



Franklin Templeton Australia Funds

Financial report for the year ended 30 June 2024



Franklin Templeton Australia Funds

Annual report for the year ended 30 June 2024

Martin Currie Equity Income Fund

ARSN 150 751 821

Martin Currie Real Income Fund

ARSN 146 910 349

Martin Currie Ethical Values With Income Fund

ARSN 613 725 036

Martin Currie Sustainable Income Fund

ARSN 618 906 068

Annual report for the year ended 30 June 2024

Contents

Directors' report	1
Auditor's independence declaration	5
Statements of comprehensive income	6
Statements of financial positions	8
Statements of changes in equity	10
Statements of cash flows	11
Notes to the financial statements	13
Directors' declaration	41
Independent auditor's report to the unitholders	42

The Responsible Entity of the Franklin Templeton Australia Funds is Franklin Templeton Australia Limited.
The Responsible Entity's registered office is Level 47, 120 Collins Street, Melbourne VIC 3000.

Directors' report

The directors of Franklin Templeton Australia Limited (ABN 76 004 835 849), the Responsible Entity of the following managed investment schemes (the "Funds") present their report together with the financial statements of the Funds for the financial year ended 30 June 2024.

- Martin Currie Equity Income Fund constituted on 19 April 2011;
- Martin Currie Real Income Fund constituted on 18 October 2010;
- Martin Currie Ethical Values With Income Fund constituted on 4 December 2015; and
- Martin Currie Sustainable Income Fund constituted on 2 May 2017.

Principal Activities

The principal activity of each Fund is to invest in accordance with the investment objective and guidelines as set out in the Funds' current Product Disclosure Statement and its Constitution.

The Funds did not have any employees during the financial year.

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

Directors

The following persons held office as directors of Franklin Templeton Australia Limited during the year or since the end of the year and up to the date of this report:

M. Abell (appointed 20th March 2024)

M. Harrison (resigned 9th November 2023)

G. Shaneyfelt (appointed as Chairperson on 20th March 2024)

F. Walsh (appointed 9th November 2023)

E. Venner (resigned 31st March 2024)

Q. Lupo

M. Sund

Review and results of operations

During the financial year, the Funds continued to invest in accordance with target asset allocations as set out in the governing documents of the Funds and in accordance with the provisions of the Funds' Constitutions.

Directors' report
For the year ended 30 June 2024

Directors' report (continued)

Results

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

	Martin Currie Equity Income Fund		Martin Currie Real Income Fund*		Martin Currie Ethical Values With Income Fund	
	Year ended		Year ended		Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	16,089	19,851	4,700	33,019	7,669	8,813
<i>Distributions - A Class</i>						
Distribution paid and payable (\$'000)	4,754	4,555	34,386	45,070	3,861	4,167
Distributions (cents per unit)	6.2867	5.0554	8.7559	10.5429	4.6614	5.0126
<i>Distributions - B Class</i>						
Distribution paid and payable (\$'000)	—	—	127	280	—	—
Distributions (cents per unit)	—	—	7.2061	8.7367	—	—
<i>Distributions - M Class</i>						
Distribution paid and payable (\$'000)	5,444	3,135	882	1,354	—	—
Distributions (cents per unit)	5.2209	4.2535	5.6376	6.7616	—	—
<i>Distributions - X Class</i>						
Distribution paid and payable (\$'000)	1,289	1,648	1,737	2,663	—	—
Distributions (cents per unit)	7.3153	6.0674	9.9963	11.8671	—	—
<i>Distributions - Total</i>						
Distribution paid and payable (\$'000)	11,487	9,338	37,132	49,367	3,861	4,167
					Martin Currie Sustainable Income Fund	
					Year ended	
					30 June 2024	30 June 2023
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)					2,383	2,758
<i>Distributions - A Class</i>						
Distribution paid and payable (\$'000)					1,063	1,137
Distributions (cents per unit)					4.1277	4.3408
<i>Distributions - Total</i>						
Distribution paid and payable (\$'000)					1,063	1,137

Please note there was a change with the class codes effective from 27 October 2023 for the following funds -

*Martin Currie Real Income Fund - B class (formerly known as "M class")

*Martin Currie Real Income Fund - M class (formerly known as "I class")

Further information on distributions to unitholders is disclosed in note 8 to the financial statements.

Significant changes in state of affairs

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

Directors' report (continued)

Matters subsequent to the end of the financial year

As disclosed in note 13 to the financial statements, no matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect:

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

Likely developments and expected results of operations

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

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

Further information on likely developments in the operation of the Funds and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Funds.

Indemnification and insurance of officers

No insurance premiums are paid for out of the assets of the Funds in regards to insurance cover provided to either the officers of Franklin Templeton Australia Limited or the auditors of the Funds. So long as the officers of Franklin Templeton Australia Limited act in accordance with the Funds' Constitutions and the law, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds.

Indemnity of auditors

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

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

Fees paid to the Responsible Entity and its associates out of the Funds' property during the financial year are disclosed in note 12 to the financial statements.

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

Interests in the Funds

The movement in units on issue in the Funds during the financial year is disclosed in note 7 to the financial statements.

The value of the Funds' assets and liabilities is disclosed on the statements of financial positions and derived using the basis set out in note 2 to the financial statements.

Environmental regulation

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

Rounding of amounts to the nearest thousand dollars

The Funds are entities of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Single set of financial statements


The Schemes are of the kind referred to in *ASIC Corporations (Related Scheme Reports) Instrument 2015/839* issued by the Australian Securities and Investments Commission ("ASIC") and in accordance with that ASIC Instrument, Funds with a common Responsible Entity (or related responsible entities) can include their financial statements in adjacent columns in a single set of financial statements.

Directors' report (continued)

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the directors.

DocuSigned by:

Director _____
36DA20B35DB241C...
M. Sund

Melbourne
23 September 2024



Auditor's Independence Declaration

As lead auditor for the audit of Franklin Templeton Australia Funds for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

The declaration is in respect of the following Funds:

- Martin Currie Equity Income Fund
- Martin Currie Real Income Fund
- Martin Currie Ethical Values With Income Fund
- Martin Currie Sustainable Income Fund (previously known as Martin Currie Ethical Income Fund)

A handwritten signature in black ink, appearing to read 'Kate L Logan'.

Kate Logan
Partner
PricewaterhouseCoopers

Melbourne
23 September 2024

Statements of comprehensive income
For the year ended 30 June 2024

Statements of comprehensive income

		Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
		Year ended		Year ended		Year ended	
	Notes	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Investment income							
Interest income		111	80	262	135	43	22
Dividend income		8,844	9,095	11,438	11,576	3,470	3,904
Distribution income		2,102	1,997	23,327	29,056	1,158	1,188
Net gains/(losses) on financial instruments at fair value through profit or loss		6,575	10,228	(24,997)	(894)	3,850	4,503
Other operating income		135	24	241	–	–	10
Total net investment income/(loss)		17,767	21,424	10,271	39,873	8,521	9,627
Expenses							
Management costs	12	1,549	1,480	5,281	6,093	806	790
Transaction costs		121	73	266	694	44	20
Other operating expenses		8	20	24	67	2	4
Total operating expenses		1,678	1,573	5,571	6,854	852	814
Operating profit/(loss) for the year		16,089	19,851	4,700	33,019	7,669	8,813
Finance costs attributable to unitholders							
Distributions to unitholders	8	(11,487)	(9,338)	(37,132)	(49,367)	(3,861)	(4,167)
(Increase)/decrease in net assets attributable to unitholders	7	(4,602)	(10,513)	32,432	16,348	(3,808)	(4,646)
Profit/(loss) for the year		–	–	–	–	–	–
Other comprehensive income for the year		–	–	–	–	–	–
Total comprehensive income for the year		–	–	–	–	–	–

