

Fisher Funds Growth Funds

Prospectus dated 31 August 2011

FISHER FUNDS

PROSPECTUS FOR FISHER FUNDS GROWTH FUNDS

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FISHER FUNDS GROWTH FUNDS

A copy of this Prospectus, signed on behalf of the Directors of Fisher Funds Management Limited and Morrison and Co Wealth Management Limited (as promoter of the Units in the Fisher Morrison Infrastructure Fund), and Marko Bogoevski and Liberato Petagna, directors of Morrison & Co Wealth Management Limited (as promoters of the Units in the Fisher Morrison Infrastructure Fund) and having endorsed thereon or attached thereto all documents, certificates and other materials required to be so endorsed or attached by section 41 of the Securities Act (being:

- (a) the signed auditor's report attached as Appendix 1 of this Prospectus and the Auditor's Statement and consent;
- (b) the Trustee's statement as outlined in paragraph 22 of this Prospectus; and
- (c) any agent authority forms pursuant to which an agent has signed this Prospectus,

has been delivered to the Registrar of Financial Service Providers for registration under section 42 of the Securities Act 1978.

The following investment statements have been prepared in relation to the offer described in this Prospectus:

- (a) the investment statement in respect of the Fisher Funds New Zealand Growth Fund, the Fisher Funds Australian Growth Fund and the Fisher Funds International Growth Fund;
- (b) the investment statement in respect of the Fisher Funds Fledgling Fund; and
- (c) the investment statement in respect of the Fisher Morrison Infrastructure Fund.

Both the relevant investment statements and this Prospectus contain important information and you should read them carefully.

Certain terms in this Prospectus have defined meanings. Capitalised terms, if not defined elsewhere in this Prospectus, are defined in the Glossary attached as Appendix 2.

This offer is only open to persons residing in New Zealand. No action has been, or will be, taken outside New Zealand that would permit an offer of Units in any other jurisdiction. No person may offer, sell or deliver Units or distribute any document (including this Prospectus or any associated investment statement) to any person in any jurisdiction outside New Zealand other than in compliance with all applicable laws of that jurisdiction.

No listing of any Trust is being sought on any market of NZX Limited or any other registered exchange's market.

The date of this Prospectus is 31 August 2011. The following information is set out in this Prospectus as required by Schedule 4 of the Securities Regulations 2009. The numbering used in this document corresponds with Schedule 4 of the Regulations.

1 DESCRIPTION OF THE UNIT TRUSTS

1.1 This Prospectus offers units in the following unit trusts:

- (a) the Fisher Funds New Zealand Growth Fund (*New Zealand Growth Fund*);
 - (b) the Fisher Funds Australian Growth Fund (*Australian Growth Fund*);
 - (c) the Fisher Funds International Growth Fund (*International Growth Fund*);
 - (d) the Fisher Morrison Infrastructure Fund (*Infrastructure Fund*); and
 - (e) the Fisher Funds Fledgling Fund (*Fledgling Fund*),
- (collectively the *Trusts* and singularly a *Trust*).

1.2 Each of the Trusts were established in Auckland, New Zealand on the following dates:

- (a) The New Zealand Growth Fund on 28 July 1998;
- (b) The Australian Growth Fund on 7 November 1994 (The fund was originally established as the Coronet Equity Trust and changed its name to the Australian Growth Fund on 5 August 2005);
- (c) The International Growth Fund on 16 October 2007;
- (d) The Infrastructure Fund on 21 November 2008; and
- (e) The Fledgling Fund on 13 December 1999.

1.3 Each Trust will terminate on the earlier of:

- (a) the expiry of a period of 80 years from the commencement date of the Trust;
- (b) the day falling 6 months after the day on which the Manager gives notice to the Trustee requesting that the Trust be wound up;
- (c) the day on which the Trust is terminated pursuant to the Trust Deed, statute or general law.

Upon winding up of any Trust, the Trustee will realise all assets of the Trust and, after providing for claims and liabilities (including fees), will distribute the balance to Unit Holders of the Trust in proportion to their holding of Units at the time of distribution.

- 1.4 The beneficial interest in the assets of each Trust (each a *Trust Fund*) is divided into units (*Units*). All Units in each Trust are of equal value to the other Units of that Trust and confer an equal interest in that Trust. A Unit in a Trust does not confer any interest in any particular part of the Trust or in any particular asset of the Trust. Units in each of the Trusts are offered under this Prospectus.

The assets of each of the Trusts are not available to meet the liabilities of another Trust.

- 1.5 There is no maximum number or amount of Units that may be issued in any of the Trusts.

- 1.6 The price (*Issue Price*) to be paid for each Unit issued or sold by the Manager in a particular Trust, will be calculated on or before the time applications are accepted or deemed to be accepted by the Manager, in accordance with a formula set out in the Trust Deed. In broad terms, the Issue Price is determined by dividing the Current Value of the Trust by the aggregate number of Units on issue at the date of calculation of the Issue Price, and adding any Issuing Fee and Entry Cost charged by the Manager.

The Current Value of each Trust is the sum ascertained by the Manager by deducting from the aggregate of:

- (a) the most recently determined Value of all Assets of that Trust (including unrealised gains and excluding any money held in a distribution account for Unit Holders); and
- (b) any other amounts which, in the opinion of the Manager, should be included in such aggregate for the purpose of making a fair estimated market value determination of the total value of that Trust having due regard to generally accepted accounting practice as defined in the Financial Reporting Act 1993;

the aggregate of:

- (c) all Liabilities of that Trust (including unrealised losses, all accrued fees and any distributions declared but not yet paid to the distribution account but excluding any Portfolio Entity Tax Liability where the Manager considers it appropriate to do so); and
- (d) any other amounts which, in the opinion of the Manager, should be included in such aggregate for the purpose of making a fair and reasonable determination of the total value of that Trust having due regard to generally accepted accounting practice as defined in the Financial Reporting Act 1993,

estimating values, if necessary and permitted by the relevant Trust Deed, and making such other adjustments, including adjustments to reflect previous period errors or corrections, if any, as the Manager considers necessary with the approval of the Auditor.

New Zealand equivalents to International Financial Reporting Standards require that shares be valued at the bid price for statutory reporting purposes. The Manager believes using the last sale price (the last price at which a transaction was completed on the relevant market) is a more appropriate valuation method for calculating the Current Value of the Trusts.

The Current Value of each Trust is expressed in New Zealand dollars and is calculated by reference to the relevant New Zealand dollar equivalent sums based on the relevant currency rates used by the custodian at the close of each Business Day.

The Entry Cost is the amount (if any) that the Manager may from time to time determine, either generally or in relation to a particular proposed issue of Units, to be an appropriate cost per Unit to be charged, in relation to the Units to be issued, to represent the estimated average costs of acquiring Assets for a Trust.

The Issue Price will normally be calculated as at the close of the relevant share markets on each business day. If an application is accepted or deemed to be accepted the price applied to that transaction will be the price that is calculated as at the close of business on that day.

1.7 The Manager may in its discretion charge a fee (*Issuing Fee*) of up to 5.0% of the amount received from an investor in respect of an application for Units in a particular Trust. The Issuing Fee is commonly referred to as the Entry Fee for a Trust and will be included in the Issue Price paid by the investor. The Manager's current policy in respect of Issuing Fees is that, where an investor:

- (a) invests directly with the Manager a maximum entry fee of 1% of the application monies may be charged and paid to the Manager (however, in respect of the Fledgling Fund, the Manager has agreed it will not receive any Issuing Fee);
- (b) invests through or in connection with an adviser and agrees with such adviser that the adviser should receive an entry fee, up to 4% of the amount received may be deducted from the application monies and paid to the adviser (and no additional entry fee is payable to the Manager).

Investors should check the most recent relevant investment statement in relation to the offer described in this Prospectus for any update on the Manager's policy as to Issuing Fees.

In calculating the Exit Price at which Units may be withdrawn, the Manager may deduct any Exit Costs and Exit Fees (see paragraph 6.2.3). The Manager does not intend to charge an Exit Fee as at the date of this Prospectus.

Unless the Manager agrees otherwise:

- (c) the minimum initial subscription amount is NZ\$2,000* for each Trust except the Fledgling Fund, for which the minimum initial subscription amount is \$500;
- (d) the minimum subsequent subscription amount is NZ\$1,000* for each Trust except the Fledgling Fund, for which the minimum subsequent subscription amount is \$100;
- (e) the minimum subsequent monthly investment amount for regular contributions is NZ\$100*; and
- (f) the minimum initial subscription for the Fledgling Fund is reduced to \$100 when an automatic investment plan of at least \$50 per month is established.

Investments can be made into the Australian Growth Fund in either New Zealand or Australian dollars. For investments made in Australian dollars, investors will be deemed to have deposited a New Zealand dollar equivalent sum based on the NZD/AUD currency rate used for calculating the New Zealand equivalent of Australian dollar assets in the Issue Price on the relevant day.

1.8 There are no opening or closing dates for the offer of Units in the Trusts.

2 MANAGERS AND PROMOTERS

2.1 The name and address of the Manager of the Trusts is:

Fisher Funds Management Limited
Level 2, 93-95 Hurstmere Road
Takapuna
Auckland 0622

Applications, notices and other communications to the Manager should be sent to the following address:

Fisher Funds Management Limited
PO Box 33-549
Takapuna
Auckland 0740

The name and address of each director of the Manager is:

Carmel Miringa Fisher
17 Clifton Road

* Or in the case of the Australian Growth Fund its Australian Dollar equivalent.

Takapuna
AUCKLAND

Hugh Gladstone Fisher
17 Clifton Road
Takapuna
AUCKLAND

Sir John Wells KNZM
173 Victoria Avenue
Remuera
AUCKLAND

Francis Ivor Charles Jasper
9 Arthur Street
Ponsonby
AUCKLAND

Hugh Richmond Lloyd Morrison CNZM
97 The Terrace
WELLINGTON

The Manager was incorporated in New Zealand under the Companies Act 1993 on 9 April 1998.

- 2.2 The Manager has no ultimate holding company.
- 2.3 The Manager also manages the Fisher Funds High Income Fund, the Fisher Funds Trans Tasman Fund, the Fisher Funds Premium New Zealand Fund, the Fisher Funds Premium Australian Fund, the Fisher Funds Premium International Fund and the Fisher Morrison Premium Infrastructure Fund. The Premium Funds have the same investment objectives as the New Zealand Growth Fund, the Australian Growth Fund, the International Growth Fund and the Infrastructure Fund respectively but are for investors with NZ\$300,000 or more to invest.

The assets of these funds cannot be used to meet the liabilities of the Trusts.

The Manager also manages the Fisher Funds KiwiSaver Scheme (*Scheme*), which is a unitised superannuation scheme established under the KiwiSaver Act 2006. The Scheme comprises two investment funds; the Growth Fund and the Conservative Fund. Members can choose to invest in either of them or a mix of the two. The Growth Fund principally invests in growing companies in all or any of the New Zealand, Australian and other international markets and the Conservative Fund principally invests in all or any of the following asset classes: cash, fixed interest securities, equity securities, infrastructure securities and property securities (in each case locally and/or internationally).

The assets of this Scheme cannot be used to meet the liabilities of the Trusts.

- 2.4 There is no promoter of the offer of Units in the New Zealand Growth Fund, the Australian Growth Fund, the International Growth Fund and the Fledgling Fund. Morrison & Co Wealth Management Limited, and Marko Bogoevski and Liberato Petagna, directors of Morrison & Co Wealth Management Limited (who are not also directors of the Manager), are the promoters of the Units in the Infrastructure Fund.
- 2.5 Each Trust Deed allows the Manager to appoint an investment manager to implement a Trust's Investment Policy. The Manager has appointed Morrison & Co Wealth Management Limited as the Investment Manager of the Infrastructure Fund. It is not the Manager's current intention to appoint an investment manager in respect of the New Zealand Growth Fund, the Australian Growth Fund, the International Growth Fund or the Fledgling Fund.
- 2.6 Neither the Manager, the Investment Manager (who is also a promoter of the Infrastructure Fund) nor any of their directors (including all directors of the Manager and Investment Manager in the five years preceding the date of this Prospectus) have been:
- (a) adjudged bankrupt or insolvent;
 - (b) convicted of any crime involving dishonesty;
 - (c) prohibited from acting as a director of a company;
 - (d) placed in statutory management, voluntary administration, liquidation or receivership.

