
FISHER FUNDS INVESTMENT SERIES SCHEME

2022

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Including the following Funds:

Fisher Funds **Trans Tasman Equity Trust**

Fisher Funds **Multi Sector Fund**

Fisher Funds **BondPlus Fund**

Fisher Funds **Global Fund**

Fisher Funds **New Zealand Fixed Income Trust**

Fisher Funds **CashPlus Fund**

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**Fisher Funds Investment Series Scheme
For the period ended 31 March 2022**

Directory

Manager	Fisher Funds Management Limited
Registered Office	Level 1, Crown Centre 67-73 Hurstmere Road, Takapuna, Auckland, 0622
Investor and Advisor Enquiries	Private Bag 93 502 Takapuna, Auckland, 0740 Email: enquiries@fisherfunds.co.nz
Directors of the Manager	David Clarence Clarke (Chair) LLB Margaret Anne Blackburn BA, MA Edward Francis Sippel BA Guy Roper BBS, FCA Jennifer Clare Moxon BCom Michael Stuart Berk MBA Mark John Lazberger BCom, CFA
Licensed Supervisor	Trustees Executors Limited
Auditor	KPMG
Solicitors	Chapman Tripp

Fisher Funds Investment Series Scheme
As at 31 March 2022

Statements of Financial Position

Note	Trans Tasman Equity Trust		Multi Sector Fund *		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Unit holders' funds	112,159	75,413	-	13,474	121,632	166,551	170,196	137,125	144,391	152,714	12,146	23,735
<i>Represented by:</i>												
Current assets												
Cash and cash equivalents	1,715	1,304	-	212	990	1,381	2,625	2,241	694	1,137	90	270
Investments at fair value through profit or loss	3 (a) 110,545	74,303	-	12,720	120,756	165,434	167,903	135,674	143,813	151,708	12,095	23,496
Trade and other receivables	31	27	-	169	27	94	82	101	26	55	-	3
Related party receivables	4 (a)(iii) -	-	-	1	-	-	-	-	-	-	-	-
PIE tax receivable on behalf of unit holders	33	64	-	-	62	-	-	-	12	-	-	-
Total Current Assets	112,324	75,698	-	13,102	121,835	166,909	170,610	138,016	144,545	152,900	12,185	23,769
Non-current assets												
Investments at fair value through profit or loss	3 (a) -	-	-	677	-	-	-	-	-	-	-	-
Total non-current assets	-	-	-	677	-	-	-	-	-	-	-	-
Total assets	112,324	75,698	-	13,779	121,835	166,909	170,610	138,016	144,545	152,900	12,185	23,769
<i>Less:</i>												
Current liabilities												
Trade and other payables	14	175	-	206	81	127	65	29	36	52	29	11
Related party payables	4 (a)(iv) 151	110	-	30	122	177	228	200	118	134	10	18
PIE tax payable on behalf of unit holders	-	-	-	69	-	54	121	662	-	-	-	5
Total liabilities	165	285	-	305	203	358	414	891	154	186	39	34
Net assets	112,159	75,413	-	13,474	121,632	166,551	170,196	137,125	144,391	152,714	12,146	23,735

* The Multi Sector Fund was wound up during the year effective 25th March 2022. The unit holders were given the option of transferring their unit holdings to other funds managed by the Manager or to withdraw their investment.

These financial statements were authorised for issue by the Manager, Fisher Funds Management Limited:

Director 

Date 30/06/2022

Director 

Date 30/06/2022

The accompanying notes form an integral part of these financial statements.