Statements of comprehensive income
For the year ended 30 June 2024

Statements of comprehensive income (continued)

		Martin Currie Sustainable Income Fund	
		Year ended	
		30 June 2024	30 June 2023
	Notes	\$'000	\$'000
<i>Investment income</i>			
Interest income		13	7
Dividend income		974	1,091
Distribution income		306	313
Net gains/(losses) on financial instruments at fair value through profit or loss		1,338	1,589
Other operating income		—	3
<i>Total net investment income/(loss)</i>		2,631	3,003
<i>Expenses</i>			
Management costs	12	231	230
Transaction costs		15	5
Other operating expenses		2	10
<i>Total operating expenses</i>		248	245
<i>Operating profit/(loss) for the year</i>		2,383	2,758
<i>Profit/(loss) for the year</i>		2,383	2,758
Other comprehensive income for the year		—	—
<i>Total comprehensive income for the year</i>		2,383	2,758

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

Statements of financial positions
As at 30 June 2024

Statements of financial positions

		Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
		As at		As at		As at	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Notes		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets							
Cash and cash equivalents	9	1,945	3,970	2,341	6,149	1,048	1,275
Receivables		178	244	1,055	891	846	17
Accrued income		1,073	1,115	7,490	11,607	562	620
Financial assets at fair value through profit or loss	5	216,249	214,206	589,944	710,559	93,113	92,147
Total assets		219,445	219,535	600,830	729,206	95,569	94,059
Liabilities							
Distribution payable	8	4,552	1,959	20,163	35,482	1,267	893
Payables		989	680	3,256	3,481	202	206
Due to brokers - payable for securities purchased		—	—	—	1,551	—	—
Total liabilities (excluding net assets attributable to unitholders)		5,541	2,639	23,419	40,514	1,469	1,099
Net assets attributable to unitholders - liability	7	213,904	216,896	577,411	688,692	94,100	92,960

Statements of financial positions
As at 30 June 2024

Statements of financial positions (continued)

		Martin Currie Sustainable Income Fund	
		As at	
		30 June 2024	30 June 2023
	Notes	\$'000	\$'000
Assets			
Cash and cash equivalents	9	330	294
Receivables		8	9
Accrued income		135	159
Financial assets at fair value through profit or loss	5	<u>29,222</u>	<u>26,678</u>
Total assets		<u>29,695</u>	<u>27,140</u>
Liabilities			
Distribution payable	8	337	220
Payables		<u>62</u>	<u>136</u>
Total liabilities (excluding net assets attributable to unitholders)		<u>399</u>	<u>356</u>
Net assets attributable to unitholders - equity	7	<u>29,296</u>	<u>26,784</u>

The above statements of financial positions should be read in conjunction with the accompanying notes.

**Statements of changes in equity
For the year ended 30 June 2024**

Statements of changes in equity

	Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
	Year ended		Year ended		Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the year	–	–	–	–	–	–
Comprehensive income for the year						
Profit/(loss) for the year	–	–	–	–	–	–
Other comprehensive income for the year	–	–	–	–	–	–
Total comprehensive income for the year	–	–	–	–	–	–
Total equity at the end of the year	–	–	–	–	–	–

	Martin Currie Sustainable Income Fund	
	Year ended	
	30 June 2024	30 June 2023
	\$'000	\$'000
Total equity at the beginning of the year	26,784	24,832
Comprehensive income for the year		
Profit/(loss) for the year	2,383	2,758
Other comprehensive income for the year	–	–
Total comprehensive income for the year	2,383	2,758
Transactions with unitholders		
Applications	8,609	5,081
Redemptions	(7,447)	(4,796)
Units issued upon reinvestment of distributions	30	46
Distributions paid and payable	(1,063)	(1,137)
Total transactions with unitholders	129	(806)
Total equity at the end of the year	29,296	26,784

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

Statements of cash flows
For the year ended 30 June 2024

Statements of cash flows

	Notes	Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
		Year ended		Year ended		Year ended	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Cash flows from operating activities							
Proceeds from sale of financial instruments at fair value through profit or loss		69,853	47,527	180,401	346,305	23,198	11,081
Purchases of financial instruments at fair value through profit or loss		(65,320)	(59,167)	(86,375)	(225,109)	(20,313)	(13,030)
Transaction costs paid		(121)	(73)	(266)	(694)	(44)	(20)
Dividends/distributions received		10,986	11,081	38,795	41,379	4,686	5,057
Interest received		111	80	262	135	43	22
Other income received		134	21	270	33	—	10
Management costs paid		(1,531)	(1,477)	(5,484)	(6,470)	(803)	(789)
Payment of other expenses		(143)	(20)	(266)	(67)	(2)	(4)
Net cash inflow/ (outflow) from operating activities	10(a)	<u>13,969</u>	<u>(2,028)</u>	<u>127,337</u>	<u>155,512</u>	<u>6,765</u>	<u>2,327</u>
Cash flows from financing activities							
Proceeds from applications by unitholders		62,268	77,138	120,573	157,093	4,069	6,336
Payments for redemptions by unitholders		(70,272)	(65,626)	(204,685)	(247,372)	(8,029)	(3,905)
Distributions paid		(7,990)	(9,127)	(47,033)	(62,829)	(3,032)	(3,923)
Net cash inflow/ (outflow) from financing activities		<u>(15,994)</u>	<u>2,385</u>	<u>(131,145)</u>	<u>(153,108)</u>	<u>(6,992)</u>	<u>(1,492)</u>
Net increase/ (decrease) in cash and cash equivalents		(2,025)	357	(3,808)	2,404	(227)	835
Cash and cash equivalents at the beginning of the financial year		3,970	3,613	6,149	3,760	1,275	440
Effects of foreign currency exchange rate changes on cash and cash equivalents		—	—	—	(15)	—	—

Statements of cash flows
For the year ended 30 June 2024

Statements of cash flows (continued)

	Notes	Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
		Year ended		Year ended		Year ended	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Cash and cash equivalents at the end of the financial year	9	<u>1,945</u>	<u>3,970</u>	<u>2,341</u>	<u>6,149</u>	<u>1,048</u>	<u>1,275</u>
Non-cash financing activities	10(b)	<u>904</u>	<u>1,923</u>	<u>5,418</u>	<u>22,962</u>	<u>456</u>	<u>581</u>

	Notes	Martin Currie Sustainable Income Fund	
		Year ended	
		30 June 2024 \$'000	30 June 2023 \$'000
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		7,290	3,886
Purchases of financial instruments at fair value through profit or loss		(8,495)	(3,964)
Transaction costs paid		(15)	(5)
Dividends/distributions received		1,304	1,408
Interest received		13	7
Other income received		–	3
Management costs paid		(230)	(230)
Payment of other expenses		<u>(2)</u>	<u>(10)</u>
Net cash inflow/(outflow) from operating activities	10(a)	<u>(135)</u>	<u>1,095</u>
Cash flows from financing activities			
Proceeds from applications by unitholders		8,609	5,076
Payments for redemptions by unitholders		(7,522)	(4,770)
Distributions paid		<u>(916)</u>	<u>(1,234)</u>
Net cash inflow/(outflow) from financing activities		<u>171</u>	<u>(928)</u>
Net increase/(decrease) in cash and cash equivalents		<u>36</u>	<u>167</u>
Cash and cash equivalents at the beginning of the financial year		<u>294</u>	<u>127</u>
Cash and cash equivalents at the end of the financial year	9	<u>330</u>	<u>294</u>
Non-cash financing activities	10(b)	<u>30</u>	<u>46</u>

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

1 General information

The financial statements cover the following managed investment schemes (the "Funds"). The Funds are registered managed investment schemes under the *Corporations Act 2001*. The Funds may be terminated in accordance with the provisions of the Funds' Constitutions. The Funds are domiciled in Australia. The respective constitution dates are as follows:

- Martin Currie Equity Income Fund constituted on 19 April 2011;
- Martin Currie Real Income Fund constituted on 18 October 2010;
- Martin Currie Ethical Values With Income Fund constituted on 4 December 2015; and
- Martin Currie Sustainable Income Fund constituted on 2 May 2017.