3 REGISTRAR, CUSTODIAN, AUDITOR, ADVISERS AND EXPERTS

- 3.1 The name and address of the auditor of the Trusts is:

KPMG
18 Viaduct Harbour Avenue
Auckland

- 3.2 The name and address of the solicitors for the Trusts are:

Chapman Tripp
Level 35
23-29 Albert Street
PO Box 2206
Auckland

- 3.3 There are no experts named in this Prospectus.

4 INDEPENDENCE OF UNIT TRUSTEE AND ANY CUSTODIANS

The Trustee is independent of the Manager and the Investment Manager and their respective directors.

The Fund Services Division of Trustees Executors Limited has agreed to undertake the responsibilities of the Registrar of each Trust, and also provides custody and investment accounting services.

Formerly the Australian Growth Fund was managed by Coronet Asset Management Limited and during its time as manager Coronet Asset Management Limited appointed Trustees Executors Limited as Custodian of the Trust, pursuant to the Australian Growth Fund Trust Deed. The Manager proposes to continue with this appointment.

5 **UNIT TRUSTEE**

5.1 The name and address of the Trustee of the Trusts is:

Trustees Executors Limited
Level 12
45 Queen Street
Auckland 1010

PO Box 4197
Shortland Street
Auckland 1140

The name of each director of the Trustee is:

Rt. Hon James Brendan Bolger, ONZ,
Director, Te Kuiti, New Zealand

Paul R. S. Hocking BMS, CA, CSAP
Director, Martinborough, New Zealand

Deepak Kumar Gupta, BCA, MBA, FCFIP,
Director, Wellington, New Zealand

Peter Metz, BS, MBA, CPA
Director, New York, United States of America

Any of the directors of the Trustee may be contacted at:

Trustees Executors Limited
Level 12
45 Queen Street
Auckland 1010

The Trustee may vest any of the investments of the Trusts in a nominee company, T.E.A. Custodians Limited, which in turn may utilise the services of international custodial companies.

5.2 Trustees Executors Limited is the Trustee of the Trusts. The Trustee was incorporated in New Zealand in 1881 under the Joint Stock Companies Act 1860.

On 1 May 2002 in New Zealand, Trustees Executors Limited's status as a statutory trustee company was reconfirmed under its own Act of Parliament, the Trustees Executors Limited Act 2002.

- 5.3 The Trustee's ultimate holding company is Sterling Grace (NZ) Limited, incorporated in New Zealand on 30 July 2003.
- 5.4 Under the Trust Deeds, the Trustee is entitled to be indemnified out of the Trusts for all losses, costs and expenses incurred by it in performing its duties or exercising its powers pursuant to the Trust Deeds and against all actions, proceedings, costs, claims and demands relating to the Trusts other than those arising from a breach of trust where the Trustee fails to show the degree of care and diligence required of a trustee having regard to the provisions of the Trust Deeds, the terms of issue of the Units (the *Issue Terms*) and the powers, authorities and discretions conferred on the Trustee.
- 5.5 The Trustee does not guarantee the repayment of Units in the Trusts, or the payment of any earnings on any Unit in the Trusts.

6 DESCRIPTION OF THE UNIT TRUSTS AND THEIR DEVELOPMENT

- 6.1 Each Trust (other than the Australian Growth Fund) was established under the unit trust deed between the Manager and the Trustee dated 28 July 1998 (as amended on 6 April 2005, 18 July 2007 and 21 November 2008) (the *Growth Funds Unit Trust Deed*) and:
- (a) in respect of the Fledgling Fund, a supplemental deed dated 26 November 1999;
 - (b) in respect of the International Growth Fund, a supplemental deed dated 16 October 2007; and
 - (c) in respect of the Infrastructure Fund, a supplemental deed dated 21 November 2008.
 - (d) In respect of the Growth Funds, a supplemental deed dated 13 January 2011

In this Prospectus, reference to the *Growth Funds Trust Deed* means each supplemental deed listed above and the Growth Funds Unit Trust Deed.

The Australian Growth Fund was originally established as the Coronet Equity Trust and changed its name to the Fisher Funds Australian Growth Fund on 5 August 2005.

The trust deed which governs the Australian Growth Fund (*the Australian Growth Fund Trust Deed*) is dated 8 August 2005. The Australian Growth Fund Trust Deed was amended on 18 July 2007.

In this Prospectus, reference to the Trust Deeds means both of the Growth Funds Trust Deed and the Australian Growth Fund Trust Deed and reference to a Trust Deed means any one of them.

6.2 The principal terms of the Trust Deeds which are not addressed elsewhere in this Prospectus are summarised below. As summaries are generalised, reference should be made to the relevant Trust Deed, for more specific information.

6.2.1 Constitution of the Funds

Each of the New Zealand Growth Fund, the Fledging Fund, the International Growth Fund and the Infrastructure Fund is constituted under the Growth Funds Unit Trust Deed. The Australian Growth Fund is constituted under its original trust deed (see paragraph 6.1). The assets of each Trust are held by the Trustee (or a nominee) on behalf of Unit Holders.

6.2.2 Issue of Units

Units are issued at the discretion of the Manager. The Manager may in its absolute discretion accept or reject in whole or in part any application to subscribe for any Units. No interest will be paid if the Manager rejects the application to subscribe for Units. The Manager will repay subscription monies to the applicant where the application is rejected. Subscription monies received by the Manager in respect of accepted applications must be paid after deduction of any Issuing Fee (see paragraph 1.7), in cleared funds to the Trustee. The Issue Price for Units is described in paragraph 1.6.

Units will generally be allotted within five business days of the Manager receiving cleared funds and accepting the application.

6.2.3 Withdrawal of Units

Unit Holders may request withdrawal of their Units at any time. Any approved withdrawal request will have the next available price that is calculated applied to that transaction. Any withdrawal request received after 5pm on a business day will be deemed to be received the following business day. Unless the Manager agrees otherwise, the request (*Withdrawal Request*) must be:

- (a) in writing and in the form prescribed by the Manager;
- (b) sent to the Manager at the address specified in paragraph 2.1;
- (c) accompanied by the certificate (if any) for the Units to which the request relates.

There are two methods of withdrawal permitted under the Trust Deed. At the Manager's election Units may be redeemed, where the Trustee cancels the Units, or repurchased, where the Manager buys back the Units from the Unit Holder.

Under the Portfolio Investment Entity (PIE) regime, it will usually be preferable for Unit Holders who hold their Units on revenue account to have their Units redeemed rather than repurchased and there will be no tax difference between the redemption and repurchase for Unit Holders who hold their units on capital account.

Accordingly, the Manager will effect any withdrawal requests by way of redemption of the relevant Units, unless the Unit Holder specifically requests otherwise.

See paragraph 17.1 of this Prospectus for the tax related consequences of a withdrawal.

The price (*Exit Price*) at which Units will be withdrawn will normally be calculated as at the close of business on the day on which the Withdrawal Request is accepted in accordance with a formula set out in the relevant Trust Deed. In broad terms, the Exit Price is determined by dividing the Current Value of the Fund by the number of Units on issue at the date of calculation of the Exit Price less any Exit Cost and Exit Fee. The full definition of *Exit Price* is set out in clause 5.3 of each Trust Deed.

The Exit Price for the New Zealand Growth Fund and Fledgling Fund will normally be calculated as at the close of the New Zealand share market each business day.

The Exit Price for the Australian Growth Fund will normally be calculated as at the close of the Australian share market each business day.

The Exit Price for the International Growth Fund and the Infrastructure Fund will normally be calculated as at the next business day to reflect the closing of different International share markets.

The Exit Cost in respect of Units in a Trust is such sum, if any, as the Manager in its absolute discretion may determine (either generally or in relation to particular Units in the Trust) to be an appropriate cost per Unit to be charged in relation to the relevant Units to represent the estimated average costs, charges, expenses, disbursements, commissions, brokerage and other usual fees which would be likely to be incurred in respect of the sale or disposal of the Assets of a Trust on the date of calculation of the Exit Price if all of such Assets were sold or disposed of on such date.

The Manager does not intend to charge any Exit Fee at the date of this Prospectus.

Withdrawal Requests will be processed at the Exit Price calculated by the Manager according to a formula set out in the relevant Trust Deed. Payment to Unit Holders will usually be made within 10 business days after the Withdrawal Request is received from the Unit Holder. Any undistributed amount held in respect of a Unit that is to be withdrawn in the Trust's distribution account will be paid to the Unit Holder upon the withdrawal. Withdrawal Requests are revocable only with the approval of the Manager and cease to be effective if the relevant Units are transferred.

Unit Holders in the Australian Growth Fund may elect to receive the proceeds of their withdrawal in either New Zealand dollars (NZD) or Australian dollars (AUD). When a Unit Holder in the Australian Growth Fund asks to be paid in Australian dollars, the New Zealand dollar value of the withdrawal will be calculated and then converted into an Australian Dollar equivalent sum based on the NZD/AUD currency rate used in the relevant unit price applied to the withdrawal. During the period

from the calculation date to the payment date this Trust may have a currency exposure if the NZD/AUD currency rate materially alters in that period.

If a Withdrawal Request is for less than the Minimum Transaction Number (Units with a current Exit Price of NZ\$1,000* for all Trusts except the Fledgling Fund where Units with a current Exit Price of \$500), the Manager may refuse to effect a withdrawal of Units unless all of the Unit Holder's Units are withdrawn. If a withdrawal of Units would result in a Unit Holder having less than the Minimum Holding of Units (Units with a current Exit Price of NZ\$1,000* for all Trusts except the Fledgling Fund where Units with a current Exit Price of \$500), the Manager has the right to decline to act on the relevant Withdrawal Request or to require the withdrawal of all Units held by that Unit Holder in that Trust.

Pursuant to the relevant Trust Deed, the Manager may suspend, in whole or in part, the withdrawal of Units in a Trust if for any good reason the Manager, in its discretion, forms the opinion that it is not practicable or desirable or would be prejudicial to the interests of the Unit Holders for the Trustee to realise Assets or borrow in order to withdraw Units. The suspension may continue until it is cancelled by the Manager or one year from the date of the suspension notice (subject to extension by Extraordinary Resolution of the Unit Holders), whichever is earlier.

The Manager may also refuse to effect a withdrawal of Units where such withdrawal would threaten a Trust's eligibility for PIE status.

However, notwithstanding the right of the Manager to suspend as detailed above, the Manager agrees that during the course of this Prospectus it will not suspend withdrawal of any Units in a Trust for more than three months.

6.2.4 **Transfer of Units**

Units in a Trust are transferable, subject to the Manager's right of first refusal (at the current Exit Price). Unit Holders must notify the Manager if they wish to transfer Units. The instrument of transfer shall be in writing in a form approved by the Manager and signed by both the transferor and transferee.

The Manager may refuse to transfer Units where:

- (a) a Trust Deed or applicable statutory provisions have not been complied with;
- (b) the registration of the transfer would result in less than the Minimum Holding of Units remaining in the name of the transferor or standing in the name of the transferee;

* Or in the case of the Australian Growth Fund its Australian Dollar equivalent.

- (c) the Unit Holder proposes to transfer less than the Minimum Transaction Number;
- (d) the transfer would threaten any particular Trust's eligibility for PIE status;
- (e) The Manager has not received from the transferor such information concerning the transferee as is usually required to subscribe for Units.

Registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Manager may from time to time determine.

The Manager has the right to adjust the number of Units transferred to the transferee to reflect the incidence of tax up to the time of the transfer. In that case, the number of Units received by the transferee may be different to those transferred by the transferor.

A transaction statement in lieu of a certificate will be issued for the Units transferred and for the balance of Units within one month of the transfer of Units.

See paragraph 17.1 for a description of the taxation related consequences of a transfer.

6.2.5 **Register**

The Manager is required to maintain a register of Unit Holders for each of the Trusts in the form and manner approved by the Trustee. The Register is the official record of Unit Holder entitlements. The Manager has appointed the Fund Services Division of Trustees Executors Limited to manage each Register of Unit Holders.

Unit Holders' addresses are recorded in the Register. All notices and other communications are sent or delivered to the address recorded in the Register. A Unit Holder must notify the Manager of any change of address in writing and the Register will be adjusted accordingly.

The Trustee and Manager are entitled to rely upon entries in the Register as being correct. The Manager must ensure that the Register is audited every 12 months and that the Register is open for inspection by Unit Holders at the Manager's office during Business Hours of the Trusts. Such inspection will not incur a fee.

Where two or more persons are registered as the Unit Holders of a Unit in a Trust (Joint Unit Holders), they will be jointly and severally liable for all payments in respect of that Unit and, on the death of any Joint Unit Holder, the Manager will recognise only the survivor or survivors of them as having title to that Unit.