Fisher Funds Investment Series Scheme
For the period ended 31 March 2022

Statements of Changes in Unit Holders' Funds

Funds	Trans Tasman Equity Trust		Multi Sector Fund *		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 12 months \$'000	2021 12 months \$'000	2022 358 days \$'000	2021 12 months \$'000	2022 12 months \$'000	2021 12 months \$'000	2022 12 months \$'000	2021 12 months \$'000	2022 12 months \$'000	2021 12 months \$'000	2022 12 months \$'000	2021 12 months \$'000
Opening unit holders' funds	75,413	49,695	13,474	10,532	166,551	157,364	137,125	86,699	152,714	61,715	23,735	56,070
Total comprehensive income/(expense)	(4,314)	22,915	(284)	2,152	(6,248)	5,819	2,350	41,232	(10,894)	(3,106)	(150)	384
Applications for units for the period	56,880	15,758	1,737	1,387	39,839	34,507	50,872	27,985	46,214	110,365	9,900	5,528
Withdrawals for the period	(15,853)	(13,020)	(14,976)	(525)	(78,573)	(31,079)	(20,025)	(18,110)	(43,657)	(16,258)	(21,342)	(38,241)
PIE tax attributable to unit holders	33	65	49	(72)	63	(60)	(126)	(681)	14	(2)	3	(6)
	36,746	25,718	(13,474)	2,942	(44,919)	9,187	33,071	50,426	(8,323)	90,999	(11,589)	(32,335)
Closing unit holders' funds	112,159	75,413	-	13,474	121,632	166,551	170,196	137,125	144,391	152,714	12,146	23,735
Units	Number '000	Number '000	Number '000	Number '000	Number '000	Number '000	Number '000	Number '000	Number '000	Number '000	Number '000	Number '000
Units on issue at the start of the period	8,764	8,357	3,296	3,097	69,230	67,883	17,574	15,992	104,520	42,344	17,199	40,976
Applications for units for the period	6,229	2,088	412	336	16,466	14,256	6,100	4,199	32,216	73,218	7,187	4,015
Withdrawals for the period	(1,729)	(1,681)	(3,708)	(137)	(32,731)	(12,909)	(2,430)	(2,617)	(30,340)	(11,042)	(15,525)	(27,792)
Units on issue at the end of the period	13,264	8,764	-	3,296	52,965	69,230	21,244	17,574	106,396	104,520	8,861	17,199

* The Multi Sector Fund was wound up during the year effective 25th March 2022. The unit holders were given the option of transferring their unit holdings to other funds managed by the Manager or to withdraw their investment.

The accompanying notes form an integral part of these financial statements.

Fisher Funds Investment Series Scheme
For the period ended 31 March 2022

Statements of Comprehensive Income

	Note	Trans Tasman Equity Trust		Multi Sector Fund *		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
		2022 12 months \$000	2021 12 months \$000	2022 358 days \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000
Income													
Interest income	5	11	5	4	5	8	7	14	8	5	4	1	2
Dividend income		-	-	7	11	-	-	-	-	-	-	-	-
Net changes in fair value of investments	3 (b)	(2,858)	23,998	(20)	2,385	(4,478)	7,734	4,781	43,124	(9,484)	(2,169)	7	632
Management fee rebates	4 (a)(i)	-	-	6	6	-	-	-	-	-	-	-	-
Total income/(loss)		(2,847)	24,003	(3)	2,407	(4,470)	7,741	4,795	43,132	(9,479)	(2,165)	8	634
Expenses													
Management fees	4 (a)(ii)	1,386	1,006	242	216	1,667	1,760	2,319	1,776	1,309	837	122	202
Custody, unit pricing and accounting fees	4 (a)(ii)	20	20	19	20	22	24	23	22	22	21	17	18
Supervisor fees	4 (a)(ii)	16	12	2	2	27	29	27	21	26	17	-	-
Registry fees	4 (a)(ii)	31	38	8	7	46	94	59	66	42	54	8	20
Auditor's fees - financial statements audit		8	7	8	7	8	7	8	7	8	7	8	8
Regulatory related expenses		6	4	2	2	8	8	8	6	8	5	3	2
Other expenses		-	1	-	1	-	-	1	2	-	-	-	-
Total expenses		1,467	1,088	281	255	1,778	1,922	2,445	1,900	1,415	941	158	250
Net profit/(loss)		(4,314)	22,915	(284)	2,152	(6,248)	5,819	2,350	41,232	(10,894)	(3,106)	(150)	384
Other comprehensive income		-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(expense)		(4,314)	22,915	(284)	2,152	(6,248)	5,819	2,350	41,232	(10,894)	(3,106)	(150)	384

* The Multi Sector Fund was wound up during the year effective 25th March 2022. The unit holders were given the option of transferring their unit holdings to other funds managed by the Manager or to withdraw their investment.