The Responsible Entity of the Funds is Franklin Templeton Australia Limited (ABN 76 004 835 849) (the "Responsible Entity"). The Responsible Entity's registered office is Level 47, 120 Collins Street, Melbourne, VIC 3000.

The financial statements are presented in the Australian currency.

The principal activity of each Fund is to invest in accordance with the investment objectives and guidelines as set out in the Funds' current Product Disclosure Statement and its Constitution.

The financial statements were authorised for issue by the directors of the Responsible Entity on 23 September 2024. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001* in Australia. The Funds are for-profit entities for the purpose of preparing the financial statements.

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

The statements of financial positions are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unitholders. The amount expected to be recovered or settled within twelve months in relation to these balances cannot be reliably determined.

(i) Compliance with International Financial Reporting Standards

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

(ii) New and amended standards adopted by the Funds

The Funds have applied the following standards and amendments for the first time for its annual reporting period commencing 1 July 2023:

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates [AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2]

The amendment listed above did not have any impact on the amounts recognised in prior periods and are not expected to materially affect the current or future periods.

(iii) New accounting standards, amendments and interpretations effective after 1 July 2024 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2024, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Funds.

2 Summary of material accounting policies (continued)

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

(i) Classification

Assets

The Funds classify their investments based on their business models for managing financial assets and the contractual cash flow characteristics of the financial assets. The Funds' portfolios of financial assets are managed and their performance are evaluated on a fair value basis in accordance with the Funds' documented investment strategy. The Funds use fair value information to assess performance of the portfolios and to make decisions to rebalance the portfolios or to realise fair value gains or minimise losses through sales or other trading strategies. The Funds' policies are for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Equity securities and derivatives are measured at fair value through profit or loss.

Liabilities

The Funds make short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are held for trading and are consequently classified as financial liabilities at fair value through profit or loss. Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

(ii) Recognition/derecognition

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

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

(iii) Measurement

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

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the statements of comprehensive income within net gains/(losses) on financial instruments held at fair value through profit or loss in the financial year in which they arise.

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

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial positions when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. At the end of the financial year, there are no financial assets or liabilities offset or which could be offset in the statements of financial positions.

(c) Net assets attributable to unitholders

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

The units can be put back to the Funds at any time for cash based on the redemption price, which is equal to a proportionate share of the Funds' net asset value attributable to the unitholders.

The units are carried at the redemption amount that is payable at statement of financial position date if the holder exercises the right to put the unit back to the Funds. This amount represents the expected cash flows on redemption of these units.

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

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

2 Summary of material accounting policies (continued)

(d) Cash and cash equivalents

For the purpose of presentation in the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term highly liquid investments, with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an immaterial risk of changes in value.

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

(e) Investment income

Interest income is recognised in the statements of comprehensive income on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents. Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(b).

Dividend and distribution income from financial assets at fair value through profit or loss is recognized in the statement of comprehensive income within dividend income and distribution income when the Fund's right to receive payments is established. The Funds currently incur withholding tax imposed by certain countries on dividend income. Such income is recorded net of withholding tax in the statements of comprehensive income.

Dividends declared on securities sold are recorded as a dividend expense on the ex-dividend date.

(f) Expenses

All expenses, including management costs, Responsible Entity's fees, administration and other Fund costs are recognised in the statements of comprehensive income on an accruals basis.

(g) Income Tax

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

Martin Currie Ethical Values With Income Fund does not meet AMIT tax regime qualification and is not subject to income tax as its unitholders are presently entitled to the income of the Fund.

The benefit of imputation credits and foreign tax paid are passed on to unitholders. The Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded net of withholding taxes in the statement of comprehensive income.

(h) Distributions

Martin Currie Equity Income Fund, Martin Currie Real Income Fund and Martin Currie Ethical Values With Income Fund

In accordance with the Fund's constitution, Attribution Managed Investment Trust ('AMIT') Funds attributes and non-AMIT Funds distributes income adjusted for amounts determined by the Responsible Entity to unitholders by cash or reinvestment. The distributions are recognised in the statements of comprehensive income as finance costs attributable to unitholders.

Martin Currie Sustainable Income Fund

In accordance with the Fund's constitution, the Funds attributes income adjusted for amounts determined by the Responsible Entity to unitholders by cash or reinvestment. The distributions are recognised in the statements of changes in net assets attributable to unitholders.

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

Income not distributed is included in net assets attributable to unitholders. Where units of Martin Currie Equity Income Fund, Martin Currie Real Income Fund and Martin Currie Ethical Values With Income Fund are classified as liabilities, movements in net assets attributable to unitholders are recognised in the statements of comprehensive income as finance costs.

(j) Foreign currency translation

(i) Functional and presentation currency

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

2 Summary of material accounting policies (continued)

(j) Foreign currency translation (continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of comprehensive income.

The Funds do not isolate that portion of unrealised gains or losses on securities and derivative financial instruments that are measured at fair value through profit or loss and which is due to changes in foreign exchange rates from that which is due to changes 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.

(k) Due from/to brokers

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

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Funds shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased materially since initial recognition. If, at the reporting date, the credit risk has not increased materially since initial recognition, the Funds shall measure the loss allowance at an amount equal to 12-month expected credit losses. Material financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A material increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(l) Receivables

Receivables may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each financial year from the time of last payment in accordance with the policy set out in note 2(e) above. Amounts are generally received within 30 days of being recorded as receivables.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Funds shall measure the loss allowance on receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased materially since initial recognition. If, at the reporting date, the credit risk has not increased materially since initial recognition, the Funds shall measure the loss allowance at an amount equal to 12-month expected credit losses. Material financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A material increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

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

(m) Payables

Payables include liabilities and accrued expenses owned by the Funds which are unpaid as at the end of the financial year.

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

(n) Applications and redemptions

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

2 Summary of material accounting policies (continued)

(o) Goods and Services Tax (GST)

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

(p) Use of estimates

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

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

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

For more information on how fair value is calculated please see note 4 to the financial statements.

(q) Investment entity exception

AASB 10 *Consolidated Financial Statements* for investment entities includes an exception to the consolidation rules for those entities qualifying as "investment entities". Subsidiaries of investment entities will be accounted for at fair value through profit or loss, in accordance with AASB 9 *Financial Instruments: Recognition and Measurement*.

A parent entity will need to make an assessment of whether it meets the definition of an investment entity. An investment entity is defined as an entity that:

- (a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- (b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- (c) measures and evaluates the performance of substantially all of its investments on a fair value basis.

Certain Funds have multiple investments that they control. However, these Funds have determined that they are investment entities under the definition in AASB 10 as they meet the following criteria:

- (a) These Funds have obtained funds from unitholders for the purpose of providing them with investment management services;
- (b) These Funds business purpose, which is communicated directly to unitholders, is investing solely for return from capital appreciation and investment income; and
- (c) The performance of investments made by these funds are measured and evaluated on a fair value basis.

These Funds also meet all of the typical characteristics of an investment entity, including:

- (a) holding more than one investment;
- (b) having more than one investor;
- (c) having investors that are not related parties of the entity; and
- (d) having ownership interests in the form of equity or similar interests.

As these Funds measure all of their controlled entities at fair value through profit or loss, they only present separate financial statements.

(r) Rounding of amounts

The Funds are entities of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollar in accordance with that Instrument, unless otherwise indicated.

3 Financial risk management

The Funds' activities expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Funds' overall risk management programme focuses on ensuring compliance with the Funds' Product Disclosure Statements and seeks to maximise the returns derived for the level of risk to which the Funds are exposed. The Funds may use derivative financial instruments to alter certain risk exposures. Financial risk management is carried out by the investment manager of the Responsible Entity under policies approved by the directors.