Only the person whose name stands first in the Register as one of the Joint Unit Holders is entitled to receive notices, cheques or other communications from the Manager or the Trustee, including the giving of instructions or acceptance of receipts for distributions.

As the Trusts are PIEs, for the purposes of calculating each Trust's PIE Tax Liability and attributing such liability to Unit Holders, the Manager may at its absolute

discretion either treat Joint Unit Holders as separate Unit Holders or as a single person Unit Holder with a Prescribed Investor Rate equal to the highest Prescribed Investor Rate of the Joint Unit Holders or such other rate as the Manager thinks fit in its absolute discretion.

The Manager is not obliged to register more than two persons as the Unit Holders of any Unit.

6.2.6 **Investments**

Each of the Trusts must be invested by the Manager in Authorised Investments that satisfy the Investment Policy of the respective Trust. The Manager has appointed Morrison & Co Wealth Management Limited to manage the investments of the Infrastructure Fund.

The Investment Policy for each of the Trusts is set by the Manager. The current Investment Policy for each of the Trusts is described in paragraph 6.5.

In addition, as the Trusts are PIEs, the assets of each of the Trusts are to be invested so far as practically possible so that each of the Trusts continues to be eligible as a PIE.

6.2.7 **Valuations**

The Manager is required to maintain a valuation register for each Trust recording the value of all assets of that Trust.

The Manager is required to value each asset of a Trust:

- (a) at least weekly;
- (b) at such other times as the Trustee and Manager may from time to time agree.

The value of each asset of a Trust will be such of the following as the Manager determines:

- (a) the latest sale price of the asset on any exchange (except in certain circumstances);
- (b) the amount certified by an approved valuer as the fair value;
- (c) the amount agreed between the Manager and the Trustee as the fair value.

The Manager may rely on estimated values of assets if unusual conditions in financial markets, or communication breakdowns, or other circumstances prevent the Manager from valuing any asset on the basis outlined above.

Unlisted securities may not have a liquid market for their securities and the Manager will seek a valuation of any unlisted securities at least annually and more often if they consider the valuation may have materially changed.

The majority of the Australian Growth Fund's assets will be denominated in Australian dollars. The majority of the International Fund's and the Infrastructure Fund's assets will be denominated in various foreign currencies. As the Current Value of a Trust is calculated by reference to New Zealand dollar equivalent amounts, exchange rate fluctuations between the New Zealand dollar and foreign currencies will alter the Current Value of a Trust irrespective of any changes in value of the underlying companies.

The Manager (or the Investment Manager in the case of the Infrastructure Fund) may enter into foreign currency exchange contracts to manage currency exposures, including contracts to maximise the New Zealand dollar returns of the relevant Trust, provided that an Authorised Investment is held in the relevant country, or the Manager (or the Investment Manager as above) intends to purchase an Authorised Investment in that country in the near future.

6.2.8 Financial Statements

The Manager is required to keep such accounting records as correctly record and explain the transactions and financial position of each of the Trusts. The Manager is also required to deliver to the Trustee within 4 months after the end of each financial year for each of the Trusts, audited financial statements for the Trusts for that year.

All financial statements must comply with the Financial Reporting Act 1993 and other relevant statutory requirements.

6.2.9 Auditor

The auditor of the Trusts is appointed by the Trustee after consultation with the Manager. The auditor may be removed by the Manager or the Trustee or by an Extraordinary Resolution of Unit Holders. The auditor may retire upon giving at least 90 days' written notice to the Trustee.

6.2.10 Distributions

The Manager has discretion as to whether or not to apply a Trust's income or capital in making distributions to Unit Holders at any time, in cash or in specie or by way of bonus Units.

As at the date of this Prospectus, it is the Manager's intention that the New Zealand Growth Fund, the International Growth Fund, the Australian Growth Fund and the Fledgling Fund will not distribute any income and currently intends to invest such income.

It is the current policy of the Manager to distribute quarterly from the Infrastructure Fund in respect of the periods to 15 March, 15 June, 15 September and 15 December (or the following Business Day where that day is not a Business Day) in each year. The Manager may decide to distribute income by reference to distribution periods other than quarterly.

If a distribution is to be paid, on each Distribution Date, the Manager will:

- determine the Distribution Amount of the relevant Trust during the Distribution Period ending on that Distribution Date; and
- attribute that Distribution Amount in proportion to the number of Units held in the Trust on the last business day of the relevant Distribution Period.

Unit Holders will have the opportunity to reinvest their distribution in new Units in the relevant Trust. Any distribution due to a Unit Holder that is under the Minimum Distribution Amount set by the Manager will automatically be reinvested in new Units in the Trust. At the date of this Prospectus the Minimum Distribution Amount for each Trust is NZ\$20.00.

If the Manager decides to distribute income of a Trust, the distribution will be made within two months of the last business day of the period in respect of which the income was calculated.

When a distribution is made by a Trust, the price for Units will reduce by the distribution per Unit.

As each Trust is a PIE, no imputation credits will be attached to any distributions and no withholding tax will be deducted or payable.

6.2.11 **The Manager**

The Manager will manage (either directly or via the Investment Manager in respect of the Infrastructure Fund) or supervise the management of the assets of each of the Trusts in accordance with the terms of the relevant Trust Deed. The Manager's responsibilities in respect of each of the Trusts include:

- (a) making all investment decisions;
- (b) issuing Units;
- (c) keeping the register of Unit Holders;
- (d) administering withdrawal and transfers of Units;
- (e) receiving and banking monies;
- (f) reporting to Unit Holders;
- (g) maintaining the valuation register;
- (h) maintaining accounting and investment records;
- (i) directing the Trustee when a Trust should borrow (subject to the limitations referred to in paragraph 6.2.15 and to the Investment Policy for the relevant Trust described in paragraph 6.5).

The above functions that relate to registry tasks, valuing assets and maintaining accounting records have been delegated to the Fund Services Division of Trustees Executors Limited.

The Manager's powers in respect of the Trusts include the power to:

- (j) delegate any of its powers;
- (k) appoint agents (including investment managers, legal advisers and valuers). In respect of the Infrastructure Fund, the Manager has appointed the Investment Manager to carry out the functions noted above that relates to the management and investment of the assets of this Trust.

The Manager may be removed from office:

- (l) by the High Court on the application of the Trustee, any Unit Holder of a Trust in respect of that Trust, or the Financial Markets Authority;
- (m) if the Trustee certifies that it is in the interests of Unit Holders of a Trust in respect of that Trust;
- (n) by a resolution passed at a Unit Holders' meeting by Unit Holders of a Trust in respect of that Trust, who hold not less than three-quarters of the value of Units in the respective Trust held by the Unit Holders who are present at the meeting and who hold not less than one-quarter of the value of all Units in the respective Trust;
- (o) if a receiver is appointed to the Manager or a resolution is passed or order for the liquidation of the Manager.

In such a case the Trustee has power to appoint a temporary Manager. Upon the appointment of a temporary Manager, the Trustee must call a meeting of Unit Holders. At that meeting, the Unit Holders of the relevant Trust may resolve to appoint the temporary Manager, or some other person, as a new Manager.

The Manager may retire as Manager of a Trust upon giving 90 days' notice in writing to the Trustee of its intention to do so. No such retirement will be effective until the Trustee has appointed a replacement Manager.

If Fisher Funds Management Limited ceases to be the Manager of a Trust, the expression "Fisher" must be removed from the name of the Trust.

As each Trust is a PIE, the Manager has certain additional powers which include (amongst other things) the power to:

- (p) adjust distribution entitlements or a Unit Holder's Units to reflect any tax paid by a Trust on the portion of its income attributable to that Unit Holder;
- (q) make any calculations, allocations, attributions and elections which are required or desirable under the PIE regime;

- (r) repurchase Units and refuse withdrawal or transfer requests where a Trust's eligibility for PIE status is or would be threatened;
- (s) disclose any information to Unit Holders as is required by the PIE regime and disclose any information to the IRD or other person where the Manager considers it reasonably necessary or desirable to do so;
- (t) require Unit Holders provide the Manager with details of their Prescribed Investor Rate (PIR) (see paragraph 17.1) and Tax File Number; and
- (u) take all steps and do all things as the Manager thinks necessary or desirable in its complete discretion to transition a Trust to and from being a PIE or to administer a Trust as a PIE.

6.2.12 **Fair Dividend Rate Powers**

Where the Manager considers it necessary or desirable in the Manager's complete discretion that a Trust should meet the unit valuer requirements in Section EX53(1) of the Tax Act, that Trust shall be treated as having assigned to each Unit Holder an interest in a proportion of the net returns from investments of the relevant Trust corresponding to the Unit Holder's Unitholding in the Trust.

6.2.13 **Adjustments to Units held by a Unit Holder**

The Manager may consolidate or divide proportionately the number of Units on issue so as to alter the number of Units on issue in respect of a Trust. As each Trust is a PIE, the Manager may effect a withdrawal of Units or require a transfer or Switch of Units where the holding of such Units would threaten or cause a Trust to become ineligible as a PIE.

6.2.14 **The Trustee**

The Trustee's responsibilities in respect of the Trusts include:

- (a) holding the assets of each of the Trusts on trust for Unit Holders upon the terms of the relevant Trust Deed (either directly or via a custodian);
- (b) monitoring compliance by the Manager with the requirements of the Trust Deeds;
- (c) effecting the withdrawal of Units if so directed by the Manager;
- (d) appointing an auditor after consultation with the Manager;
- (e) borrowing if so directed by the Manager (subject to the limitations referred to in paragraph 6.2.15 and to the Investment Policies for each of the Trusts described in paragraph 6.5);
- (f) approving changes to the Investment Policies for each of the Trusts;
- (g) appointing a temporary Manager.

The Trustee may retire as Trustee of a Trust upon giving 90 days' notice in writing to the Manager subject to a replacement Trustee being appointed. The power of appointing a new Trustee is vested in the Manager. If the Manager fails to appoint a new Trustee, the Unit Holders of the relevant Trust may do so by Extraordinary Resolution. The Trustee may be removed as Trustee of a Trust by the Court upon the application of the Manager or the Minister for Economic Development.

6.2.15 **Borrowing**

The Trustee has power to, and at the direction of the Manager if the Investment Policy of a Trust so allows, borrow for the purposes of a particular Trust (which may be secured over the assets of that particular Trust). The Trustee may not borrow if the aggregate borrowing would cause the New Zealand dollar equivalent of the liabilities of each of the Trusts to exceed (at the time at which such borrowing is made) 25% of the New Zealand dollar equivalent of the value of the assets of each of the Trusts.

In respect of the Fledgling Fund, the Manager's current policy is that this Trust will not borrow.

6.2.16 **Amendments to the Trust Deed**

The Trustee and the Manager may amend the Trust Deed relating to a Trust and the Issue Terms (including the Investment Policy for a particular Trust) if:

- (a) in the opinion of the Trustee the amendment is made to correct a manifest error or is of a formal, technical or administrative nature only;
- (b) in the opinion of the Trustee the amendment will enable the provisions of the relevant Trust Deed or the Fund to be more conveniently or advantageously administered;
- (c) in the opinion of the Trustee the amendment is not materially and adversely prejudicial to the interests of Unit Holders of that Trust;
- (d) in the opinion of the Trustee the amendment is necessary or desirable to obtain listing of any Units of that Trust on any Stock Exchange;
- (e) in the opinion of the Trustee and the Manager the amendment is necessary or expedient to comply with the provisions of any statute, ordinance, regulation or by-law;
- (f) in the opinion of the Trustee and the Manager the amendment is required by or in consequence of or consistent with any amendment of the Unit Trusts Act 1960, the Securities Act 1978 or the Securities Regulations 2009 and in the opinion of the Trustee does not materially and adversely affect the interests of Unit Holders of that Trust;
- (g) the amendment is authorised by Extraordinary Resolution of the Unit Holders of that Trust;
- (h) is otherwise expressly authorised by the Trust Deed of that Trust.

The terms and conditions under which Units are issued and held are specified in this Prospectus and may be changed by a Memorandum of Amendments to the Prospectus or when a new prospectus is issued. Any changes are subject to the rights of existing Unit Holders of that Trust being reserved and/or a prescribed procedure with notice of objection by Unit Holders of that Trust holding not less than 10% of the Units on issue.

6.2.17 Meeting of Unit Holders

The Manager may at any time of its own volition and shall, upon request in writing from; the Trustee or at least 10% of the Unit Holders of a Trust at the date of the request or Unit Holders holding at least 10% of the total number of Units issued in respect of a Trust at the date of the request; convene a meeting of Unit Holders of the relevant Trust by issuing a notice in writing to the Unit Holders of that Trust and the Trustee at his or her or its last known address. The notice of meeting shall specify the time, place and general nature of the business to be transacted and shall be issued not less than 14 days' prior to the meeting.