**Fisher Funds Investment Series Scheme
For the period ended 31 March 2022**

Statements of Cash Flows

	Trans Tasman Equity Trust		Multi Sector Fund *		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	12 months	12 months	358 days	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash flows from operating activities												
Cash was provided from:												
Sale of investments	6,325	7,680	17,555	2,317	56,950	11,600	15,837	34,608	25,055	6,800	19,100	35,250
Interest received	11	5	4	5	8	7	14	8	5	4	1	2
Dividend income received	-	-	7	11	-	-	-	-	-	-	-	-
Other income	-	-	8	6	-	-	-	-	-	-	-	-
Cash was applied to:												
Purchase of investments	(45,425)	(9,060)	(4,208)	(2,802)	(16,750)	(13,170)	(43,285)	(41,760)	(26,645)	(99,450)	(7,692)	(2,915)
Expenses	(1,425)	(1,052)	(317)	(250)	(1,833)	(1,909)	(2,418)	(1,826)	(1,430)	(861)	(166)	(269)
Net cash inflows/(outflows) from operating activities	(40,514)	(2,427)	13,049	(713)	38,375	(3,472)	(29,852)	(8,970)	(3,015)	(93,507)	11,243	32,068
Cash flows from financing activities												
Cash was provided from:												
Applications for units	56,665	15,748	1,736	1,393	39,707	34,215	50,865	27,784	46,045	110,298	9,904	5,526
PIE tax received	63	2	-	-	-	-	-	-	-	-	-	-
Cash was applied to:												
Withdrawals	(15,803)	(12,851)	(14,976)	(525)	(78,420)	(30,900)	(19,962)	(17,949)	(43,475)	(16,242)	(21,322)	(38,278)
PIE tax paid	-	-	(21)	6	(53)	(42)	(667)	185	2	(11)	(5)	(10)
Net cash inflows/(outflows) from financing activities	40,925	2,899	(13,261)	874	(38,766)	3,273	30,236	10,020	2,572	94,045	(11,423)	(32,762)
Net increase/(decrease) in cash and cash equivalents	411	472	(212)	161	(391)	(199)	384	1,050	(443)	538	(180)	(694)
Opening cash brought forward	1,304	832	212	51	1,381	1,580	2,241	1,191	1,137	599	270	964
Ending cash carried forward	1,715	1,304	-	212	990	1,381	2,625	2,241	694	1,137	90	270
Reconciliation of net profit/(loss) to cash flows from operating activities												
Net profit/(loss)	(4,314)	22,915	(284)	2,152	(6,248)	5,819	2,350	41,232	(10,894)	(3,106)	(150)	384
Non cash items												
Net unrealised changes in the fair value of investments	6,772	(19,255)	4,093	(1,785)	14,026	(5,673)	990	(34,613)	11,608	3,797	473	260
Movements in working capital items												
Decrease/(increase) in trade and other receivables	(4)	12	169	6	67	(72)	19	(30)	29	(55)	3	(3)
Decrease/(increase) in related party receivables	-	-	1	52	-	-	-	2,250	-	-	-	-
Increase/(decrease) in trade and other payables	(161)	152	(206)	2	(46)	(38)	36	(6)	(16)	11	18	(38)
Increase/(decrease) in related party payables	41	32	(30)	141	(55)	11	28	(2,031)	(16)	73	(8)	(17)
Decrease/(increase) in cost of underlying investments carried at fair value	(43,014)	(6,123)	9,307	(1,274)	30,652	(3,632)	(33,221)	(15,812)	(3,714)	(94,278)	10,928	31,443
	(43,138)	(5,927)	9,241	(1,073)	30,618	(3,731)	(33,138)	(15,629)	(3,717)	(94,249)	10,941	31,385
Items classified as financing activities												
Movements in payables/receivables attributable to financing activities	166	(160)	(1)	(7)	(21)	113	(54)	40	(12)	51	(21)	39
Net cash inflows/(outflows) from operating activities	(40,514)	(2,427)	13,049	(713)	38,375	(3,472)	(29,852)	(8,970)	(3,015)	(93,507)	11,243	32,068

* The Multi Sector Fund was wound up during the year effective 25th March 2022. The unit holders were given the option of transferring their unit holdings to other funds managed by the Manager or to withdraw their investment.

The accompanying notes form an integral part of these financial statements.

Fisher Funds Investment Series Scheme

For the period ended 31 March 2022

Notes to the Financial Statements

1 About this report

(a) Reporting entity

The reporting entity is the Fisher Funds Investment Series Scheme ("the Scheme"). The Scheme is made up of six funds ("the Funds"):

- Fisher Funds Trans Tasman Equity Trust ("Trans Tasman Fund")
- Fisher Funds Multi Sector Fund ("Multi Sector Fund")
- Fisher Funds BondPlus Fund ("BondPlus Fund")
- Fisher Funds Global Fund ("Global Fund")
- Fisher Funds New Zealand Fixed Income Trust ("Fixed Income Fund")
- Fisher Funds CashPlus Fund ("CashPlus Fund")

The Funds are Portfolio Investment Entities ("PIEs"), meaning income is taxed in the hands of the unit holders. The Manager attributes the taxable income of the Funds to unit holders based on their holding of units and pays tax on their behalf at their Prescribed Investor Rate. Tax payments/credits are transacted by cancellation or issue of units.

The results, position and cash flows reported for the Scheme is a simple aggregation of the results, position and cash flows of the Funds that make up the Scheme. All investments made with the monies of a Fund shall be held by the Supervisor as the exclusive property of that Fund and will not be used to meet any liabilities of any other Fund. As part of this aggregation process, inter-fund transactions are eliminated and PIE tax is disclosed net at the Scheme level.

(b) Statutory base

The Scheme is a reporting entity under the Financial Markets Conduct Act 2013 ("FMC Act") and is governed by the Governing Document.

