	101	172	89	172	172	172	35	66	–

## Notes to the Financial Statements

### 10. Financial risk management (continued)

#### 10.2 Capital risk management

The Funds' capital is represented by Net Assets Attributable to Unitholders. The Funds' objectives when managing capital are to provide returns for Unitholders through both capital growth and income. Investment decisions are guided by the Funds' mandates as described in the Product Disclosure Statement and Statement of Investment Policy and Objectives. The Funds strive to invest unitholder subscriptions in investments that meet the Funds' objectives while maintaining sufficient liquidity to meet Unitholder redemptions.

The Funds do not have any externally imposed capital requirements. Units may be redeemed daily, subject to receipt of the redemption request and subject to the Manager's ability to decline, defer or suspend withdrawals as set out in the Product Disclosure Statement for the Mint Asset Management Funds.

#### 10.3 Fair value estimation

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the period end date. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker or pricing service, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each period end date.

For instruments for which there is no active market, the Funds may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which markets were or have been inactive during the period. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The Funds classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices (includes within level 1 that are observable for the asset or liability, either directly (that is, derived from prices), or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

The determination of what constitutes "observable" requires significant judgment by the Manager. The Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market. The following table analyses the fair value hierarchy for the Funds' financial assets and liabilities (by class) measured at fair value

\$ '000's	Mint Diversified Growth Fund		Mint Diversified Income Fund		Mint Diversified Social Bond		Mint Diversified Energy Fund		Mint Diversified Equity Fund	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Financial assets at fair value through profit or loss</b>										
<b>Level 1</b>										
Listed trusts	-	-	-	-	2,808	-	350	-	-	-
Listed equities	198,155	245,377	30,760	58,987	83,335	65,118	96,349	-	-	85,382
Equity index options	-	-	-	1,278	-	-	-	-	-	-
<b>Total Level 1 Assets</b>	<b>198,155</b>	<b>245,377</b>	<b>30,760</b>	<b>59,873</b>	<b>85,370</b>	<b>65,469</b>	<b>96,349</b>	<b>-</b>	<b>-</b>	<b>85,382</b>
<b>Level 2</b>										
Fixed interest securities	74	-	-	122,820	168,469	12,680	9,258	-	-	-
Foreign exchange contracts	74	36	4	172	31	321	16	-	-	-
<b>Total Level 2 Assets</b>	<b>148</b>	<b>36</b>	<b>4</b>	<b>122,992</b>	<b>168,500</b>	<b>13,001</b>	<b>9,274</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Level 3</b>										
Unlisted unit trusts	-	-	-	1,000	486	154	75	-	-	-
Fixed interest securities	-	-	-	2,174	2,300	215	216	-	-	-
<b>Total Level 3 Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,174</b>	<b>2,806</b>	<b>369</b>	<b>251</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>198,229</b>	<b>245,413</b>	<b>30,764</b>	<b>186,039</b>	<b>255,676</b>	<b>97,243</b>	<b>75,034</b>	<b>96,349</b>	<b>-</b>	<b>85,382</b>

Level 3 investments held by the Mint Diversified Income Fund and Mint Diversified Growth Fund consists of one New Zealand unlisted corporate bond, the Genesis Social Bond and an Australian unlisted corporate bond and unlisted fund Clean Energy Transfer Fund. As there is not an active market for these holdings, and not all inputs are market based, they have been classified as level 3 of the fair value hierarchy. Due to this, any shift in observable and unobservable inputs may result in direct and proportional changes in the fair value of the investments.

Mint Diversified Income Fund, the level 3 investments approximate 1.5124% (31 March 2022: 1.0380%) of the Net asset value of the Fund at balance date.

Mint Diversified Growth Fund, the level 3 investments approximate 0.3257% (31 March 2022: 0.3703%) of the Net asset value of the Fund at balance date.

The sensitivity of the Level 3 investment's valuation to the unobservable inputs is not considered to be material to the financial statements.