The quorum for meetings is 5 Unit Holders of the relevant Trust (either present in person, by proxy, by attorney or by authorised representative) holding not less than 10% of the total Number of Units on Issue in respect of that Trust.

No business shall be transacted at any meeting unless a quorum is present.

6.2.18 Early Termination

A Trust may, with the Trustee's approval, be terminated early or all Units switched into a new fund on terms which are similar in all material respects to the terms of the Units if, the Manager considers it is desirable to do so for taxation purposes.

6.3 Any restrictions on the investments of each of the Trusts are described in paragraph 6.2.6.

6.4 In the five years preceding the date of this Prospectus (or from the commencement of a Trust if later) each Trust has invested in Authorised Investments in accordance with its Investment Policy. The only material activities or developments relating to the Trusts during the five years preceding the date of this Prospectus (or the commencement of a Trust if later) (other than investment by each of the Trusts in Authorised Investments) are:

- (a) amendments dated 18 July 2007 to the Growth Funds Trust Deed to prepare for the Trusts to become Portfolio Investment Entities and to adopt New Zealand Equivalents to International Financial Reporting Standards);
- (b) the New Zealand Growth Fund, the Australian Growth Fund and the Fledging Fund each being approved as a PIE, effective from 1 October 2007;
- (c) amendments dated 21 November 2008 to the Growth Funds Trust Deed to alter the definition of Financial Period;
- (d) amendments to the Growth Funds Trust Deed dated 13 January 2011 and effective from 18 January 2011 to allow the Manager to distribute any amount

(including capital) pro rata (as to value) to Unit Holders in a Fund at any time, in cash or in specie or by way of bonus Units;

- (e) amendments to the Australian Growth Fund Trust Deed dated 18 July 2007 to prepare for the Australian Growth Fund to become a PIE and to adopt New Zealand Equivalents to International Financial Reporting Standards.

6.5 As at the date of this Prospectus, the Investment Policy for each of the Trusts is as follows:

6.5.1 **New Zealand Growth Fund:**

Objective

The objective of the New Zealand Growth Fund will be to achieve positive long term returns for Unit Holders which are in excess of the NZX 90 Day Bank Bill rate and superior to comparable, competing funds.

Policy

The New Zealand Growth Fund will focus on seeking to invest in New Zealand companies that are able to consistently produce increasing earnings. Companies will be selected in the context of a three to five year investment time horizon. The Manager will endeavour to visit each company invested in at least annually.

The New Zealand Growth Fund will tend to buy Equity Securities in growing New Zealand companies. Companies that have strong growth characteristics are often small or medium sized companies. Equity Securities in smaller New Zealand companies tend to be more volatile than the New Zealand share market in general.

Other investment parameters are:

- (a) the New Zealand Growth Fund may invest in listed or unlisted Equity Securities;
- (b) the maximum permitted holding in unlisted Equity Securities collectively is 30% (at the time of purchase) of the Gross Asset Value of the New Zealand Growth Fund;
- (c) the maximum permitted exposure to the Equity Securities of any individual company is 20% of the Gross Asset Value of the New Zealand Growth Fund;
- (d) the New Zealand Growth Fund will not own more than 19.9% of any company's issued share capital;
- (e) no derivatives will be used in the management of the New Zealand Growth Trust Fund; and
- (f) the Manager may implement securities lending programmes for the New Zealand Growth Fund.

The Manager may from time to time vary the Investment Policy for the New Zealand Growth Fund with the approval of the Trustee.

6.5.2 Fisher Funds Australian Growth Fund

Objective

The objective of the Australian Growth Fund will be to achieve positive long term returns for Unit Holders which are in excess of the NZX 90 Day Bank Bill Rate and superior to comparable, competing funds.

Policy

The Fund will focus on seeking to invest in companies that are able to consistently produce increasing earnings. Equity Securities will be selected in the context of a three to five year investment time horizon. The Manager will endeavour to visit each company invested in at least annually.

The Australian Growth Fund will tend to buy Equity Securities in growing Australian companies. Companies that have strong growth characteristics are often small or medium sized companies. Equity Securities in smaller Australian companies tend to be more volatile than the Australian share market in general.

Other investment parameters are:

- (a) the maximum permitted exposure to the Equity Securities of any individual company is 20% of the Gross Asset Value of the Australian Growth Fund;
- (b) the Australian Growth Fund will not own more than 19.9% of any company's issued share capital; and
- (c) the Manager may implement securities lending programmes for the Australian Growth Fund.

The Manager may from time to time vary the Investment Policy for the Australian Growth Fund with the approval of the Trustee.

6.5.3 Fisher Funds International Growth Fund

Objective

The objective of the International Growth Fund will be to achieve positive long term returns for Unit Holders which are in excess of the NZX 90 Day Bank Bill yield rate and superior to comparable, competing funds.

Policy

The International Growth Fund will focus on seeking to invest in companies that are able to consistently produce increasing earnings. Companies will be selected in the context of a long-term investment time horizon. The Manager will endeavour to visit each company invested in at least annually.

The International Growth Fund will tend to buy Equity Securities in international growth companies. Companies that have strong growth characteristics are often small or medium sized companies. Equity Securities in smaller growth companies tend to be more volatile than the share market in general.

Other investment parameters are:

- (a) the International Growth Fund may invest in listed or unlisted Equity Securities;
- (b) the maximum permitted exposure to unlisted Equity Securities collectively is 10% (at the time of purchase) of the Gross Asset Value of the International Growth Fund;
- (c) the maximum permitted exposure to the Equity Securities of any individual company is 15% of the Gross Asset Value of the International Growth Fund;
- (d) no more than 20% of the issued capital of any company shall be held by the International Growth Fund; and
- (e) bank deposits and money market securities must be with banks carrying a minimum short-term Credit Rating from Standard & Poors (or, if there is no Standard & Poor's rating, then the highest equivalent rating by Moody's or Fitch) of A-1.
- (f) the Manager may implement securities lending programmes for the International Growth Fund.

The Manager may from time to time vary the Investment Policy for the International Growth Fund with the approval of the Trustee.

6.5.4 Fisher Morrison Infrastructure Fund

Objective

The objective of the Infrastructure Fund is to provide a regular income and achieve positive long term returns for Unit Holders which are in excess of the NZX 90 Day Bank Bill yield rate and superior to comparable, competing funds.

Policy

The Infrastructure Fund will invest primarily in Equity Securities of companies which are Infrastructure Assets and which may be based in New Zealand, Australia and elsewhere around the world. The Infrastructure Fund intends to retain a small holding in cash for liquidity purposes. The Infrastructure Fund may actively move to cash and other conservative assets where the Manager (through the Investment Manager, where relevant) considers this in the best interests of maximising returns to Unit Holders.

The Infrastructure Fund will focus on seeking to invest in companies in the infrastructure and utilities sectors that provide either a strong dividend yield or significant potential for capital growth. Companies will be selected in the context of a long-term investment time horizon.

Other investment parameters are:

- (a) the Infrastructure Fund may invest in listed or unlisted Equity Securities;

- (b) the maximum permitted exposure to unlisted Equity Securities collectively is 30% (at the time of purchase) of the Gross Asset Value of the Infrastructure Fund;
- (c) the maximum permitted exposure to the Equity Securities of any individual company is 19.9% of the Gross Asset Value of the Infrastructure Fund;
- (d) no more than 20% of the issued capital of any company shall be held by the Infrastructure Fund;
- (e) the Infrastructure Fund will not invest in start-up companies or new issues unless a sustained earnings history exists;
- (f) bank deposits and money market securities must be with banks carrying a minimum short-term Credit Rating from Standard & Poor's (or, if there is no Standard & Poor's rating, then the highest equivalent rating by Moody's or Fitch) of A-1; and
- (g) Debt Securities issued by companies must have a minimum rating from Standard & Poor's (or, if there is no Standard & Poor's rating, the highest equivalent rating by Moody's or Fitch) of BBB.

The Manager may from time to time vary the Investment Policy for the Infrastructure Fund with the approval of the Trustee.

6.5.5 Fisher Funds Fledgling Fund

Objective

The objective of the Fledgling Fund will be to achieve long-term capital growth for investors by investing in a portfolio of growth companies.

The Fledgling Fund also has an educational objective. It seeks to teach children and teenagers about personal finance and basic investment principles through a variety of educational materials paid for by the Fledgling Fund and distributed to investors.

Policy

The Fledgling Fund will focus on seeking to invest in New Zealand companies that are able to consistently produce increasing earnings. Companies will be selected in the context of a three to five year investment time horizon. The Manager will endeavour to visit each company invested in at least annually.

The Fledgling Fund will tend to buy Equity Securities in growing New Zealand companies. Companies that have strong growth characteristics are often small or medium sized companies. Equity Securities in smaller New Zealand companies tend to be more volatile than the New Zealand share market in general.

In managing the Fledgling Fund, the Manager is guided by the following Investment Policy parameters:

- (a) the Fledgling Fund will invest only in companies whose shares are listed or expected to list within three months of investment;
- (b) the Fledgling Fund will not own more than 19.9% of any company's issued share capital;
- (c) no derivatives will be used in the management of the Fledgling Fund;
- (d) the Fledgling Fund will not borrow against the security of the holdings in the Fledgling Fund;
- (e) the Manager may implement securities lending programmes for the Fledgling Fund.

The Manager may from time to time vary the Investment Policy for the Fledgling Fund with the approval of the Trustee.

6.5.6 Investment Process

In respect of the New Zealand Growth Fund, the Australian Growth Fund, the International Growth Fund and the Fledgling Fund, the Manager uses a proprietary investment analysis process called STEEPP to analyse existing and new portfolio investments which comply with the applicable Investment Policy. That process is not part of the Investment Policy and may be altered from time to time by the Manager without notification to Unit Holders or the Trustee. The current version of STEEPP can be downloaded from the Manager's website www.fisherfunds.co.nz or can be obtained by calling the Manager on 0508 FISHER (0508 347 437).

6.6 The Investment Returns as at the date of this Prospectus for the Trusts are as follows:

6.7

Investment Returns						
From	To	New Zealand Growth Fund	Australian Growth Fund	International Growth Fund ¹	Infra-structure Fund ²	Fledgling Fund
1 April 2010	31 March 2011	+9.24%	+19.71%	+4.68%	+2.98%	+8.55%
1 April 2009	31 March 2010	+37.0%	+69.80%	+45.81%	+24.27%*	+31.49%

¹ Inception 16 October 2007

² Inception 21 November 2008

Investment Returns						
1 April 2008 ³	31 March 2009	-31.36%	-24.11%	-16.52%	+0.96%	-26.98%
1 April 2007 ⁴	31 March 2008	-32.03%	-30.26%	-1.08%	n/a	-28.47%**
1 April 2006	31 March 2007	+33.26%	+20.56%	n/a	n/a	+22.43%

* The Infrastructure Fund paid distributions totalling 5.7 cents per unit during the year ended 31 March 2010, representing an additional return of 5.65% on the return shown above.

** The Fledgling Fund paid a distribution of 3.25 cents per unit during the year ended 31 March 2008, representing an additional return of 2.08% on the return shown above. The Fledgling Fund also paid a distribution of 2.75 cents per unit during the year ended 31 March 2006, representing an additional return of 2.65% on the return shown above.

These returns represent the change in the relevant Unit Price after the deduction of all fees and tax (other than tax attributable to Unit Holders in accordance with the PIE regime) paid or payable directly by each Trust plus distributions made to Unit Holders. The New Zealand Growth Fund, Australian Growth Fund and the Fledgling Fund became Portfolio Investment Entities on 1 October 2007. This changed the way these Trusts pay income tax (see paragraph 17.1 for a description of the taxation of the Trust). Unit prices from 1 October 2007 onwards do not include any tax (or refund) that may apply to Unit Holders and therefore returns reflected for that period are after fees but before income tax.

- 6.8 See paragraph 6.2.10 for a description of the policy regarding distributions from each Trust.
- 6.9 Neither the Manager, the Investment Manager, the Trustee nor any other person guarantees or provides any undertaking in relation to:
- (a) the return of the capital invested by a Unit Holder in each of the Trusts;
 - (b) the payment of any return on capital, or provision of any distribution, or payment of any money, in relation to each of the Trusts; or
 - (c) the performance of each of the Trusts.

³ For the Infrastructure Fund, the investment return for this period is from inception on 21 November 2008.

⁴ For the International Growth Fund, the investment return for this period is from inception on 16 October 2007.