(c) Basis of preparation

The Scheme's financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") as applicable to for-profit entities and International Financial Reporting Standards ("IFRS").

The financial statements have been prepared in accordance with the provisions of the Governing Document and the FMC Act.

All amounts are in New Zealand Dollars and have been rounded to the nearest one thousand dollars. The Scheme is domiciled and registered in New Zealand.

Investments are financial instruments measured at fair value through profit or loss. All other assets and liabilities are measured at amortised cost.

There are no new standards, amendments to standards or interpretation that are effective for the reporting period that have a material effect on the financial statements of the Scheme.

There are no new standards, amendments or interpretations that have been issued but are not yet effective that are expected to materially impact the Scheme's financial statements.

(d) Change of comparatives

Certain items have been reclassified from the Scheme's prior period financial report to conform to the current period's presentation basis. The reclassifications relate to the re-presentation of the Supervisor as a related party (refer to note 4 for further information).

The financial statements of the Scheme cover the period ended 31 March 2022, except for the Multi Sector Fund which covers the period to 25 March 2022 when the Fund closed. Comparative information has been provided for the period ended 31 March 2021.

(e) Unit holders' Funds

Units issued by the funds provide the unit holders with the right to require redemption for cash at the value proportionate to the unit holders' share in each Fund's net asset value.

The units qualify as 'puttable instruments' and are classified as equity as they are identical. Any owner changes in equity are presented in the Statement of Changes in Unit Holders' Funds, whereas any non-owner changes in equity are presented in the income section of the Statements of Comprehensive Income.

(f) Material judgements

The material judgements in preparing these financial statements are the valuation of the Scheme's investments and categorisation of its assets and liabilities fair value hierarchy, which is described in Note 3.

(g) Covid-19

The impact of COVID-19 on the Scheme's financial statements was considered and, other than the Scheme's performance during the period, there have been no other impacts on the Scheme's financial reporting.

**Fisher Funds Investment Series Scheme
For the period ended 31 March 2022**

Notes to the Financial Statements

2 Risk

The investment activities of the Funds come with financial risks. These risks are managed under the Scheme's Statement of Investment Policy and Objectives ("SIPO"), and are monitored by the Manager.

(a) Market price, interest rate and currency risks

Market price risk is the risk of gains or losses from changes in the market price of investments. A variable of 20% is considered appropriate for market price risk sensitivity analysis based on historical price movements.

Interest rate risk is the risk of movements in interest rates. Surplus cash is held in interest bearing New Zealand and foreign bank accounts. The Funds are therefore exposed to the risk of gains or losses or changes in interest income from movements in both New Zealand and foreign interest rates. A variable of 1% was selected for interest rate risk as this is a reasonably possible movement based on historic trends and current market expectations.

Currency risk is the risk of gains or losses or changes in the New Zealand dollar value of income from changes in foreign exchange rates.

An analysis including the impact on unit holders' funds of the market price risk and direct interest rate risk from the investments of the Funds is set out in the tables below. Unit holders' funds is impacted by price movements by the same amount as profit after adjusting for the impact of PIE tax adjustments attributable to unit holders.

The Scheme is also exposed indirectly to interest rate risk and currency risk arising from its investment in PIE funds. These indirect risks are not considered in the analysis below.

	Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Market risk												
PIE funds:												
Carrying amount	110,545	74,303	-	13,165	120,756	165,434	167,903	135,674	143,813	151,708	12,095	23,496
Impact of a +/- 20% change in market prices	22,109	14,861	-	2,633	24,151	33,087	33,581	27,135	28,763	30,342	2,419	4,699
Interest rate risk												
Cash and cash equivalents, bank deposits and debt securities:												
Re-pricing profile:												
Up to 90 days	1,715	1,304	-	212	990	1,381	2,625	2,241	694	1,137	90	270
1-5 years	-	-	-	126	-	-	-	-	-	-	-	-
5+ years	-	-	-	106	-	-	-	-	-	-	-	-
Cash and cash equivalents:												
Carrying amount	1,715	1,304	-	212	990	1,381	2,625	2,241	694	1,137	90	270
Impact of a +/- 1% change in interest rates	17	13	-	2	10	14	26	22	7	11	1	3
Debt securities and bank deposits:												
Carrying amount	-	-	-	232	-	-	-	-	-	-	-	-
Impact of a +/- 1% change in interest rates	-	-	-	22	-	-	-	-	-	-	-	-

**Fisher Funds Investment Series Scheme
For the period ended 31 March 2022**

Notes to the Financial Statements

2 Risk (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Scheme will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with investment liabilities and withdrawals by unit holders. Liquidity risk is managed by holding sufficient liquid investments to enable the Scheme to meet liabilities as they fall due and unit holder withdrawals when requested. The Manager also monitors the Funds' portfolios and giving specific consideration to investments deemed to be illiquid or not readily and easily sold, to ensure there are sufficient liquid assets to cover outstanding liabilities of the Funds. Monies received from unit holder contributions may be used to offset withdrawals and the Manager may in certain circumstances suspend withdrawals.