The Funds use different methods to measure different types of risks to which it is exposed. These methods include Value at Risk ("VaR") analysis in the case of interest rate, foreign exchange and other price risks, and ratings analysis for credit risk. VaR analysis is explained in note 3(b).

(a) Market risk

(i) Price risk

Price risk arises from investments held by the Funds for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates.

Investments are made when price risks are assessed as relatively attractive and are liquidated as price risks are assessed as relatively less attractive. Price risk is managed by ongoing monitoring of portfolio exposures relative to the Funds' investment guidelines.

(ii) Foreign exchange risk

The Funds are not directly subject to material foreign exchange risk as securities held are predominately domiciled in Australia.

Notes to the financial statements
For the year ended 30 June 2024

3 Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk

The Funds are not directly subject to interest rate risk as securities held for investment purposes are not typically interest bearing securities.

The following tables summarise the Funds' exposure to interest rate risks. It includes the Funds' assets and liabilities at fair values and amortised costs, categorised by the earlier of contractual repricing or maturity dates.

	Martin Currie Equity Income Fund			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2024				
Financial assets				
Cash and cash equivalents	1,945	—	—	1,945
Receivables	—	—	178	178
Accrued income	—	—	1,073	1,073
Financial assets at fair value through profit or loss	—	—	216,249	216,249
Total assets	1,945	—	217,500	219,445
Financial liabilities				
Distribution payable	—	—	4,552	4,552
Payables	—	—	989	989
Total liabilities (excluding net assets attributable to unitholders)	—	—	5,541	5,541
Net assets attributable to unitholders - liability	1,945	—	211,959	213,904
Net exposure	1,945	—	211,959	213,904
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2023				
Financial assets				
Cash and cash equivalents	3,970	—	—	3,970
Receivables	—	—	244	244
Accrued income	—	—	1,115	1,115
Financial assets at fair value through profit or loss	—	—	214,206	214,206
Total assets	3,970	—	215,565	219,535
Financial liabilities				
Distribution payable	—	—	1,959	1,959
Payables	—	—	680	680
Total liabilities (excluding net assets attributable to unitholders)	—	—	2,639	2,639
Net assets attributable to unitholders - liability	3,970	—	212,926	216,896
Net exposure	3,970	—	212,926	216,896

Notes to the financial statements
For the year ended 30 June 2024

3 Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

	Martin Currie Real Income Fund			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2024				
Financial assets				
Cash and cash equivalents	2,341	–	–	2,341
Receivables	–	–	1,055	1,055
Accrued income	–	–	7,490	7,490
Financial assets at fair value through profit or loss	–	–	589,944	589,944
Total assets	2,341	–	598,489	600,830
Financial liabilities				
Distribution payable	–	–	20,163	20,163
Payables	–	–	3,256	3,256
Total liabilities (excluding net assets attributable to unitholders)	–	–	23,419	23,419
Net assets attributable to unitholders - liability	2,341	–	575,070	577,411
Net exposure	2,341	–	575,070	577,411
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2023				
Financial assets				
Cash and cash equivalents	6,149	–	–	6,149
Receivables	–	–	891	891
Accrued income	–	–	11,607	11,607
Financial assets at fair value through profit or loss	–	–	710,559	710,559
Total assets	6,149	–	723,057	729,206
Financial liabilities				
Distribution payable	–	–	35,482	35,482
Payables	–	–	3,481	3,481
Due to brokers - payable for securities purchased	–	–	1,551	1,551
Total liabilities (excluding net assets attributable to unitholders)	–	–	40,514	40,514
Net assets attributable to unitholders - liability	6,149	–	682,543	688,692
Net exposure	6,149	–	682,543	688,692

Notes to the financial statements
For the year ended 30 June 2024

3 Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

	Martin Currie Ethical Values With Income Fund			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2024				
Financial assets				
Cash and cash equivalents	1,048	–	–	1,048
Receivables	–	–	846	846
Accrued income	–	–	562	562
Financial assets at fair value through profit or loss	–	–	93,113	93,113
Total assets	1,048	–	94,521	95,569
Financial liabilities				
Distribution payable	–	–	1,267	1,267
Payables	–	–	202	202
Total liabilities (excluding net assets attributable to unitholders)	–	–	1,469	1,469
Net assets attributable to unitholders - liability	1,048	–	93,052	94,100
Net exposure	1,048	–	93,052	94,100
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2023				
Financial assets				
Cash and cash equivalents	1,275	–	–	1,275
Receivables	–	–	17	17
Accrued income	–	–	620	620
Financial assets at fair value through profit or loss	–	–	92,147	92,147
Total assets	1,275	–	92,784	94,059
Financial liabilities				
Distribution payable	–	–	893	893
Payables	–	–	206	206
Total liabilities (excluding net assets attributable to unitholders)	–	–	1,099	1,099
Net assets attributable to unitholders - liability	1,275	–	91,685	92,960
Net exposure	1,275	–	91,685	92,960

Notes to the financial statements
For the year ended 30 June 2024

3 Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

	Martin Currie Sustainable Income Fund			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2024				
Financial assets				
Cash and cash equivalents	330	–	–	330
Receivables	–	–	8	8
Accrued income	–	–	135	135
Financial assets at fair value through profit or loss	–	–	29,222	29,222
Total assets	330	–	29,365	29,695
Financial liabilities				
Distribution payable	–	–	337	337
Payables	–	–	62	62
Total liabilities (excluding net assets attributable to unitholders)	–	–	399	399
Net assets attributable to unitholders - equity	330	–	28,966	29,296
Net exposure	330	–	28,966	29,296
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2023				
Financial assets				
Cash and cash equivalents	294	–	–	294
Receivables	–	–	9	9
Accrued income	–	–	159	159
Financial assets at fair value through profit or loss	–	–	26,678	26,678
Total assets	294	–	26,846	27,140
Financial liabilities				
Distribution payable	–	–	220	220
Payables	–	–	136	136
Total liabilities (excluding net assets attributable to unitholders)	–	–	356	356
Net assets attributable to unitholders - equity	294	–	26,490	26,784
Net exposure	294	–	26,490	26,784

3 Financial risk management (continued)

(b) Value-at-Risk ("VaR")

VaR is a statistical technique that attempts to summarise the exposure of a given portfolio to market risk by making assumptions about the expected probability distribution of future portfolio returns. VaR represents the maximum reasonable loss that an investor could expect during a time period, with a given probability.

In order to estimate this future market risk, VaR assumes a normal or "bell shaped" curve of future portfolio returns and uses the unique characteristics of the normal distribution-primarily symmetry of future returns both higher and lower than the average future return to estimate the amount of the possible future losses.

To calculate VaR, the Responsible Entity uses the historic price volatility and correlations of current portfolio holdings to calculate both the historic average return and the historic standard deviation of returns around the average. These statistics are then extrapolated into the future using the assumption of normal distribution to calculate an expected loss if the future portfolio return volatility behaves according to these assumptions.

The VaR calculation presented here for the Funds use a 99% confidence interval and assumes a 3-month holding period.

Assumptions and limitations of VaR

The calculation process involves gathering the historical price volatility and correlations of the current portfolio holdings to arrive at an estimate of predicted future volatility and expected risk of loss.

These limitations and the nature of the VaR measures mean that the Funds can neither guarantee that losses will not exceed the VaR amounts indicated nor that losses in excess of the VaR amounts will not occur more frequently than is stipulated by the model.

VaR represents the probable expected loss that could be experienced during a given period - not the maximum loss that an investor could experience.