7 UNIT HOLDER LIABILITY

No liability of any nature whatsoever (including contingent liabilities) will be incurred by Unit Holders in relation to the Trusts, other than in relation to the payment of the Issue Price and any Issuing Fees for Units in a Trust, to the payment of tax on income attributed to a Unit Holder with a 0% PIR (or who notifies a lower PIR than the Unit Holder is entitled to), or to reimburse any tax paid by the Trustee or Manager on the Unit Holder's behalf or paid on income attributed to the Unit Holder under the PIE regime.

8 SUMMARY OF FINANCIAL STATEMENTS FOR THE TRUSTS

Appendix 3 of this Prospectus contains a summary of the financial statements for the Trusts. The amounts stated in the Summary of Financial Statements are taken from the audited Financial Statements that comply with, and have been registered under, the Financial Reporting Act 1993. The Auditor's Report in respect of the Financial Statements is unqualified and unmodified and did not refer to a fundamental uncertainty.

9 MINIMUM SUBSCRIPTION

For the purposes of section 37(2) of the Securities Act, there is no minimum amount which, in the opinion of the Manager, must be raised by the issue of Units in each of the Trusts in order to provide for the matters specified in clause 9 of Schedule 4 of the Securities Regulations.

10 GUARANTORS

The Manager, Investment Manager, Trustee nor any of their respective directors or any other person guarantees the Units offered in this Prospectus or any investments or returns made in respect of each of the Trusts.

11 ACQUISITION OF BUSINESS OR EQUITY SECURITIES

As at the date of this Prospectus, the Trusts have not acquired any business or equity securities that require disclosure under clause 11 of Schedule 4 of the Securities Regulations have been acquired or are intended to be acquired for the purposes of the Trusts.

12 OPTIONS AND UNITS PAID UP OTHERWISE BUT IN CASH

As at the date of this Prospectus, no options to subscribe for Units in the Trusts have been or are proposed to be issued to, any person.

In respect of the Australian Growth Fund, during 1995, 772,175.05 Units were issued fully paid up for a non cash consideration of shares valued at NZ\$789,548.99. These units have subsequently been withdrawn.

13 INTERESTED PERSONS

13.1.1 Manager's Fees and Expenses

In respect of the services provided by the Manager to each of the Trusts (see paragraph 6.2.11), the Manager is entitled to the following remuneration (all of which exclude GST, which will be added where applicable) and re-imbursement of expenses:

- (a) a management fee of up to 5% per annum of the Asset Value (being the gross asset value) of each of the Trusts, calculated at each time the Issue Price is calculated and payable monthly in arrears. However, the Manager has agreed to a fee of 1.25% per annum for the New Zealand Growth Fund, the Australian Growth Fund, the International Growth Fund and the Infrastructure Fund and a fee of 1% per annum for the Fledgling Fund. This fee may not be changed without following the procedure outlined in 6.2.16 for changes to the Issue Terms and the terms and conditions of the offer. In respect of the services provided to the Infrastructure Fund, the fees of the Investment Manager (exclusive of any GST) will be paid from this fee. The Manager will reclaim any GST payable by it in respect of the Investment Manager's fee from the Trust (see paragraph 13.1.1(d)(viii));
- (b) an Issuing Fee in respect of the issue of Units (see paragraph 1.7) is determined as follows for each of the Trusts;
 - (i) in respect of the New Zealand Growth Fund, the Australian Growth Fund, the International Growth Fund and the Infrastructure Fund an Issuing fee of up to 5% of the application monies received from an investor. Under the Manager's current policy the maximum Issuing Fee (or entry fee) payable to the Manager is 1% of the application monies. This will apply only to the initial investment and no Issuing Fee will be charged for subsequent direct investment;
 - (ii) in respect of the Fledgling Fund, the Manager has agreed it will not receive any Issuing Fee.
- (c) a performance fee equivalent to 10% of the return in excess of the Benchmark Return (the Benchmark Return is the percentage change in the NZX 90 Day Bank Bill Index multiplied by the Average Net Asset Value), calculated daily and payable six monthly within 3 days of 30 June and 31 December. In respect of the Fledgling Fund, there will be no performance fee payable. In respect of the Infrastructure Fund, the performance fee will be immediately passed on to the Investment Manager in accordance with the agreement appointing the Investment Manager referred to in paragraph 14 of this Prospectus. The Manager will reclaim any GST payable by it in respect of the on-payment of the performance fee to the Investment Manager from this Trust (see paragraph 13.1.1(d)(viii)).

A high water mark also applies to ensure the management is only rewarded for investment performance once. The effect of this is as follows:

- (i) Where the high water mark for a Trust is higher than the period end Unit price, no performance fee is payable;
- (ii) Where the high water mark for a Trust is less than the period end Unit price the performance fee is the lesser of:
 - A. 10% of the return in excess of the Benchmark Return; or
 - B. 10% of the return achieved since the last performance fee was payable

This is represented by the following formulae:

Where $\text{Excess Return} \leq 0$, no performance fee is payable.
 Where $\text{Excess Return} > 0$, the performance fee calculation is:
 The lesser of:
 Excess Return * 10%; and
 $[(\text{UP}_t / \text{HW}) - 1] * \text{AVNAV} * 10\%$.

Definitions

Excess Return = AR - BT

- UP_t** The Unit price at the last business day of the calculation period (t). This value is prior to the deduction of any performance fee to be paid in respect of performance in the current calculation period.
- UP_{t-1}** The Unit price at the last business day of the prior calculation period (t-1).
- HW** Highwater mark. The highest Issue Price for a Trust at the end of any prior calculation period on which a performance fee is payable Adjusted for any split or consolidation of Units). The initial HW is zero.
- AVNAV** The Average Net Asset Value of a Trust being the daily average NAV over the calculation period.
- BI_t** NZX 90 Day Bank Bill Index at the end of the last business day of calculation period (t).
- BI_{t-1}** NZX 90 Day Bank Bill Index at the end of the last business day of the prior calculation period (t-1).
- BR_t** Benchmark Rate applicable for current calculation period:
 $[(\text{BI}_t / \text{BI}_{t-1}) - 1]$
- BT** Benchmark Return, the Benchmark Rate multiplied by the Average Net Asset Value. i.e. $[\text{BR}_t * \text{AVNAV}]$.

AR Actual Return applicable for current calculation period:
[$((UP_t / UP_{t-1}) - 1) * AVNAV$] (adjusted for any split or consolidation of Units).

In respect of the Infrastructure Fund, for the purposes of the calculations made in the above paragraphs, the AR shall be adjusted for any distributions paid by that Trust in the calculation period. The purpose of this adjustment will be to provide a Performance Fee based on the returns generated by the Manager (in excess of the Benchmark Return) that is unaffected by distributions paid to investors.

The Manager's fees set out in 13.1.1(a) shall be paid monthly in arrears and the fees set out in 13.1.1(c) shall be paid bi-annually in arrears together with any GST and any similar tax payable in respect of such fees.

The Manager is responsible for paying the regular management fees of the Investment Manager from the fees received by the Manager. Other costs and expenses incurred by the Investment Manager (including those in 13.1.1(d)) shall be paid by the Manager but may be reclaimed from the Infrastructure Fund in accordance with the Growth Funds Trust Deed.

(d) all costs and expenses incurred in connection with:

- (i) The investigation and negotiation for the acquisition of any asset which comes within the definition of Authorised Investments in respect of each Trust, whether or not it is in fact acquired (particularly in respect of unlisted investments);
- (ii) acquiring, holding or dispensing of assets of each of the Trusts;
- (iii) valuation of any assets of each of the Trusts;
- (iv) acquiring broker research. Some international share brokers allow a portion of the brokerage paid by the International Growth Fund to be used by the Manager to purchase research on prospective companies for the portfolio. Any such commissions are only used for the purchase of research and research tools to benefit investors;
- (v) interest, fees and other expenses in relation to borrowings or derivative facilities relating to each of the Trusts;
- (vi) holding Unit Holder meetings;
- (vii) remuneration and expenses for each Trust's auditors;
- (viii) reimbursement of taxes charged to the Manager of the Trusts in connection with each of the Trusts;
- (ix) the preparation of the Trust Deed for each of the Trusts;
- (x) employing professional advisers for each of the Trusts;

- (xi) preparing, registering and distributing prospectuses and investment statements;
- (xii) keeping accounting records and the register for each of the Trusts;
- (xiii) the ordinary administration of each of the Trusts;
- (xiv) carrying out the Manager's duties under the Trust Deed; and
- (xv) in respect of the Fledgling Fund, preparing and distributing educational materials.

All expenses must be approved by the Trustee as a valid expense for the Trust.

- (e) a fee approved by the Trustee, on termination of any of the Trusts based on the time spent by the Manager on matters relating to the termination.
- (f) compensation if the Manager is removed from office by resolution of the Unit Holders of any of the Trusts equal to the amount of the total fees (including any performance fees) received by the Manager in the 2 years preceding the removal.
- (g) in respect of the Infrastructure Fund, reimbursement for all disbursements, expenses and outgoings paid by the Manager to the Investment Manager.

The maximum level of fees payable to the Manager cannot be increased except by amendment to the Trust Deeds or the Issue Terms (see paragraph 6.2.16). There is no limit on the gross amount of any such fees paid to the Manager or any limit to the amount of costs and expenses that can be recovered by the Manager.

13.1.2 Investment Manager's Fees and Expenses

- (a) In respect of the services it performs as described in paragraph 6.2.11 for the Infrastructure Fund, the Investment Manager is entitled to certain payments from the Manager. The Manager will not reclaim these payments from this Trust (but may reclaim certain other expenses as set out below).
- (b) In respect of the Infrastructure Fund, the Manager will pay to the Investment Manager the performance fee referred to in paragraph 13.1.1 (c).
- (c) The Investment Manager may claim expenses incurred of the type described in paragraph 13.1.1 (d) from the Manager and the Manager may seek reimbursement for such expenses from the Infrastructure Fund.

13.1.3 Trustee/Administration Fees and Expenses

Trustees Executors Limited (acting in its role as Trustee and, via its Fund Services Division, as the provider of custody, registry and investment accounting services) is entitled to the following remuneration and re-imbursment of expenses:

- (a) a fee calculated at such rate as may from time to time be agreed with the Manager calculated at each time the Issue Price is calculated and payable monthly in arrears:
- (i) in respect of the New Zealand Growth Fund, the Australian Growth Fund and the Fledgling Fund the Trustee is entitled to receive a Trustee fee being as at the date of this Prospectus a maximum of 0.10% per annum plus GST (if any) of the gross asset value of each of the Trusts. The minimum annual Trustee fee payable by the Fledgling Fund to the Trustee is \$5,000.

In addition, the Fund Services Division is entitled to receive fees as follows:

- A. 0.215% on the Trusts' combined Gross Asset Value (GAV) between \$0-\$100million;
- B. 0.19% on the Trusts' combined GAV between \$100million-\$150million;
- C. 0.17% on the Trusts' combined GAV greater than \$150million,

plus GST if any (plus out of pocket expenses for items such as postage and printing) for performing the registry, custodial and investment accounting services associated with each of these Trusts; and

- (ii) in respect of the International Growth Fund and the Infrastructure Fund, the Trustee and the Funds Services Division are entitled to receive a fee (being as at the date of this Prospectus a maximum of 0.20% per annum plus GST (if any) of the gross asset value of each of these Trusts);
- (b) costs and expenses incurred in discharging its obligations as Trustee under the Trust Deeds and as the provider of custody, registry and investment accounting services;
- (c) reimbursement of any tax on income attributed to Unit Holders so long as each of the Trusts is a PIE;
- (d) a fee for convening and attending meetings of Unit Holders and in respect of any other non-routine or abnormal matters as may from time to time be agreed between the Manager and the Trustee; and
- (e) a fee, approved by the Manager, on termination of any of the Trusts based on time spent by the Trustee on matters relating to the termination.

To the extent there are any international custodial fees, the Fund Services Division of Trustees Executors Limited is entitled to receive reimbursement of these fees.

Save for any limits set out in this paragraph, there are no limits on the gross amount of any fees or expenses recoverable from any of the Trusts by Trustees Executors Limited (acting in its role as Trustee and, via its Fund Services Division, as the provider of custody, registry and investment accounting services).

13.1.4 Total Expense Ratio (TER)

The Investment Savings & Insurance Association of NZ Standard Total Expense Ratio (TER) is used to calculate and disclose the Trusts fees and expenses. The TER is not a separate fee, but a means of showing all fees and expenses as a percentage of average fund size.