The Scheme manages its unit holders' funds as capital. All units in the Scheme carry the same rights, preferences and restrictions. The Supervisor may defer giving effect to a permitted withdrawal out of the Scheme if the Supervisor determines that having regard to the realisation of assets required in order to make the withdrawal or transfer or the occurrence or existence of any other circumstance or event relating to the Scheme or generally, earlier withdrawal or transfer would be imprudent or is impracticable.

(c) Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of counterparties to honour fully the terms and conditions of a contract with the Scheme. The Scheme minimises concentrations of credit risk by undertaking transactions with a number of counterparties on recognised and reputable exchanges. The Scheme could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivatives contract, is unable or unwilling to make timely principal and/or interest payments, or to otherwise honour its obligations. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings. The Manager has assessed the impact of non-performance risk on the financial instruments subject to credit risk and determined that no adjustment to the fair value is required. The Manager minimises credit risks to the Scheme by performing reviews of each counterparty. All transactions in listed securities are paid for on delivery according to standard settlement instructions.

PIE funds indirectly subject the Scheme to credit risk by investing in cash, fixed interest investments and forward foreign exchange contracts. The maximum exposure for the Scheme to credit risk is represented by the carrying value of these financial instruments. The Scheme's investment in PIE funds, due to the risk and reward profile of those investments, are considered to be similar to an equity holding and are therefore not included in the credit risk sensitivity analysis.

The table below sets out the equivalent Standard and Poor's short term credit rating for cash and cash equivalents and long term credit ratings for bonds at fair value through profit or loss held by the Scheme.

	Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Credit rating												
	AAA	-	-	232	-	-	-	-	-	-	-	-
	AA- to AA+	1,715	1,304	212	990	1,381	2,625	2,241	694	1,137	90	270
		<u>1,715</u>	<u>1,304</u>	<u>-</u>	<u>444</u>	<u>990</u>	<u>1,381</u>	<u>2,625</u>	<u>2,241</u>	<u>694</u>	<u>90</u>	<u>270</u>

(d) Credit exposure

The Scheme's maximum exposure to credit risk at balance date in relation to each class of recognised asset is the carrying amount of those assets as indicated in the Statements of Financial Position.

The Manager moderates credit risk through careful security selection and diversification, daily monitoring of the Scheme's market position and adherence to the Scheme's investment policy. There is no exposure to any issuer which is greater than 10% of the Funds' net assets to any one counterparty (excluding PIE funds which are detailed in Note 4(c)).

Fisher Funds Investment Series Scheme
For the period ended 31 March 2022

Notes to the Financial Statements

3 Investments at fair value through profit or loss

All investments are valued at fair value, with gains or losses recognised in the Statements of Comprehensive Income. The Scheme classifies its investments at fair value through profit or loss upon initial recognition as the Scheme manages its investments based on their fair value and in accordance with the investment strategy. Purchases and sales of investments are recognised on the trade date, the date on which the Scheme commits to purchase or sell the investment.

(a) Composition of investments at fair value through profit or loss

	Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000
PIE funds ¹	110,545	74,303	-	12,488	120,756	165,434	167,903	135,674	143,813	151,708	12,095	23,496
Debt securities	-	-	-	232	-	-	-	-	-	-	-	-
Current Assets	110,545	74,303	-	12,720	120,756	165,434	167,903	135,674	143,813	151,708	12,095	23,496
PIE Funds	-	-	-	677	-	-	-	-	-	-	-	-
Non-current assets	-	-	-	677	-	-	-	-	-	-	-	-
Total investments at fair value through profit or loss	110,545	74,303	-	13,397	120,756	165,434	167,903	135,674	143,813	151,708	12,095	23,496

¹ All PIE funds invested in are other funds managed by the Manager. As such, these PIE funds are considered to be related entities. Refer to Note 4(c) for a detailed breakdown of PIE funds invested in by each Fund.