It must be noted however that while the VaR model is an important and valuable risk management tool, it cannot and does not take account of all possible market conditions and extremities that may impact market price risk. For further information regarding market price risk and other risk factors please refer to the Funds' Information Memorandum and Product Disclosure Statements or speak to your financial advisor.

The following table summarises the estimated market risk impact to the profitability of the Funds. The estimated impact has been calculated on the basis of a VaR number incorporating market price, currency and interest rate factors into an overall return risk.

Martin Currie Equity Income Fund	VaR Factor	Net assets attributable to unitholders	Estimated impact of net assets attributable to unitholders
	%	\$'000	\$'000
30 June 2024	4.55	213,904	9,733
30 June 2023	5.61	216,896	12,168
Martin Currie Real Income Fund	VaR Factor	Net assets attributable to unitholders	Estimated impact of net assets attributable to unitholders
	%	\$'000	\$'000
30 June 2024	5.61	577,411	32,393
30 June 2023	7.26	688,692	49,999
Martin Currie Ethical Values With Income Fund	VaR Factor	Net assets attributable to unitholders	Estimated impact of net assets attributable to unitholders
	%	\$'000	\$'000
30 June 2024	4.73	94,100	4,451
30 June 2023	5.83	92,960	5,420
Martin Currie Sustainable Income Fund	VaR Factor	Net assets attributable to unitholders	Estimated impact of net assets attributable to unitholders
	%	\$'000	\$'000
30 June 2024	4.76	29,296	1,394
30 June 2023	5.88	26,784	1,575

3 Financial risk management (continued)

(c) Credit risk

The Funds are not directly subject to credit risk as securities held for investment purposes are not typically debt securities.

Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers.

Apart from cash and cash equivalents held by JPM, there were no material concentrations of credit risk to counterparties at 30 June 2024 or 30 June 2023. The maximum exposure at the end of each financial year is the carrying amount of financial assets. This also relates to financial assets carried at amortised cost, as they have a short term to maturity. None of these assets are impaired nor past due.

(d) Liquidity risk

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

The Funds are exposed to daily cash redemptions of redeemable units. The Funds primarily hold investments that are traded in active markets and can be readily disposed.

The maximum cash and cash equivalent holding of the Funds are 10%. However, the intention is for the Funds to be fully invested at all times with cash being held for liquidity purposes only.

Units are redeemed on demand at the unitholder's option. However, the directors of the Responsible Entity do not envisage that the contractual maturity disclosed in the following tables will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The following tables analyse the Funds' non-derivative financial liabilities into relevant maturity groupings based on the financial year end to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

Martin Currie Equity Income Fund					
30 June 2024	Less than 1 month \$'000	1 - 6 months \$'000	6 - 12 months \$'000	Over 12 months \$'000	Total \$'000
Distribution payable	4,552	—	—	—	4,552
Payables	989	—	—	—	989
Net assets attributable to unitholders	213,904	—	—	—	213,904
Total	219,445	—	—	—	219,445
30 June 2023	Less than 1 month \$'000	1 - 6 months \$'000	6 - 12 months \$'000	Over 12 months \$'000	Total \$'000
Distribution payable	1,959	—	—	—	1,959
Payables	680	—	—	—	680
Net assets attributable to unitholders	216,896	—	—	—	216,896
Total	219,535	—	—	—	219,535

Notes to the financial statements
For the year ended 30 June 2024

3 Financial risk management (continued)

(d) Liquidity risk (continued)

Martin Currie Real Income Fund					
30 June 2024	Less than 1 month \$'000	1 - 6 months \$'000	6 - 12 months \$'000	Over 12 months \$'000	Total \$'000
Distribution payable	20,163	–	–	–	20,163
Payables	3,256	–	–	–	3,256
Net assets attributable to unitholders	577,411	–	–	–	577,411
Total	600,830	–	–	–	600,830
<hr/>					
30 June 2023	Less than 1 month \$'000	1 - 6 months \$'000	6 - 12 months \$'000	Over 12 months \$'000	Total \$'000
Distribution payable	35,482	–	–	–	35,482
Payables	3,481	–	–	–	3,481
Due to brokers - payable for securities purchased	1,551	–	–	–	1,551
Net assets attributable to unitholders	688,692	–	–	–	688,692
Total	729,206	–	–	–	729,206

Martin Currie Ethical Values With Income Fund					
30 June 2024	Less than 1 month \$'000	1 - 6 months \$'000	6 - 12 months \$'000	Over 12 months \$'000	Total \$'000
Distribution payable	1,267	–	–	–	1,267
Payables	202	–	–	–	202
Net assets attributable to unitholders	94,100	–	–	–	94,100
Total	95,569	–	–	–	95,569
<hr/>					
30 June 2023	Less than 1 month \$'000	1 - 6 months \$'000	6 - 12 months \$'000	Over 12 months \$'000	Total \$'000
Distribution payable	893	–	–	–	893
Payables	206	–	–	–	206
Net assets attributable to unitholders	92,960	–	–	–	92,960
Total	94,059	–	–	–	94,059

Martin Currie Sustainable Income Fund					
30 June 2024	Less than 1 month \$'000	1 - 6 months \$'000	6 - 12 months \$'000	Over 12 months \$'000	Total \$'000
Distribution payable	337	–	–	–	337
Payables	62	–	–	–	62
Total	399	–	–	–	399
<hr/>					
30 June 2023	Less than 1 month \$'000	1 - 6 months \$'000	6 - 12 months \$'000	Over 12 months \$'000	Total \$'000
Distribution payable	220	–	–	–	220
Payables	136	–	–	–	136
Total	356	–	–	–	356

4 Fair value measurement

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

- Financial assets / liabilities at fair value through profit or loss (see note 5)

The Funds have no assets or liabilities measured at fair value on a non-recurring basis in the current financial year.

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

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

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the financial year without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in note 2 of the financial statements. For the majority of their investments, the Funds rely on information provided by independent pricing services for the valuation of their investments.

The market price used for financial assets held by the Funds is the current last price; the market price used for financial liabilities is the current asking price. When the Funds hold derivatives with offsetting market risks, they use mid-market prices as a basis for establishing fair values for the offsetting risk positions and apply this last or asking price to the net open position, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(ii) Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

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

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

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

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such trusts.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

Notes to the financial statements
For the year ended 30 June 2024

4 Fair value measurement (continued)

Recognised fair value measurements

The following tables present the Funds' assets and liabilities measured and recognised at fair value as at 30 June 2024:

Martin Currie Equity Income Fund				
At 30 June 2024	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Listed equities	187,396	–	–	187,396
Listed unit trusts	28,853	–	–	28,853
Total	216,249	–	–	216,249
At 30 June 2023	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Listed equities	180,163	–	–	180,163
Listed unit trusts	34,043	–	–	34,043
Total	214,206	–	–	214,206
Martin Currie Real Income Fund				
At 30 June 2024	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Listed equities	210,792	–	–	210,792
Listed unit trusts	379,152	–	–	379,152
Total	589,944	–	–	589,944
At 30 June 2023	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Listed equities	278,854	–	–	278,854
Listed unit trusts	430,154	–	1,551	431,705
Total	709,008	–	1,551	710,559
Martin Currie Ethical Values With Income Fund				
At 30 June 2024	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Listed equities	76,768	–	–	76,768
Listed unit trusts	16,345	–	–	16,345
Total	93,113	–	–	93,113
At 30 June 2023	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Listed equities	71,820	–	–	71,820
Listed unit trusts	20,327	–	–	20,327
Total	92,147	–	–	92,147

Notes to the financial statements
For the year ended 30 June 2024

4 Fair value measurement (continued)

Recognised fair value measurements (continued)

At 30 June 2024	Martin Currie Sustainable Income Fund			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Listed equities	24,312	–	–	24,312
Listed unit trusts	4,910	–	–	4,910
Total	29,222	–	–	29,222
At 30 June 2023	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Listed equities	21,423	–	–	21,423
Listed unit trusts	5,255	–	–	5,255
Total	26,678	–	–	26,678

The Funds' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the financial year.