The TER includes the Annual Management Fee, which the Manager is entitled to as set out in this prospectus, and the Operating and Administration Expenses as further described below. They are calculated based on each Trust's audited financial year-end accounts. Where the Trusts are invested in another fund a 'synthetic' TER is calculated based on the Trusts audited financial year-end accounts and fees charged by the wholesale fund.

Each Trust may bear all the ordinary operating expenses including but not limited to formation expenses; registration costs; the Custodian fees; Trustee fees; accounting fees covering Trust accounting and administration services; registry fees; legal and auditing fees and expenses; ongoing registration fees; the cost of publication of unit prices; the costs and expenses of preparing, printing and distributing the trust deed, prospectus, investment statement or any offering document, financial reports and other documents and letters made available to investors; and the cost of convening and holding unit holder meetings, among others.

The Investment Fund TER does not include any initial, redemption and switching fees (if any) charged by the investment funds. Nor does it include any adviser-based fees paid to advisers directly by investors. Certain investment funds may also charge a performance fee (if applicable). Performance fees are not included in the Investment Fund TER calculation.

Transaction fees are not included in the Investment Fund TER. Each investment fund bears all costs and expenses of buying and selling securities and financial instruments including, without limitation, any brokerage fees and commissions, interest, taxes, governmental duties, charges and levies and any other transaction related expenses excluding any costs and expenses relating to custody (collectively "Transaction Fees") which relate to the relevant investment Fund.

Operating and Administration Expenses do not include Transaction Fees and extraordinary expenses such as legal action taken against the manager or trustee.

As each of the Trusts is a PIE, the tax on a Trust's income is borne by the Unit Holder to whom that income is allocated under the PIE rules, rather than by the Trust. Consequently, the post tax TER in respect of each Trust will be different for each Unit Holder and will depend on each Unit Holders' relevant tax rate (called a Prescribed Investor Rate (PIR)). Paragraph 17.1 gives further information on these terms and the PIE regime generally.

The post tax TER for each of the Trusts for the year to 31 March 2011 is shown in the tables below:

Total Expense Ratio (TER)						
Year	PIR	New Zealand Growth Fund	Australian Growth Fund	International Growth Fund ¹	Infrastructure Fund ²	Fledgling Fund
2011	28.0%	1.17%	1.18%	1.22%	1.57%	1.48%
	17.5%	1.34%	1.35%	1.40%	1.80%	1.69%
	10.5%	1.45%	1.47%	1.52%	1.96%	1.83%
	0.0%	1.62%	1.64%	1.69%	2.19%	2.05%

Prior to 31 March 2011, the Manager used the Management Expense Ratio (MER) to calculate and compare the Trusts fees and expenses.

The post tax MER for each of the Trusts for the four years (or since inception) to 31 March 2010 is shown in the tables below:

Post Tax Management Expense Ratio (MER) excluding performance fees						
Year	Tax rate	New Zealand Growth Fund	Australian Growth Fund	International Growth Fund ³	Infrastructure Fund ⁴	Fledgling Fund
2010	30%	1.24%	1.17%	1.56%	1.81%	1.66%
	19.5%	1.43%	1.35%	1.79%	2.08%	1.91%
	0%	1.78%	1.68%	2.22%	2.59%	2.37%
2009	30%	1.33%	1.19%	1.95%	n/a	2.08%
	19.5%	1.53%	1.37%	2.23%	n/a	2.39%
	0%	1.90%	1.70%	2.76%	n/a	2.97%
2008	33%	1.17%*	1.07%*	n/a	n/a	2.37%*
2007	33%	1.03%	1.01%	n/a	n/a	1.70%

* The post tax MER to 31 March 2008 is calculated on the basis of a deemed 33% tax rate (which was the rate applying to each Trust up until 1 October 2007).

¹ Inception 16 October 2007

² Inception 21 November 2008

³ Inception 16 October 2007

⁴ Inception 21 November 2008

The MER for any given period may differ from that above and the MER is not fixed or guaranteed.

The post tax MER of the Trusts shows the net percentage cost to the Trusts, adjusted for tax. It is calculated separately for each Trust by:

1. Adding together the expenses for the year (excluding any performance fee);
2. Allowing for a tax deduction on tax deductible expenses to give a net expense to the Trust / Unit Holders; and
3. Then dividing the net expense by the daily average fund size, multiplied by 100 to give a percentage.

The MER excludes any performance fee or any Entry Fees or Transaction Allowances.

Post Tax Management Expense Ratio (MER) including performance fees						
Year	Tax rate	New Zealand Growth Fund	Australian Growth Fund	International Growth Fund ¹	Infrastructure Fund ²	Fledgling Fund
2010	30%	1.24%	1.17%	2.95%	3.23%	n/a
	19.5%	1.43%	1.35%	3.39%	3.71%	n/a
	0%	1.78%	1.68%	4.20%	4.61%	n/a
2009	30%	1.33%	1.19%	1.95%	n/a	n/a
	19.5%	1.53%	1.37%	2.23%	n/a	n/a
	0%	1.90%	1.70%	2.76%	n/a	n/a
2008	33%	2.85%	2.12%	n/a	n/a	n/a
2007	33%	1.15%	1.41%	n/a	n/a	n/a

- 13.2 Neither the Manager, the Investment Manager or the Trustee (or any person associated with them other than Francis Jasper, a director of the Manager) have, or had during the period from the commencement of each of the Trusts to the date of registration of this Prospectus, a material interest in any of the Trusts or in any contract or arrangement entered into on behalf of or in respect of the Trusts other than its interests as Manager or Trustee or Investment Manager, as the case may be. Francis Jasper, a director of the Manager, holds units in the Australian Growth Fund.

¹ Inception 16 October 2007

² Inception 21 November 2008

- 13.3 In respect of the New Zealand Growth, the Australian Growth, the International Growth and the Infrastructure Fund, at no time during the period from the commencement of each of the Trusts until the date of registration of this Prospectus, did securities issued by the Manager, Trustee or Investment Manager (or any person associated with them) comprise more than 10% of the value of the assets of any of the Trusts (calculated in accordance with generally accepted accounting practice).

In respect of the Fledgling Fund, until 1 January 2005 that Trust held more than 10% of the value of the assets of the Trust in the New Zealand Growth Fund. At the date of this Prospectus, the Fledgling Fund no longer holds units in the New Zealand Growth Fund.

14 **MATERIAL CONTRACTS**

The only material contracts that have been entered into in respect of any of the Trusts in the two years preceding the date of registration of this Prospectus (other than contracts entered into in the ordinary course of business of a Trust) is the Supplemental Deed to the Growth Funds Unit Trust Deed dated 13 January 2011 amending Clause 9.13 (Manager's discretion to distribute).

15 **PENDING PROCEEDINGS**

As at the date of this Prospectus, there are no pending legal proceedings or arbitrations in relation to the Trusts.

16 **ISSUE EXPENSES**

- 16.1 The issue expenses in respect of this Prospectus are estimated, at the date of registration of this Prospectus, to be NZ\$5,000 (plus GST if any) for each of the Trusts.
- 16.2 Commission may be payable to brokers and financial planners and advisers in respect of the issue of Units in each of the Trusts at rates of up to 5% of the subscription or purchase monies for those Units. Any commissions are GST-exempt and will be paid from the Manager's Issuing Fee in accordance with paragraphs 1.7 and 13.1.1(b). The Manager has agreed that the maximum amount that can be paid to an adviser from the Issuing Fee is 4% of the subscription or purchase monies for those Units.

17 **OTHER TERMS OF OFFERS AND UNITS**

17.1 **Taxation**

The following is a general statement of current New Zealand income tax law as at the date of this Prospectus as it relates to Unit Holders who are New Zealand resident. Different tax rules may apply in respect of non-resident Unit Holders.

The Manager accepts no responsibility for the taxation liabilities of Unit Holders. Unit Holders are advised to consult their own independent tax advisers as to their taxation position in relation to the Trusts or to their holding, sale or withdrawal of

Units in the Trusts. Unit Holders should choose the Trust or Trusts which best suit their personal circumstances.

Each of the Trusts is a PIE. The Trusts will be taxed differently in respect of different types of investments. See paragraph 6.5 of this Prospectus for a description of the types of investments each Trust makes.

Investments not subject to the Foreign Investment Fund (FIF) Regime

Trusts holding shares in New Zealand resident companies or most companies resident in Australia that are listed on an approved ASX index will be taxed on those shares under the ordinary tax rules. Dividends on such shares will usually be fully taxable, with a credit allowed for any attached imputation credits (but not for any Australian franking credits). The Trusts (where applicable) should be entitled to a tax credit for any withholding tax deducted from such dividends. Tax should not be payable by the Trusts on any gains from the sale of such Shares.

Investment subject to the FIF Regime

Other international shares held by the Trusts will usually be taxed under the Fair Dividend Rate (FDR) method in the FIF regime. Under the FDR method, such shares will give rise to deemed income in an income year (being 1 April – 31 March unless the Inland Revenue Department has granted the Trust a different balance date) equal to 5% (or a pro rata portion thereof, if the shares are held for only part of the year) of the average daily market value of the shares for that income year (or part year). The Trusts will be entitled to a credit for any withholding tax paid on dividends received from the shares, subject to certain limits. Any dividends or profits from sales of the shares are ignored for tax purposes. No tax deduction may be claimed for any losses in respect of the shares under this method.

Depending on the circumstances and subject to the proposed legislative amendment discussed below, a Trust may not be able to use the FDR method where it holds more than 10% of the shares of an international company. If a Trust cannot use the FDR method for a particular investment for this reason, then that Trust will usually be taxed on the investment under the comparative value method instead. Generally speaking, this method measures the fluctuation in value of the Trust's interests in the international company for the relevant income year, including dividend receipts. That Trust will be taxed on any increase in value attributed to it using this method. Any decrease in value attributed to the Trust should be deductible. Effectively, this method will result in any surplus (including dividends) above the amount originally subscribed for an international share being subject to tax, with a deduction available for any deficit.

The Taxation (International Investment and Remedial Matters) Bill (Bill) currently before Parliament proposes to reform the FIF regime so that, for income years beginning on or after 1 July 2011, the FDR method will be available to most investors who hold more than 10% of shares in a FIF.

Other non-equity investments

Other investment income (such as interest income) earned by the Trusts will be taxable. The Trusts will be entitled to a deduction for its expenses incurred in earning its income.

PIE Taxation

After calculating its net assessable income (as described above), the Trusts will attribute this income to each Unit holder and pay any tax with respect to that income on behalf of Unit holders (other than 0% Unit holders described below) at the Unit holder’s PIR. Unit holders must advise the Trust of their Tax File Number and their applicable PIR.

Prescribed Investor Rates (PIR)

This table will assist New Zealand resident investors in calculating their PIR.

If your taxable income was ...	And your taxable income plus your PIE income/loss was...	In the 2 income years ¹ before the relevant tax year ² for ...	Your PIR is
\$0-\$14,000	\$0-\$48,000	Either year	10.5%
\$0-\$14,000	\$48,001-\$70,000	Either year	17.5%
\$14,001-\$48,000	\$0-\$70,000	Either year	17.5%
\$48,001 or more	Any	Each year	28%
Any	\$70,001 or more	Each year	28%

If you qualify for two different rates you must choose the lower rate.

Under a Bill currently before Parliament, with effect from the tax year beginning 1 April 2012, taxable income for a person that becomes a New Zealand resident must include their non-resident foreign sourced income for the income year they become resident and the last two income years. The person may choose not to include their non-resident foreign sourced income if they reasonably expect that their taxable income from all sources will be significantly lower than their total income from the income year prior to becoming New Zealand resident. In that case they will be taxable on their attributed income and will receive a credit for tax paid by the Trust.

Trustees

Trustee investors investing on behalf of a trust can choose a 0%, 17.5% or 28% PIR to best suit the beneficiaries of the Trust. Trustees of testamentary trusts may also notify a PIR of 10.5%. As discussed below, if the trustees choose a rate of less than 28% or do not choose a PIR at all, they will have to include their share of Fund

¹ Income years generally commence on 1 April in any year and end on 31 March in the following year.

² A Unit Holder’s tax year in this context is the year ending 31 March.

income in the trust tax return. If they choose a PIR of 28% they will not have to do so.

Companies, Charities, Collective Investment Schemes

A New Zealand resident company, unit trust, charitable entity, PIE or superannuation fund has a PIR of 0%.

It is important we have IRD numbers and up-to-date PIR for all investors. If you have not provided us with your IRD number and PIR we will pay tax on your income at the default rate of 28%. If you are investing jointly, we will use the highest PIR on the joint account.