(b) Net changes in fair value of investments

	Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 12 months \$000	2021 12 months \$000	2022 358 days \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000
PIE funds	(2,858)	23,998	(22)	2,377	(4,478)	7,734	4,781	43,124	(9,484)	(2,169)	7	632
Debt securities	-	-	2	8	-	-	-	-	-	-	-	-
Net changes in fair value of investments	(2,858)	23,998	(20)	2,385	(4,478)	7,734	4,781	43,124	(9,484)	(2,169)	7	632

(c) Fair value hierarchy

The fair value of an investment is the price that would be received to sell an investment asset, or paid to transfer a financial liability, in an orderly transaction between market participants at measurement date. Investments recognised at fair value are categorised according to the level of judgment used in determining the fair value. There are three levels in the hierarchy of fair value measurements which are based on the observability of inputs to measure fair values:

- Level 1: Inputs are the last traded price for identical securities in active markets that the Funds can access; except for when the last traded price falls outside the bid-ask spread for a particular stock, in which case the bid price is used.
- Level 2: Where quoted market prices are not available, fair values have been estimated using present value or other valuation techniques using inputs that are available for the investment asset, either directly or indirectly.
- Level 3: Fair values are estimated using significant inputs that are unobservable for the investment asset.

**Fisher Funds Investment Series Scheme
For the period ended 31 March 2022**

Notes to the Financial Statements

3 Investments at fair value through profit or loss (continued)

(c) Fair value hierarchy (continued)

The table below categorises investment by fair value hierarchy:

Fair value hierarchy	Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Level 1	-	-	-	232	-	-	-	-	-	-	-	-
Level 2	110,545	74,303	-	13,165	120,756	165,434	167,903	135,674	143,813	151,708	12,095	23,496
	110,545	74,303	-	13,397	120,756	165,434	167,903	135,674	143,813	151,708	12,095	23,496

The Funds have no investments classified as Level 1 as at 31 March 2022 (31 March 2021: \$0.2m which comprised tradeable New Zealand Government debt securities).

Level 2 investments comprise investments in PIE funds. PIE investments are not traded in an active market. Their value is based primarily on the latest available redemption price at balance date.

The Funds have no investments classified as Level 3 as at 31 March 2022 (31 March 2021: Nil).

During the period there were no transfers of investments between levels in the fair value hierarchy.

**Fisher Funds Investment Series Scheme
For the period ended 31 March 2022**

Notes to the Financial Statements

4 Related parties

(a) Transactions and balances with related parties

The Manager of the Scheme is Fisher Funds Management Limited and the Supervisor is Trustees Executors Limited. The Manager and Trustees Executors Limited are related parties of the Scheme by virtue of the Governing Document, giving the Manager and Supervisor, either directly or indirectly, the authority and responsibility for planning, directing and controlling the activities of the Scheme. The Manager is entitled to a management fee calculated as a percentage per annum of the gross asset value of the Funds. Management fees are calculated daily and payable monthly at the following percentage for each fund:

Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
1.50%	1.50%	1.75%	1.75%	1.05%	1.05%	1.50%	1.50%	0.85%	0.85%	0.50%	0.60%

In relation to the underlying investment in the Fisher Institutional Property Fund, the Fisher Funds Multi Sector Fund received a management fee rebate for the management fee paid by that Fund. The rebate of 0.75% per annum is calculated daily based on the ratio of property assets to cash assets within the Fund and was paid quarterly by the Manager.

Fees incurred/payable by the Scheme, and rebates received/receivable by the Scheme to/from the Manager and Supervisor during the period are detailed below.

(i) Related party income

Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
12 months	12 months	358 days	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Fisher Funds Management Limited:											
Management fee rebate											
-	-	6	6	-	-	-	-	-	-	-	-
Total Fisher Funds Management Limited											
-	-	6	6	-	-	-	-	-	-	-	-
Total related party income											
-	-	6	6	-	-	-	-	-	-	-	-

(ii) Related party fees incurred

Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
12 months	12 months	358 days	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Fisher Funds Management Limited:											
Management fees incurred											
1,386	1,006	242	216	1,667	1,760	2,319	1,776	1,309	837	122	202
Total Fisher Funds Management Limited:											
1,386	1,006	242	216	1,667	1,760	2,319	1,776	1,309	837	122	202
Trustee Executors Limited:											
Supervisor fees expense											
16	12	2	2	27	29	27	21	26	17	-	-
Custody, unit pricing and accounting fees											
20	20	19	20	22	24	23	22	22	21	17	18
Registry fees											
31	38	8	7	46	94	59	66	42	54	8	20
Total Trustee Executors Limited:											
67	70	29	29	95	147	109	109	90	92	25	38
Total related party fees incurred											
1,453	1,076	271	245	1,762	1,907	2,428	1,885	1,399	929	147	240

(iii) Related party receivables

Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Fisher Funds Management Limited:											
Rebates receivable											
-	-	-	1	-	-	-	-	-	-	-	-
Total Fisher Funds Management Limited											
-	-	-	1	-	-	-	-	-	-	-	-
Total related party receivables											
-	-	-	1	-	-	-	-	-	-	-	-