There have been no transfers between the different classifications during the financial year for any of the Funds.

#### Movement of the Level 3 Investments during the year:

\$ '000's	Mint Diversified Growth Fund		Mint Diversified Income Fund		Mint Diversified Social Bond		Mint Diversified Energy Fund		Mint Diversified Equity Fund	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>For the year ended 31 March</b>										
Balance at the beginning of the year	-	-	-	2,806	438	281	-	-	-	-
Sales	-	-	-	(135)	(63)	-	-	-	-	-
Purchases	-	-	-	2,431	2,431	-	291	-	-	-
Unrealised gain/(loss)	-	-	-	800	-	78	-	-	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,174</b>	<b>2,806</b>	<b>369</b>	<b>251</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements

### 10. Financial risk management (continued)

10.3 Fair value estimation (continued)

	Mint Australasian Equity Fund		Mint Australian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
\$ 000's										
Financial liabilities at fair value through profit or loss										
Level 1										
Equity index options										
Total Level 1 Liabilities					1,065	2	532			
Level 2					1,065		532			
Forward foreign exchange contracts					2	97	7	132		
Total Level 2 Liabilities					2	97	7	132		
Total financial liabilities at fair value through profit or loss					1,067	99	539	133		

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing source supported by observable inputs are classified within Level 2.

There have been no transfers between the different classifications during the financial year (31 March 2022 nil).

#### 10.4 Offsetting and amounts subject to master netting arrangements and similar agreements

The Funds, as at 31 March 2023, were subject to International Swaps and Derivatives Association (ISDA) arrangements with the following derivative counterparties: CBA and Westpac. According to the terms of the ISDA arrangements all the derivatives for each counterparty are settled net. The following tables present the Funds' financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instrument.

	Mint Australasian Equity Fund		Mint Australian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
\$ 000's										
As at 31 March										
Derivative assets										
Equity index options										
Net amounts of Equity index options presented in the Statements of Financial Position					1,276	1	639			
Forward foreign exchange contracts					87	24	225	7		
Net amounts of Forward foreign exchange contracts presented in the Statements of Financial Position-CBA	35	28	2	7						
Net amounts of Forward foreign exchange contracts presented in the Statements of Financial Position-Westpac	38	3	2	1	75	8	86	9		
Derivative liabilities										
Equity index options										
Net amounts of Equity index options presented in the Statements of Financial Position					1,065	2	532			
Forward foreign exchange contracts										
Net amounts of Forward foreign exchange contracts presented in the Statements of Financial Position-CBA					3	59	4	64		
Net amounts of Forward foreign exchange contracts presented in the Statements of Financial Position-Westpac						36	3	38		

#### 11. Distributions

The Manager has discretion as to whether to distribute any of the net income of each Fund. Income that is not distributed is invested as part of the assets of the Funds or may also be used to make fair distributions to investors.

The following distributions were made during the year:

	Mint Australasian Equity Fund		Mint Australian Property Fund		Mint Diversified Income Fund		Mint Diversified Growth Fund		Mint New Zealand SRI Equity Fund	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
\$ 000's										
For the year ended 31 March										
Distributions					7,896	7,524				
12. Interest income										
\$ 000's										
For the year ended 31 March										
Interest income on cash and cash equivalents	63	15	13	3	469	31	63	2	51	5
Interest income on financial assets at fair value through profit or loss					5,327	5,252	355	122		
	53	15	13	12	5,795	5,283	418	124	51	5

#### 13. Events occurring after the balance date

No significant events have occurred since balance date which would impact on the financial position of the Funds disclosed in the Statements of Financial Position as at 31 March 2023 or on the results and Statements of Cash Flows of the Funds for the year ended on that date.



## Independent auditor's report

To the unitholders of:

- Mint Australasian Equity Fund
- Mint Australasian Property Fund
- Mint Diversified Income Fund
- Mint Diversified Growth Fund
- Mint New Zealand SRI Equity Fund

(Collectively referred to as the Funds)

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### Our opinion

In our opinion, the accompanying financial statements of the Funds present fairly, in all material respects, the financial position of the Funds as at 31 March 2023, their financial performance and their 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 (IFRS).