If a Unit holder notifies a Trust of a lower PIR than they are properly entitled to, the Unit holder will be required to pay the resulting tax shortfall to the IRD personally and will be liable for interest and possibly penalties on that shortfall. If a Unit Holder notifies a Trust of a higher PIR than is actually applicable, then the Unit Holder will not be entitled to a refund of the resulting tax overpayment, as PIE tax is a final tax for such Unit Holders.

Any withholding tax or imputation credits received by the Trusts and attributable to Unit Holders who are not 0% Unit Holders will be available to meet the Trustee's tax liability.

The Tax Act requires the Trusts periodically to cancel Units held by a Unit Holder who is not a 0% Unit Holder, in such a manner as will reflect the Unit Holder's PIR, the income or loss treated by the Tax Act as attributable to that Unit Holder, and the amount of tax credits treated by the Tax Act as attributable to that Unit Holder. The Trust will also cancel Units for this purpose upon a transfer, switch or withdrawal of the Unit Holder's Units. If the tax on the income is less than the tax credits, or if the amount attributable to a Unit Holder is a loss rather than income, the Trusts may receive a refund and may issue additional Units to the Unit Holder in that case.

If you are a 0% Unit Holder, none of your Units will be cancelled (unless you have not provided your IRD number and advised us of your PIR), and you must include in your own tax return the income (or loss) and tax credits attributable to you under the Tax Act from your Units in each Fund, as advised to you by the Fund after the end of each year, and pay tax accordingly. These amounts must be returned even if you have not advised the Fund that you are a 0% Unit Holder. Trustees who have advised us of a PIR less than 28% must also include in their tax return income (or loss) and tax credits from their Units in the Fund. The Fund does not expect to make any distributions to fund tax payments.

If you are not a 0% Unit Holder or a trustee who has advised us of a PIR less than 28% you will not be taxable on any amount of income from the Fund, unless you have notified a PIR which is lower than your actual PIR.

Distributions and withdrawals

Distributions and amounts paid on the withdrawal of Units will not be subject to any tax (except that in the case of a Unit Holder who is not a 0% Unit Holder, the

Manager may cancel Units to meet the relevant Trust's tax liability as described above at the time of withdrawal).

Sale of Units

The tax treatment of sales of Units in the Fund depends on the tax status of the Unit Holder. Generally, profit on sale will be taxable if the Unit Holder:

- (a) acquires the Units with the purpose of disposing of them;
- (b) is a dealer in investments of the same kind as the Units, and acquired the Units for the purpose of that business;
- (c) is engaged in a business an ordinary incident of which is the sale of investments of the same kind as the Units.

17.2 This Prospectus sets out all other terms of the offer, and all terms of the Units being offered, other than:

- (a) Any terms implied by law; or
- (b) Any terms set out in a document that:
 - (i) is registered with a public official;
 - (ii) is available for public inspection; and
 - (iii) is referred to in this Prospectus.

18 FINANCIAL STATEMENTS AND AUDITOR'S REPORT

18.1 The latest audited financial statements for each of the Trusts that comply with, and have been registered under, the Financial Reporting Act 1993, cover the period from 1 April 2010 to 31 March 2011 and were registered with the Registrar of Companies on 29 July 2011.

18.2 The auditor's report relating to the audited financial statements mentioned in 18.1 was dated 23 June 2011 and was not qualified or modified in any respect.

18.3 A copy of the auditor's report from KPMG (Appendix 1) stating that the amounts in the summary of financial statements (Appendix 3) have been correctly taken from the audited financial statements.

19 PLACES OF INSPECTION OF DOCUMENTS

The following documents may be inspected at no charge, on request, between 9am and 5pm, on normal working days at the registered office of the Manager:

- (a) the Growth Funds Trust Deed (including all amendments);
- (b) the Australian Growth Fund Trust Deed (including all amendments);

- (c) financial statements for the Trusts;
- (d) the latest annual report for the Trusts; and
- (e) any Material Contracts referred to in paragraph 14.

Copies of the documents referred to above and the latest Prospectus are also available for inspection at the Companies Office website, www.business.govt.nz/companies:

1. Search Other Registers, Other Registers Search, choose Unit Trusts and enter 'Fisher' in the Keyword Search, selecting the specific fund or
2. Search the Register entering "Fisher Funds Management" or company number 903800 for all funds.

20 **OTHER MATERIAL MATTERS**

There is some degree of risk involved with all investments.

The potential return on an investment is generally related to the risk of the investment. Investment risk encompasses the chance of losing some or all of your investment, and the possibility that investment returns become negative.

Investments in the Funds are not guaranteed. The value of your investment in a Fund can go up and down. The main risk is that you will not recover the full amount invested or not receive any returns on your investment. This may occur where the value of the investments made by any of the Funds falls in New Zealand dollar terms by such an amount that the value of your units is less than you paid for them.

Risks associated with investing in the Fisher Funds New Zealand Growth Fund, the Fisher Funds Australian Growth Fund and the Fisher Funds International Growth Fund

The New Zealand Growth Fund, the Australian Growth Fund and the International Growth Fund all invest in growing, smaller company shares. The share prices of smaller company shares can fluctuate significantly over relatively short periods of time, which is why it is important to invest with a long-term horizon in mind.

Some of the events that can affect the returns and cause the value of your investment to go up and down are:

Market risk – investment markets are affected by a host of factors, many of which are outside the Manager's control. These include economic and regulatory conditions, political events and environmental and technological issues. The performance of investment markets is a key factor in determining returns from the Funds;

Currency risk – exchange rate fluctuations between the New Zealand dollar and foreign currencies. The majority of the Australian Growth Fund’s assets are denominated in Australian dollars and the majority of the International Growth Fund’s assets are dominated in various foreign currencies. As the value of these Funds are calculated by reference to New Zealand dollar equivalent amounts, fluctuations in the exchange rates between the New Zealand dollar and foreign currencies could impact on each Fund irrespective of any changes in value of the underlying companies. In addition, economic, political or market conditions in New Zealand could impact on the value of the New Zealand dollar. The Manager may enter into foreign currency exchange contracts to manage currency exposures, including contracts to maximise the New Zealand dollar returns of a Fund, provided that an authorised investment is held in the relevant country, or the Manager intends to purchase an authorised investment in that country in the near future;

Securities specific risk – specific events affecting the share price of a particular company that any of the Growth Funds invest in, which could cause fluctuations in the share price;

Regulatory risk – returns may be affected by any adverse regulatory changes in both New Zealand and offshore, which could have an impact on any investment;

Taxation – changes in taxation rates or tax rules in New Zealand or any overseas jurisdiction;

PIE status – loss of PIE status for failing to meet the requirements of the Tax Act.

Investment style – the investment style and strategy of Fisher Funds may result in your returns being different from any share market index and from competing investments.

Interest rate risk – changes in interest rates can have a negative impact directly or indirectly on investment value or returns.

You will not be obliged to pay any money in addition to the amount that you invested.

Risks associated with investing in the Infrastructure Fund

The past investment performance of the Manager or the Investment Manager is not necessarily a guide to the future performance of the Fund.

Investments in the Fund are not guaranteed. The value of your investment can go up and down. The main risk is that you will not recover the full amount invested or not receive any returns on your investment. This may occur where the value of the investments made by the Fund falls in New Zealand dollar terms by such an amount that the value of your units is less than you paid for them.

The Fund invests in company shares that focus on infrastructure assets. The share prices of infrastructure focussed company shares can fluctuate over shorter periods of time, which is why it is important to invest with a long-term horizon in mind.

Some of the events that can affect the returns and cause the value of your investment to go up and down are:

- Market risk – Investment markets are affected by a host of factors, many of which are outside the Manager’s and the Investment Manager’s control. These include economic and regulatory conditions, political events and environmental and technological issues. The performance of investment markets is a key factor in determining returns from the Fund. Macroeconomic fluctuations and volatility will produce changes in the market price of shares and other investments made by the Fund;
- Currency risk – The Fund will hold assets denominated in various foreign currencies. As the value of the Fund is calculated by reference to New Zealand dollar equivalent amounts, fluctuations in the exchange rates between the New Zealand dollar and foreign currencies could impact on the Fund irrespective of any changes in value of the underlying companies. In addition, economic, political or market conditions in New Zealand could impact on the value of the New Zealand dollar. The Investment Manager may enter into foreign currency exchange contracts to manage currency exposures, including contracts to maximise the New Zealand dollar returns of the Fund, provided that an authorised investment is held in the relevant country, or the Manager or the Investment Manager intends to purchase an authorised investment in that country in the near future;
- Key personnel risk – The success of the Fund depends to a significant extent upon the continued engagement of the Investment Manager and upon the Manager and the Investment Manager each continuing to employ a number of key personnel;
- Termination of Investment Management Agreement – In certain circumstances, the Investment Management Agreement appointing Morrison & Co as investment manager of the Fund may be terminated (including on 90 days’ notice by either the Manager or the Investment Manager). There is no guarantee that the Manager could find a replacement investment manager of equivalent credentials or expertise in that circumstance;
- Inability to meet investment objective – There is no guarantee that the Fund will execute or achieve its investment objectives, and such objectives should not be interpreted as a guarantee or assurance of returns. A failure to achieve investment objectives would negatively affect the Fund;
- Securities specific risk – Specific events affecting the share price of a particular company that the Fund has invested in could cause adverse fluctuations in the share price and negatively impact upon the Fund;
- Regulatory risk – Returns may be affected by any adverse regulatory changes in both New Zealand and offshore, which could have an impact on your investment. Infrastructure and utility assets often operate within highly regulated environments and changes to legislation can impact them more than other companies;
- Taxation – There is a risk that tax laws (whether in New Zealand or other jurisdictions) may change, which may affect returns to Unit Holders;

- PIE Status – Loss of PIE status for failing to meet the requirements of the Tax Act would negatively impact upon the Fund;
- Investment style – The investment style and strategy of the Fund may result in your returns being different from any share market index and from competing investments;
- Interest rate risk – Changes in interest rates can have a negative impact directly or indirectly on investment values or returns.

You will not be obliged to pay any money in addition to the amount that you invested.

Risks associated with investing in the Fledgling Fund

Some of the events that can affect the returns and cause the value of your investment to go up and down are:

- Economic, political or market conditions in New Zealand and internationally that could impact on share prices
- Specific events affecting the share price of a particular company that the Fund invests in, which could cause fluctuations in the share price
- Loss of PIE status from 1 October 2007 for failing to comply with the requirements of the Tax Act.
- Changes in taxation rates or tax rules in New Zealand
- The investment style and strategy of Fisher Funds may result in your returns being different from any share market index and from competing investments.

Complaints

If in the unlikely event you have a problem, concern, or complaint about any part of the Manager's service or the Funds, in the first instance please contact the General Manager:

Fisher Funds Management Limited
Email: enquiries@fisherfunds.co.nz
PO Box 33-549, Takapuna, Auckland 0740
Telephone: 09 445 3377 or 0508 FISHER (347437)

We will do our best to assist you and will usually respond to your complaint within 5 business days of receipt.

If you are not satisfied with our response, you can contact the Trustee:

Trustees Executors Limited
Level 12, 45 Queen Street

PO Box 4197, Auckland 1140
09 308 7100

The Manager is also a member of an independent Dispute Resolution Scheme approved by the Ministry of Consumer Affairs and operated by:

Financial Services Complaints Limited (FSCL)
Email: info@fscl.org.nz
PO Box 5967, Lambton Quay, Wellington 6145
Freephone: 0800 347257
Web Address: www.fscl.org.nz

There is no cost to you to use the services of FSCL. (The Manager's Membership Number is: 792)

No other material matters

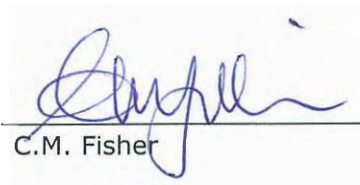
There are no other material matters relating to the offer of securities contained in this prospectus that are not set out elsewhere in this prospectus or in the financial statements referred to in paragraph 18.1 and contracts entered into in the ordinary course of business of the Funds.

21 **MANAGER'S STATEMENT**

In the opinion of the Directors of the Manager, after due enquiry by them, none of the following has materially and adversely changed during the period between the date of the latest financial statements referred to in this Prospectus and the date this Prospectus is delivered for registration:

- (a) the value of each of the Trusts' assets relative to its liabilities (including contingent liabilities); and
- (b) the ability of each of the Trusts to pay their debts as they become due in the normal course of business.