Fisher Funds Investment Series Scheme
For the period ended 31 March 2022

Notes to the Financial Statements

4 Related parties (continued)

(a) Transactions and balances with related parties (continued)

(iv) Related party payables	Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Fisher Funds Management Limited:												
Management fees payable	141	101	-	21	111	161	214	187	108	120	5	13
Total Fisher Funds Management Limited	141	101	-	21	111	161	214	187	108	120	5	13
Trustee Executors Limited:												
Supervisor fees payable	2	1	-	-	2	3	3	2	2	2	-	-
Registry fees payable	3	4	-	1	4	9	6	7	3	8	-	1
Unit pricing and accounting fees payable	5	4	-	8	5	4	5	4	5	4	5	4
Total Trustee Executors Limited	10	9	-	9	11	16	14	13	10	14	5	5
Total related party payables	151	110	-	30	122	177	228	200	118	134	10	18

(b) Investment transactions with related entities

During the period various investments were bought or sold by the Scheme where the counterparty was another fund also managed by the Manager. All such transactions were carried out in the ordinary course of the Scheme's activities and were transacted at the fair value of the underlying investment bought or sold (i.e. on an arm's-length basis). No brokerage fees were charged.

	Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 12 months \$000	2021 12 months \$000	2022 358 days \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000
Purchases of investments ⁽¹⁾	-	-	10	-	-	-	-	-	-	-	-	-
Sales of investments ⁽¹⁾	-	-	-	-	-	-	-	-	-	-	-	-
Unsettled purchases of investments	-	-	-	197	-	-	-	-	-	-	-	-
Unsettled sales of investments	-	-	-	168	-	-	-	-	-	-	-	-

⁽¹⁾ These purchases and sales of investments exclude applications and withdrawals in Fisher Institutional Funds.

Fisher Funds Investment Series Scheme
For the period ended 31 March 2022

Notes to the Financial Statements

4 Related parties (continued)

(c) Investments in related entities

The Scheme indirectly holds multiple investments through other funds managed by the Manager. The Scheme has been deemed to meet the definition of an investment entity and accordingly the Scheme's investments in other PIE funds managed by the Manager are not consolidated, instead measured at fair value through profit or loss. The Scheme's investments in other funds managed by the Manager (PIE funds per Note 3) are as follows:

	Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current assets:												
Fisher Institutional Trans Tasman Equity Fund	110,545	74,303	-	2,179	-	-	-	-	-	-	-	-
Fisher Institutional International Bond Fund	-	-	-	605	78,857	107,976	-	-	-	-	-	-
Fisher Institutional Core International Bond Fund	-	-	-	-	41,899	57,458	-	-	-	-	-	-
Fisher Institutional International Equity Fund	-	-	-	1,468	-	-	42,251	37,017	-	-	-	-
Fisher Institutional International Equity (Hedged) Fund	-	-	-	1,028	-	-	42,501	31,524	-	-	-	-
Fisher Institutional New Zealand Fixed Interest Fund	-	-	-	2,467	-	-	-	-	143,813	151,708	-	-
Fisher Institutional New Zealand Cash Fund	-	-	-	471	-	-	-	-	-	-	12,095	23,496
Fisher Institutional Property Fund	-	-	-	677	-	-	-	-	-	-	-	-
Fisher Institutional Property and Infrastructure Fund	-	-	-	313	-	-	-	-	-	-	-	-
Fisher Institutional Global Fixed Interest Fund	-	-	-	1,812	-	-	-	-	-	-	-	-
Fisher Institutional Global Value Fund	-	-	-	-	-	-	16,572	-	-	-	-	-
Fisher Institutional Select Global Equity Fund	-	-	-	1,468	-	-	66,579	67,133	-	-	-	-
Total current assets	110,545	74,303	-	12,488	120,756	165,434	167,903	135,674	143,813	151,708	12,095	23,496
Non-current assets												
Fisher Institutional Property Fund	-	-	-	677	-	-	-	-	-	-	-	-
	-	-	-	677	-	-	-	-	-	-	-	-
Total investments in related entities	110,545	74,303	-	13,165	120,756	165,434	167,903	135,674	143,813	151,708	12,095	23,496

	Trans Tasman Equity Trust		Multi Sector Fund		BondPlus Fund		Global Fund		New Zealand Fixed Income Trust		CashPlus Fund	
	2022 12 months \$000	2021 12 months \$000	2022 358 days \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000	2022 12 months \$000	2021 12 months \$000
5 Interest income												
Interest on investment assets at amortised cost	11	5	1	1	8	7	14	8	5	4	1	2
Interest on investment assets at fair value through profit or loss	-	-	3	4	-	-	-	-	-	-	-	-
Total interest income	11	5	4	5	8	7	14	8	5	4	1	2

Interest income on financial assets at amortised cost and investment assets at fair value through profit or loss is recognised using the effective interest method.