(iii) Transfers between levels

The following table present the transfers between levels in the year ended 30 June 2024 and 30 June 2023:

At 30 June 2024	Martin Currie Real Income Fund		
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Transfers between levels 1 and 3:			
Equity securities	1,551	–	(1,551)

There were no transfers between levels for Martin Currie Equity Income Fund, Martin Currie Ethical Values With Income Fund and Martin Currie Sustainable Income Fund during the financial year ended 30 June 2024.

There were no transfers between levels for all funds during the financial year ended 30 June 2023.

(iv) Movement in level 3 instruments

The following table presents the Funds that had movement in level 3 instruments for the financial year ended 30 June 2024 and 30 June 2023 by class of financial instrument:

	Martin Currie Real Income Fund	
	Equity security	
	30 June 2024	30 June 2023
	\$'000	\$'000
Opening balance	1,551	–
Purchases	–	1,551
Sales	–	–
Transfer into level 3	–	–
Transfer out of level 3	(1,551)	–
Gains and losses recognised in profit or loss*	–	–
Closing balance	–	1,551
Total gains or losses for the year included in the statements of comprehensive income for financial assets and liabilities held at the statement of financial positions date	–	–

*Includes unrealised gains/(losses) recognised in profit or loss attributable to balances held at the end of reporting year.

There were no investments classified as level 3 within the Martin Currie Equity Income Fund, Martin Currie Ethical Values With Income Fund and Martin Currie Sustainable Income Fund as at 30 June 2024 and 30 June 2023.

4 Fair value measurement (continued)

(v) Fair value of financial instruments not carried at fair value

The carrying value of receivables and payables are assumed to approximate their fair values. Net assets attributable to unitholders' carrying value differs from its fair value (deemed to be redemption price for individual units) due to differences in valuation inputs. This difference is not material in the current or prior financial year.

5 Financial assets at fair value through profit or loss

	Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
	As at		As at		As at	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Financial assets at fair value through profit or loss						
Equity securities	187,396	180,163	210,792	278,854	76,768	71,820
Listed unit trusts	28,853	34,043	379,152	431,705	16,345	20,327
Total financial assets at fair value through profit or loss	216,249	214,206	589,944	710,559	93,113	92,147
Comprising:						
Equity securities						
Australian equity securities listed on a prescribed stock exchange	187,396	180,163	140,798	181,165	76,768	71,820
International equity securities listed on a prescribed stock exchange	–	–	69,994	97,689	–	–
Total equity securities	187,396	180,163	210,792	278,854	76,768	71,820
Listed unit trusts						
Australian listed trusts	17,520	15,898	54,677	57,684	8,027	9,178
Australian listed property trusts	11,333	18,145	277,658	339,121	8,318	11,149
International listed property trusts	–	–	46,817	34,900	–	–
Total listed unit trusts	28,853	34,043	379,152	431,705	16,345	20,327
Total financial assets at fair value through profit or loss	216,249	214,206	589,944	710,559	93,113	92,147
					Martin Currie Sustainable Income Fund	
					As at	
					30 June 2024 \$'000	30 June 2023 \$'000
Financial assets at fair value through profit or loss						
Equity securities					24,312	21,423
Listed unit trusts					4,910	5,255
Total financial assets at fair value through profit or loss					29,222	26,678

Notes to the financial statements
For the year ended 30 June 2024

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

		Martin Currie Sustainable Income Fund	
		As at	
		30 June 2024 \$'000	30 June 2023 \$'000
Comprising:			
Equity securities			
Australian equity securities listed on a prescribed stock exchange		24,312	21,423
Total equity securities		24,312	21,423
Listed unit trusts			
Australian listed trusts		2,024	2,062
Australian listed property trusts		2,886	3,193
Total listed unit trusts		4,910	5,255
Total financial assets at fair value through profit or loss		29,222	26,678

6 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity and the relevant activities are directed by means of contractual arrangements.

The Funds consider all investment funds to be structured entities. The Funds invest in managed funds for the purpose of capital appreciation and/or earning investment income.

An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Funds. Such interests include holdings of units in a unit trust.

The nature and extent of the Funds' interest in structured entities are summarised in notes 5 and 12.

7 Net assets attributable to unitholders - equity/liability

As stipulated within the Funds' Constitutions, each unit represents a right to an individual share in the Funds and does not extend to a right to the underlying assets of the Funds. There are up to four classes of unitholders in the Funds being Class A, Class B, Class M and Class X.

The management costs charged on Class A, Class B and Class M unitholdings are paid by the Funds to the Responsible Entity. Class X unitholders pay management fees directly to the Responsible Entity. In all other respects, the four classes of units carry equal rights.

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. Otherwise the financial instrument should be disclosed as a liability.

Net assets attributable to unitholders of Martin Currie Equity Income Fund and Martin Currie Real Income Fund remain disclosed as a liability as their multi-class structure means they have not met the strict criteria for recognition as equity. Net assets attributable to unitholders of Martin Currie Ethical Values with Income Fund remain disclosed as a liability as it did not meet the requirements to elect into AMIT tax regime. Net assets attributable to unitholders of Martin Currie Sustainable Income Fund classifies its units as equity. As a result, the Funds' distributions are no longer classified as finance cost in the statements of comprehensive income, but rather as distributions paid in the statements of changes in equity.

Notes to the financial statements
For the year ended 30 June 2024

7 Net assets attributable to unitholders - equity/liability (continued)

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

Martin Currie Equity Income Fund				
As at				
	30 June 2024		30 June 2023	
	No.'000	\$'000	No.'000	\$'000
A Class				
Opening balance	82,769	103,024	95,232	112,768
Applications	18,474	23,184	21,525	26,748
Redemptions	(31,477)	(39,791)	(35,096)	(43,694)
Units issued upon reinvestment of distributions	350	439	1,108	1,309
Increase/(decrease) in net assets attributable to unitholders	—	2,152	—	5,893
Closing balance	<u>70,116</u>	<u>89,008</u>	<u>82,769</u>	<u>103,024</u>
M Class				
Opening balance	82,013	81,249	53,806	50,748
Applications	38,717	38,981	46,297	45,850
Redemptions	(13,468)	(13,638)	(18,090)	(18,293)
Increase/(decrease) in net assets attributable to unitholders	—	1,737	—	2,944
Closing balance	<u>107,262</u>	<u>108,329</u>	<u>82,013</u>	<u>81,249</u>
X Class				
Opening balance	26,060	32,623	24,828	29,586
Applications	29	35	3,693	4,469
Redemptions	(13,479)	(17,269)	(2,975)	(3,722)
Units issued upon reinvestment of distributions	368	465	514	614
Increase/(decrease) in net assets attributable to unitholders	—	713	—	1,676
Closing balance	<u>12,978</u>	<u>16,567</u>	<u>26,060</u>	<u>32,623</u>
Total		<u>213,904</u>		<u>216,896</u>