### What we have audited

The Funds' financial statements comprise:

- the statements of financial position as at 31 March 2023;
- the statements of comprehensive income for the year then ended;
- the statements of changes in net assets attributable to unitholders for the year then ended;
- the statements of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies 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.

### Independence

We are independent of the Funds 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 are the auditor of Mint Asset Management Limited, the Manager. We have provided the following services to the Manager: agreed upon procedures on the net tangible assets calculation and controls assurance reporting. Subject to certain restrictions, employees of our firm may invest in the Funds on normal terms within the ordinary course of trading activities of the Funds. These services and relationships have not impaired our independence as auditor of the Funds. We have no other relationships with, or interests in, the Funds.

### 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 6 and 10.3 to the financial statements for disclosures of financial assets and financial liabilities at fair value through profit or loss (financial instruments).</p> <p>This was an area of focus for our audit as the financial instruments represents the majority of the net assets of the Funds.</p> <p><b>Valuation</b></p> <p>The fair value of the financial instruments traded in active markets are based on unadjusted quoted market prices at 31 March 2023 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 are determined using valuation techniques. The valuation technique depends on the underlying financial instrument and includes assumptions that are based on market conditions existing at 31 March 2023. Financial instruments with inputs to the valuation that are observable either directly or indirectly are categorised as level 2 in the fair value hierarchy. Where a significant input is not observable the financial instrument is categorised at level 3 in the fair value hierarchy.</p> <p>The Fund's level 2 financial instruments include fixed interest securities and foreign exchange contracts. For fixed interest securities and foreign exchange contracts, the Manager obtains the prices from independent pricing providers. Mint Diversified Income Fund and Mint Diversified Growth Fund hold level 3 financial instruments which include fixed interest securities and unlisted unit trusts. For these level 3 financial instruments, the Manager obtains prices from the unit trust's investment manager's pricing provider.</p> <p><b>Existence</b></p> <p>Holdings of financial assets are held by the custodian of the Funds (the Custodian) on behalf of the Funds.</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 business 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 all financial instruments where unadjusted quoted market prices in an active market were available, we compared the market price at the reporting date and the exchange rates at which they have been converted from foreign currencies to New Zealand dollars to independent third party pricing sources.</p> <p>For fixed interest securities, global bond futures and foreign exchange contracts, we agreed the observable inputs to third party pricing sources and used our own valuation experts to test the fair value, including the assessment of significant unobservable inputs for the level 3 fixed interest securities, using independent valuation models.</p> <p>For level 3 unlisted unit trusts, we evaluated the unit price at 31 March 2023 that was provided by the investment manager's pricing provider.</p> <p>We obtained confirmation from the Custodian and financial institutions of the holdings of all of the financial instruments held by the Funds as at 31 March 2023.</p>





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## Our audit approach

### Overview

#### *Materiality*

We determined materiality for each Fund separately. Our materiality for each Fund is calculated based on approximately 1% of net assets attributable to unitholders for each Fund.

We chose net assets attributable to unitholders as the benchmark because, in our view, the objective of the Funds is to provide unitholders with a total return on the Funds' 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 assets and financial liabilities at fair value through profit or loss

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 each 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 each 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 each Fund as a whole, taking into account the structure of each Fund, the Funds' investments and the accounting and registry processes and controls.

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

In completing our audit, we performed relevant audit procedures over the control environment of the Custodian, the Administrator, the Registrar and the Manager to support our audit conclusions.

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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, but does not include the financial statements and our auditor's report thereon which the Annual Report will refer 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, 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 each 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 a 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 each 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 to them 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 each 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 Vatsana Vanpraseuth.

For and on behalf of:

Chartered Accountants

28 July 2023

Auckland