6 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities as at 31 March 2022 (31 March 2021: Nil).

**Fisher Funds Investment Series Scheme
For the period ended 31 March 2022**

Notes to the Financial Statements

7 Subsequent events

As at the date of signing, the underlying funds covered in these financial statements have experienced movement in unit prices, in line with recent market volatility. The equity-based funds [Trans Tasman Equity Trust and Global Fund] have experienced a higher level of volatility. For recent unit price and fund performance, please visit www.fisherfunds.co.nz/unit-prices-and-performance/unit-prices (note, this information is unaudited).



Independent Auditor's Report

To the members of:

- Fisher Funds Trans Tasman Equity Trust
- Fisher Funds Multi-Sector Fund
- Fisher Funds BondPlus Fund
- Fisher Funds Global Fund
- Fisher Funds New Zealand Fixed Income Trust
- Fisher Funds CashPlus Fund

Collectively "Fisher Funds Investment Series Scheme" (the "funds and scheme").

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Fisher Funds Investment Series Scheme (the 'funds and scheme') on pages 2 to 14:

- present fairly in all material respects the funds' and scheme's financial position as at 31 March 2022 and its financial performance and cash flows for the year ended on that date; and
- in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

We have audited the accompanying financial statements which comprise:

- the statements of financial position as at 31 March 2022;
- the statements of changes in unit holders' funds, comprehensive income and cash flows statements for the year then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

Our firm has also undertaken supervisor reporting in line with our obligations under Section 198 and 199 of the Financial Markets Conduct Act 2013 ("FMC Act 2013"). Subject to certain restrictions, partners and employees of our firm may also deal with the funds and scheme on normal terms within the ordinary course of trading activities of the business of the funds and scheme. These matters have not impaired our independence as auditor of the funds and scheme. The firm has no other relationship with, or interest in, the funds and scheme.

Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole. The materiality for the financial statements as a whole was set at 0.75% of the total assets of each fund and the scheme (except for the Multi-Sector fund which was set at 0.5% of total expenses due to its closure on 25 March 2022). We chose these benchmarks because, in our view, they are key measures of the funds' and scheme's performance.

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 in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the members as a body may better understand the process by which we arrived at our audit opinion. Our procedures were undertaken in the context of and solely for the purpose of our statutory audit opinion on the financial statements as a whole and we do not express discrete opinions on separate elements of the financial statements.

The key audit matter

How the matter was addressed in our audit

Existence and valuation of investments

Refer to Note 3 to the Financial Report.

Investments are the funds' and scheme's main assets, and existence and valuation of those investments is the most important aspect of preparing the financial statements. As described in the financial statements, the funds' and scheme's investments include call accounts, term deposits, listed equities and bonds, fund-to-fund investments and simple derivatives held by one custodian. These factors reduce the risk and complexity of verifying investment existence and valuation.

COVID-19 and geo-political events in Europe putting strain on global supply chains, as well as rising interest rates, has meant that greater volatility exists around the valuation of investments and the fair value hierarchy level attributed to each. This required some additional judgement in these areas.

Our audit procedures included:

- documenting and understanding the processes in place to record investment transactions and to value the portfolio. This included evaluating the control environment in place at the custodian, investment accounting and registry service provider by obtaining and reading the service organisation reports issued by an independent auditor on the design and operation of those controls throughout the period;
- agreeing investment holdings to the confirmations received from banks and the custodian;
- agreeing the valuation of listed equities, bonds and fund to-fund investments to independent third-party pricing sources;
- for derivatives, engaging our valuation specialists to check the reasonableness of the inputs to information available from independent third-party pricing sources; and
- checking the accuracy of fair value levels as disclosed in the financial statements.

We did not identify any material differences from our procedures.

Other information

The Manager, on behalf of the funds and scheme, is responsible for the other information included in the funds' and scheme's Annual Report. Our opinion on the financial statements does not cover any other information and we do not express any form of 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 materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Use of this independent auditor's report

This independent auditor's report is made solely to the members as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in the independent 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 members as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of the Manager for the financial statements

The Manager, on behalf of the scheme, are responsible for:

- the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand (being New Zealand Equivalents to International Financial Reporting Standards) and International Financial Reporting Standards;
- implementing necessary internal control to enable the preparation of a set of financial statements that is fairly presented and free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objective is:

- 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 independent 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 will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error. They 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 these financial statements is located at the External Reporting Board (XRB) website at:

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

This description forms part of our independent auditor's report.

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

For and on behalf of

A handwritten signature of 'KPMG' in black ink, written in a cursive, stylized font.

KPMG
Auckland

1 July 2022