Notes to the financial statements
For the year ended 30 June 2024

7 Net assets attributable to unitholders - equity/liability (continued)

Martin Currie Real Income Fund				
As at				
	30 June 2024		30 June 2023	
	No.'000	\$'000	No.'000	\$'000
A Class				
Opening balance	421,761	634,069	463,796	714,457
Applications	80,432	119,257	96,175	149,898
Redemptions	(124,090)	(183,845)	(150,159)	(233,397)
Units issued upon reinvestment of distributions	2,271	3,404	11,949	18,390
Increase/(decrease) in net assets attributable to unitholders	—	(30,576)	—	(15,279)
Closing balance	<u>380,374</u>	<u>542,309</u>	<u>421,761</u>	<u>634,069</u>
B Class*				
Opening balance	3,076	3,616	3,805	4,584
Applications	—	—	1,123	1,395
Redemptions	(1,892)	(2,196)	(2,081)	(2,595)
Units issued upon reinvestment of distributions	85	100	229	276
Increase/(decrease) in net assets attributable to unitholders	—	(102)	—	(44)
Closing balance	<u>1,269</u>	<u>1,418</u>	<u>3,076</u>	<u>3,616</u>
M Class**				
Opening balance	19,222	17,969	23,810	22,810
Applications	923	856	1,616	1,575
Redemptions	(5,449)	(5,044)	(7,841)	(7,580)
Units issued upon reinvestment of distributions	—	—	1,637	1,569
Increase/(decrease) in net assets attributable to unitholders	—	(744)	—	(405)
Closing balance	<u>14,696</u>	<u>13,037</u>	<u>19,222</u>	<u>17,969</u>
X Class				
Opening balance	21,904	33,038	19,695	30,460
Applications	376	525	2,853	4,241
Redemptions	(9,119)	(13,820)	(2,415)	(3,770)
Units issued upon reinvestment of distributions	1,272	1,914	1,771	2,727
Increase/(decrease) in net assets attributable to unitholders	—	(1,010)	—	(620)
Closing balance	<u>14,433</u>	<u>20,647</u>	<u>21,904</u>	<u>33,038</u>
Total		<u>577,411</u>		<u>688,692</u>

Please note there was a change with the class codes effective from 27 October 2023 for the following funds -

*Martin Currie Real Income Fund - B class (formerly known as "M class")

**Martin Currie Real Income Fund - M class (formerly known as "I class")

Notes to the financial statements
For the year ended 30 June 2024

7 Net assets attributable to unitholders - equity/liability (continued)

Martin Currie Ethical Values With Income Fund				
As at				
	30 June 2024		30 June 2023	
	No.'000	\$'000	No.'000	\$'000
Opening balance	83,368	92,960	80,586	85,309
Applications	4,255	4,898	5,733	6,338
Redemptions	(6,882)	(8,022)	(3,495)	(3,914)
Units issued upon reinvestment of distributions	401	456	544	581
Increase/(decrease) in net assets attributable to unitholders	—	3,808	—	4,646
Closing balance	81,142	94,100	83,368	92,960

Martin Currie Sustainable Income Fund				
As at				
	30 June 2024		30 June 2023	
	No.'000	\$'000	No.'000	\$'000
Opening balance	25,784	26,784	25,471	24,832
Applications	7,987	8,609	4,870	5,081
Redemptions	(6,997)	(7,447)	(4,604)	(4,796)
Units issued upon reinvestment of distributions	28	30	47	46
Distributions paid and payable	–	(1,063)	–	(1,137)
Profit/(loss) for the year	–	2,383	–	2,758
Closing balance	26,802	29,296	25,784	26,784

Capital risk management

Martin Currie Equity Income Fund, Martin Currie Real Income Fund and Martin Currie Ethical Values With Income consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change materially on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of unitholders.

Martin Currie Sustainable Income Fund considers its net assets attributable to unitholders as capital.

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

Notes to the financial statements
For the year ended 30 June 2024

8 Distributions to unitholders

The distributions paid/payable were as follows:

	Martin Currie Equity Income Fund			
	Year ended			
	30 June 2024		30 June 2023	
A Class	\$'000	CPU	\$'000	CPU
Distribution paid				
- 30 September	1,305	1.5527	1,735	1.8530
- 31 December	737	0.9271	881	0.9393
- 31 March	855	1.1578	1,062	1.2037
Distribution payable				
- 30 June	1,857	2.6491	877	1.0594
	<u>4,754</u>		<u>4,555</u>	
M Class	\$'000	CPU	\$'000	CPU
Distribution paid				
- 30 September	1,262	1.2922	965	1.5376
- 31 December	812	0.7901	664	0.8091
- 31 March	1,054	0.9794	767	1.0061
Distribution payable				
- 30 June	2,316	2.1592	739	0.9007
	<u>5,444</u>		<u>3,135</u>	
X Class	\$'000	CPU	\$'000	CPU
Distribution paid				
- 30 September	418	1.8009	601	2.1147
- 31 December	232	1.1729	317	1.1797
- 31 March	260	1.4233	387	1.4565
Distribution payable				
- 30 June	379	2.9182	343	1.3165
	<u>1,289</u>		<u>1,648</u>	

Notes to the financial statements
For the year ended 30 June 2024

8 Distributions to unitholders (continued)

Martin Currie Real Income Fund				
Year ended				
	30 June 2024		30 June 2023	
A Class	\$'000	CPU	\$'000	CPU
Distribution paid				
- 30 September	6,824	1.6253	4,507	1.0037
- 31 December	2,639	0.6451	3,368	0.7547
- 31 March	6,034	1.5198	4,607	1.0578
Distribution payable				
- 30 June	18,889	4.9657	32,588	7.7267
	<u>34,386</u>		<u>45,070</u>	
B Class*	\$'000	CPU	\$'000	CPU
Distribution paid				
- 30 September	32	1.3551	35	0.9207
- 31 December	14	0.6182	26	0.7058
- 31 March	31	1.3100	29	0.9365
Distribution payable				
- 30 June	50	3.9228	190	6.1737
	<u>127</u>		<u>280</u>	
M Class**	\$'000	CPU	\$'000	CPU
Distribution paid				
- 30 September	189	1.0574	162	0.6817
- 31 December	76	0.4476	113	0.5137
- 31 March	156	0.9931	145	0.7068
Distribution payable				
- 30 June	461	3.1395	934	4.8594
	<u>882</u>		<u>1,354</u>	
X Class	\$'000	CPU	\$'000	CPU
Distribution paid				
- 30 September	413	1.9346	324	1.3500
- 31 December	197	0.9347	248	1.0597
- 31 March	364	1.8339	321	1.3750
Distribution payable				
- 30 June	763	5.2931	1,770	8.0824
	<u>1,737</u>		<u>2,663</u>	

Please note there was a change with the class codes effective from 27 October 2023 for the following funds -

*Martin Currie Real Income Fund - B class (formerly known as "M class")

**Martin Currie Real Income Fund - M class (formerly known as "I class")

Notes to the financial statements
For the year ended 30 June 2024

8 Distributions to unitholders (continued)

Martin Currie Ethical Values With Income Fund				
Year ended				
	30 June 2024		30 June 2023	
	\$'000	CPU	\$'000	CPU
Distribution paid				
- 30 September	1,163	1.3860	1,498	1.8256
- 31 December	772	0.9145	804	0.9585
- 31 March	659	0.7996	972	1.1575
Distribution payable				
- 30 June	1,267	1.5613	893	1.0710
	<u>3,861</u>		<u>4,167</u>	

Martin Currie Sustainable Income Fund				
Year ended				
	30 June 2024		30 June 2023	
	\$'000	CPU	\$'000	CPU
Distribution paid				
- 30 September	285	1.0930	451	1.7219
- 31 December	253	1.0150	210	0.8059
- 31 March	188	0.7607	256	0.9603
Distribution payable				
- 30 June	337	1.2590	220	0.8527
	<u>1,063</u>		<u>1,137</u>	

9 Cash and cash equivalents

	Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
	As at		As at		As at	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Domestic cash at bank	1,945	3,970	2,340	6,092	1,048	1,275
Foreign cash at bank	—	—	1	57	—	—
Total cash and cash equivalents	<u>1,945</u>	<u>3,970</u>	<u>2,341</u>	<u>6,149</u>	<u>1,048</u>	<u>1,275</u>
	Martin Currie Sustainable Income Fund				Martin Currie Sustainable Income Fund	
	As at				As at	
	30 June 2024 \$'000	30 June 2023 \$'000			30 June 2024 \$'000	30 June 2023 \$'000
Domestic cash at bank	330	294			330	294
Total cash and cash equivalents	<u>330</u>	<u>294</u>			<u>330</u>	<u>294</u>

Notes to the financial statements
For the year ended 30 June 2024

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

	Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
	Year ended		Year ended		Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities						
Operating profit/(loss) for the year	16,089	19,851	4,700	33,019	7,669	8,813
Net (gains)/losses on financial instruments at fair value through profit or loss	(6,575)	(10,228)	24,997	894	(3,850)	(4,503)
Proceeds from sale of financial instruments at fair value through profit or loss	69,853	47,527	180,401	346,305	23,198	11,081
Purchases of financial instruments at fair value through profit or loss	(65,320)	(59,167)	(86,375)	(225,109)	(20,313)	(13,030)
Net change in accrued income and receivables	39	(14)	4,059	780	58	(35)
Net change in payables	(117)	3	(445)	(377)	3	1
Net cash inflow/(outflow) from operating activities	<u>13,969</u>	<u>(2,028)</u>	<u>127,337</u>	<u>155,512</u>	<u>6,765</u>	<u>2,327</u>
(b) Non-cash financing activities						
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	<u>904</u>	<u>1,923</u>	<u>5,418</u>	<u>22,962</u>	<u>456</u>	<u>581</u>

Notes to the financial statements
For the year ended 30 June 2024

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

	Martin Currie Sustainable Income Fund	
	Year ended	
	30 June 2024	30 June 2023
	\$'000	\$'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities		
Operating profit/(loss) for the year	2,383	2,758
Net (gains)/losses on financial instruments at fair value through profit or loss	(1,338)	(1,589)
Proceeds from sale of financial instruments at fair value through profit or loss	7,290	3,886
Purchases of financial instruments at fair value through profit or loss	(8,495)	(3,964)
Net change in accrued income and receivables	24	4
Net change in payables	1	—
Net cash inflow/(outflow) from operating activities	<u>(135)</u>	<u>1,095</u>
(b) Non-cash financing activities		
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	<u>30</u>	<u>46</u>

11 Remuneration of auditors

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

	Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
	Year ended		Year ended		Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$	\$	\$	\$	\$	\$
PricewaterhouseCoopers						
Audit and other assurance services						
Audit and review of financial statements	10,456	18,107	18,649	18,107	10,456	10,152
Audit of compliance plan	2,861	2,818	2,861	2,818	2,861	2,818
Audit of specified assertions	1,416	1,406	1,416	1,406	1,416	1,406
Total remuneration for audit and other assurance services	<u>14,733</u>	<u>22,331</u>	<u>22,926</u>	<u>22,331</u>	<u>14,733</u>	<u>14,376</u>
Taxation services						
Tax compliance services	8,864	8,583	8,864	8,583	9,088	8,808
Total remuneration for taxation services	<u>8,864</u>	<u>8,583</u>	<u>8,864</u>	<u>8,583</u>	<u>9,088</u>	<u>8,808</u>
Total remuneration of PricewaterhouseCoopers	<u>23,597</u>	<u>30,914</u>	<u>31,790</u>	<u>30,914</u>	<u>23,821</u>	<u>23,184</u>

Notes to the financial statements
For the year ended 30 June 2024

11 Remuneration of auditors (continued)

	Martin Currie Sustainable Income Fund	
	Year ended	
	30 June 2024	30 June 2023
	\$	\$
PricewaterhouseCoopers		
Audit and other assurance services		
Audit and review of financial statements	10,456	10,152
Audit of compliance plan	2,861	2,818
Audit of specified assertions	1,416	1,406
Total remuneration for audit and other assurance services	14,733	14,376
Taxation services		
Tax compliance services	8,864	8,583
Total remuneration for taxation services	8,864	8,583
Total remuneration of PricewaterhouseCoopers	23,597	22,959

12 Related party transactions

Responsible Entity

The Responsible Entity of the Funds is Franklin Templeton Australia Limited (ABN 76 004 835 849).

Key management personnel

(a) Directors

Key management personnel includes persons who were directors of Franklin Templeton Australia Limited during the financial year and at the date of the report are listed below:

M. Abell (appointed 20th March 2024)

M. Harrison (resigned 9th November 2023)

G. Shaneyfelt (appointed as Chairperson on 20th March 2024)

F. Walsh (appointed 9th November 2023)

E. Venner (resigned 31st March 2024)

Q. Lupo

M. Sund

(b) Other key management personnel

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

Key management personnel unitholdings

At 30 June 2024 no key management personnel of the Responsible Entity held units in the Funds (2023: Nil).

Key management personnel compensation

Key management personnel are paid by Franklin Templeton Australia Limited. Payments made from the Funds to Franklin Templeton Australia Limited do not include any amounts directly attributable to the compensation of key management personnel.

Notes to the financial statements
For the year ended 30 June 2024

12 Related party transactions (continued)

Key management personnel loan disclosures

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

Other transactions within the Funds

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

Responsible Entity's/manager's costs and other transactions

Management costs include management fees, Responsible Entity fees and other expenses or reimbursements deducted in relation to the Fund, but do not include transactional and operational costs such as brokerage. Management costs are not paid directly by the unitholder of the Funds.

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

	Martin Currie Equity Income Fund		Martin Currie Real Income Fund		Martin Currie Ethical Values With Income Fund	
	Year ended		Year ended		Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$	\$	\$	\$	\$	\$
Management costs for the year paid by the Funds to the Responsible Entity	1,549,060	1,480,006	5,280,591	6,093,571	806,036	789,469
Total fees payable to the Responsible Entity at the year end	386,441	367,864	1,255,182	1,458,903	200,297	197,323
					Martin Currie Sustainable Income Fund	
					Year ended	
					30 June 2024	30 June 2023
					\$	\$
Management costs for the year paid by the Funds to the Responsible Entity					231,227	229,746
Total fees payable to the Responsible Entity at the year end					58,919	58,092

Management costs charged to unitholdings are payable to the Responsible Entity. Management costs charged for the financial year are included in the statements of comprehensive income.

Expenses in connection with the preparation of accounting records and the maintenance of the unit register are reimbursed in accordance with the Constitutions. Where expenses are not fully reimbursed, these expenses are borne by the Responsible Entity.

13 Events occurring after the financial year

No material events have occurred since the end of the financial year which would impact on the financial position of the Funds disclosed in the statements of financial positions as at 30 June 2024 or on the results of operations and cash flows of the Funds for the financial year.

14 Contingent assets, liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2024 and 30 June 2023.

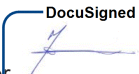
Directors' declaration
For the year ended 30 June 2024

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 6 to 40 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Funds' financial positions as at 30 June 2024 and of their performance, for the financial year ended on that date;
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable; and
- (c) Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.

Director 
36BA20B35DB241C...
M. Sund

Melbourne

23 September 2024



Independent auditor's report

To the unitholders of Franklin Templeton Australia Funds, which comprise the following funds:

- Martin Currie Equity Income Fund
- Martin Currie Real Income Fund
- Martin Currie Ethical Values With Income Fund
- Martin Currie Sustainable Income Fund (previously known as Martin Currie Ethical Income Fund)

Our opinion

In our opinion:

The accompanying financial report of Franklin Templeton Australia Funds (the Funds) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Funds' financial position as at 30 June 2024 and of their financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statements of financial positions as at 30 June 2024
- the statements of comprehensive income for the year then ended
- the statements of changes in equity for the year then ended
- the statements of cash flows for the year then ended
- the notes to the financial statements, including material accounting policy information and other explanatory information
- the directors' declaration.

Basis for opinion

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

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



Other information

The directors of the Responsible Entity are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the financial report

The directors of the Responsible Entity are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001* including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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



Auditor's responsibilities for the audit of the financial report

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

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

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

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'Kate L Logan'.

Kate Logan
Partner

Melbourne
23 September 2024