Signed by the directors of the Manager,
Fisher Funds Management Limited:



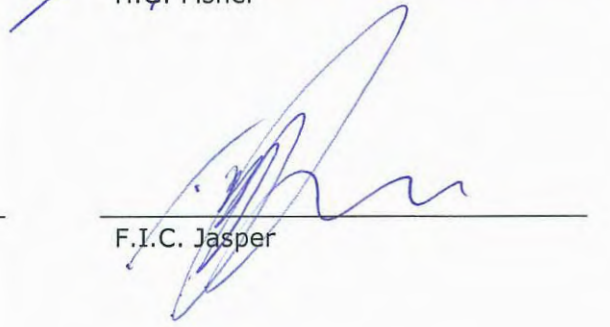
C.M. Fisher




H.G. Fisher



Sir J. Wells
(by his duly authorised agent Glenn
William Ashwell)

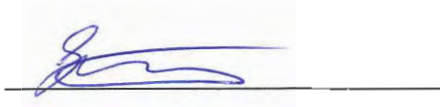


F.I.C. Jasper



H. R. L. Morrison
(by his duly authorised agent Glenn
William Ashwell)

Signed by **Morrison & Co Wealth Management Limited** as promoter of the units in the Fisher Morrison Infrastructure Fund by its attorney:



Name: **Glenn William Ashwell**

in the presence of:



Name: *MONIQUE BON*

Occupation: *COMPLIANCE MANAGER*

Address: *LEVEL 2, 95 HURSTMERE RD, TAKAPUNA*

Signed by **Marko Bogoevski**, director of Morrison & Co Wealth Management Limited, as promoter of units in the Fisher Morrison Infrastructure Fund:



M. Bogoevski
(by his duly authorised agent Glenn William Ashwell)

Signed by **Liberato Petagna**, director of Morrison & Co Wealth Management Limited, as promoter of units in the Fisher Morrison Infrastructure Fund:



L. Petagna
(by his duly authorised agent Glenn William Ashwell)

22 **UNIT TRUSTEE'S STATEMENT**

(See next page)



31 August 2011

The Directors
Fisher Funds Management Limited
PO Box 33-549
Takapuna
NORTH SHORE CITY 0740

FISHER FUNDS GROWTH FUNDS

As required by Clause 22 of Schedule 4 to the Securities Regulations 2009, Trustees Executors Limited as trustee of the Fisher Funds New Zealand Growth Fund, the Fisher Funds International Growth Fund, the Fisher Morrison Infrastructure Fund, the Fisher Funds Fledgling Fund (being unit trusts constituted under the Growth Funds Trust Deed) and the Fisher Funds Australian Growth Fund (being a unit trust constituted under the Australian Growth Fund Trust Deed) confirms in respect of the accounting year ended 31 March 2011 that, in the Trustee's opinion, the Manager has managed the Fisher Funds New Zealand Growth Fund, the Fisher Funds International Growth Fund, the Fisher Morrison Infrastructure Fund, the Fisher Funds Fledgling Fund and the Fisher Funds Australian Growth Fund in accordance with the provisions of the Growth Funds Trust Deed and the Australian Growth Fund Trust Deed as amended and the offer of units.

Yours faithfully
TRUSTEES EXECUTORS LIMITED

**SHAHAZAD CONTRACTOR
BUSINESS MANAGER
CORPORATE TRUST**

APPENDIX 1 - AUDITOR'S REPORT

(See next page)



Independent Auditor's Report

To the Manager of Fisher Funds Growth Funds

As auditor of

- Fisher Funds New Zealand Growth Fund
- Fisher Funds Australian Growth Fund
- Fisher Funds International Growth Fund
- Fisher Morrison Infrastructure Fund
- Fisher Funds Fledgling Fund

(the "Funds") which comprise the Fisher Funds Growth Funds, we have prepared this report pursuant to clause 18 of Schedule 4 of the Securities Regulations 2009 for inclusion in the prospectus dated 31 August 2011.

Report on the Financial Statements

We have audited the financial statements of the Funds for the year ending 31 March 2011. We expressed an unmodified audit opinion on those financial statements in our report dated 23 June 2011.

Report on the Summary Financial Statements

The summary financial statements in Appendix 3 are taken from the audited financial statements of the Funds for the years ended 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010 and 31 March 2011. We expressed an unmodified opinion on the financial statements in our audit reports for 2010 and 2011. The summary financial statements do not reflect the effects of events that occurred subsequent to the date of the report on those financial statements.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Funds.

Manager's Responsibility for the Summary Financial Statements

The Manager is responsible for preparing a summary of the audited financial statements of the Funds for the years ended 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010 and 31 March 2011 in accordance with clause 8 of Schedule 4 of the Securities Regulations 2009.



Auditor's Responsibility for the Summary Financial Statements

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (New Zealand) (ISA (NZ)) 810 *Engagements to Report on Summary Financial Statements*.

Our firm has also provided other services to the Funds in relation to audit-related services. Subject to certain restrictions, partners and employees of our firm may also deal with the Funds on normal terms within the ordinary course of trading activities of the business of the Funds. These matters have not impaired our independence as auditors of the Funds. The firm has no other relationship with, or interest in, the Funds.

Opinion on the Summary Financial Statements

In our opinion, the amounts set out in the summary financial statements in Appendix 3 of this prospectus, taken from the audited financial statements of the Funds for the years ended 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010 and 31 March 2011, as required by clause 8 of Schedule 4 of the Securities Regulations 2009:

- are consistent, in all material respects, with those financial statements; and
- have been correctly taken from the audited financial statements of the Funds for the years ended 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010 and 31 March 2011.

Other Matters

Comparatives

The financial statements of the Funds for the period and years ended 31 March 2007, 31 March 2008 and 31 March 2009, were audited by another auditor who expressed unmodified opinions on those statements on the following dates:

	Year ended 31 March 2007	Year ended 31 March 2008	Year ended 31 March 2009
Fisher Funds New Zealand Growth Fund	29 June 2007	18 July 2008	29 May 2009
Fisher Funds Australian Growth Fund	29 June 2007	18 July 2008	29 May 2009
Fisher Funds International Growth Fund	N/A	9 July 2008*	29 May 2009
Fisher Morrison Infrastructure Fund	N/A	N/A	29 May 2009
Fisher Funds Fledgling Fund	29 June 2007	18 July 2008	29 May 2009

* 5 months ended 31 March 2008



Responsibility for Updating

We have no responsibility to update our opinion on any of the matters above for events and circumstances occurring after the date of this report.

Restriction on Use

This report has been prepared for inclusion in the prospectus for the purpose of meeting the requirements of clause 18 of Schedule 4 of the Securities Regulations 2009. We disclaim any assumption of responsibility for reliance on this report or the amounts included in the summary financial statements, for any purpose other than that for which they were prepared. In addition, we take no responsibility for, nor do we report on, any part of the prospectus not specifically mentioned in this report.

Auditor's Consent

In accordance with regulation 18(1)(c)(ii) of the Securities Regulations 2009, we hereby give our consent to the inclusion of this report in the prospectus in the form in which it appears. We also confirm that we have not, before delivery of this prospectus, withdrawn our consent to the issue thereof.

A handwritten signature in blue ink that reads 'KPMG' with a period at the end.

31 August 2011

Auckland

APPENDIX 2 - GLOSSARY

This section sets out a summary of defined terms as they appear in this Prospectus. Any defined term not defined in the Prospectus or included in this section is as defined in the relevant Trust Deed. All statutes referred to in this glossary can be viewed at www.legislation.govt.nz.

ASX means the Australian Securities Exchange.

Authorised Investments means:

(a) in respect of the New Zealand Growth Fund:

- (i) cash;
- (ii) securities;
- (iii) interests in securities held by custodians, nominees or clearing systems or in collective or pooled investment schemes;
- (iv) any right or option to take up securities;
- (v) investments of any kind approved for the time being by an ordinary resolution of Unit Holders;

(b) in respect of the Australian Growth Fund:

- (i) Cash, including bank deposits with a registered bank in Australia or New Zealand;
- (ii) Purchase of bills of exchange, promissory notes or other negotiable instruments accepted, drawn or endorsed by a bank or any corporation of at least an investment grade rating granted by a recognised credit rating agency in Australia or New Zealand;
- (iii) Securities, including but not limited to listed securities, being any security quoted on the ASX or any other recognised markets including shares, units or notes which are redeemable, preference or deferred, fully or part paid whether listed or unlisted;
- (iv) Forward currency exchange contracts denominated in either New Zealand or Australian dollars;
- (v) Futures, warrants, options or other derivative contracts to purchase any investment or futures, warrants, options or other derivative contracts to sell any investment which is a permitted investment. Derivatives may not be used to introduce leverage into the portfolio;

- (vi) Underwriting or sub-underwriting commitments relating to authorised investments where, should the underwrite be called, would see the portfolio within authorised guidelines;
 - (vii) Interests in securities held by custodians, nominees or clearing systems or in collective or pooled investment schemes;
 - (viii) Any right or option to take up securities;
 - (ix) Investments of any kind approved for the time being by an ordinary resolution of Unit Holders;
- (c) in respect of the International Growth Fund:
- (i) Equity Securities in any growth companies which are listed on any stock exchange (other than a stock exchange in New Zealand or Australia) which is a member of the World Federation of Exchanges. For the avoidance of doubt, this includes growth companies dual listed on a stock exchange (other than a stock exchange in New Zealand or Australia) and on a stock exchange in New Zealand or Australia;
 - (ii) unlisted Equity Securities in any growth company, provided that such company is not incorporated in New Zealand or Australia;
 - (iii) entry into stock lending arrangements relating to Equity Securities which are otherwise an Authorised Investment;
 - (iv) underwriting or sub-underwriting commitments relating to Equity Securities which are otherwise an Authorised Investment;
 - (v) bank deposits or money market securities, in any currency, the maturity of which is no greater than 30 days from the time of investment;
 - (vi) forward currency exchange contracts denominated in any currency for management of currency exposures only; and
 - (vii) futures, warrants, options or other derivative contracts to purchase any investment or futures, warrants, options or other derivative contracts to sell any investment which is a permitted investment. Derivatives may not be used to introduce leverage into the portfolio;
- (d) in respect of the Infrastructure Fund:
- (i) Equity Securities listed on any stock exchange which is a member of the World Federation of Exchanges (including New Zealand and Australia) in any companies which are Infrastructure Assets;
 - (ii) unlisted Equity Securities in any companies which are Infrastructure Assets;

- (iii) entry into stock lending arrangements relating to Equity Securities which are otherwise an Authorised Investment;
 - (iv) underwriting or sub-underwriting commitments relating to Equity Securities which are otherwise an Authorised Investment;
 - (v) bank deposits or money market securities, in any currency;
 - (vi) forward currency exchange contracts denominated in any currency for management of currency exposures only;
 - (vii) futures, warrants, options or other derivative contracts to purchase any investment or futures, warrants, options or other derivative contracts to sell any investment which is a permitted investment. Derivatives may not be used to introduce leverage into the portfolio; and
 - (viii) listed or unlisted corporate Debt Securities;
- (e) in respect of the Fledgling Fund:
- (i) cash;
 - (ii) securities;
 - (iii) interests in securities held by custodians, nominees or clearing systems or in collective or pooled investment schemes;
 - (iv) any right or option to take up securities;
 - (v) real and personal property;
 - (vi) Choses in Action (for example, debts or the benefit of contracts);
 - (vii) investments of any kind approved for the time being by an ordinary resolution of Unit Holders.

Choses in action are an intangible personal property right which can only be claimed by legal action.

Debt Security means any interest or right to be paid money that is, or is to be, deposited with, lent to, or otherwise owing by, any person (whether or not the interest or right is secured by a charge over property) and includes a debenture, debenture stock, bond, note, certificate of deposit, convertible note and any similar instrument.

Distribution Amount means, in respect of a Distribution Period, the amount calculated pursuant to clause 9.2.1 of the relevant Trust Deed.

Distribution Date means:

- (a) in respect of the New Zealand Growth Fund, the International Growth Fund and the Fledgling Fund, means the last Business Day of each Financial Period;
- (b) in respect of the Australian Growth Fund, the last Business Day of each financial half year, unless the Manager decides to distribute income by reference to quarters or months, in which case the last Business Day of the period of which income was calculated;
- (c) in respect of the Infrastructure Fund, means 15 March, 15 June, 15 September and 15 December (or the following Business Day where that date is not a Business Day), or such other day which the Manager may determine and which has been notified to the Unit Holders of that Trust by not less than one month's notice.

Distribution Period means;

- (a) in respect of the New Zealand Growth Fund, the International Growth Fund and the Fledgling Fund, the Financial Period;
- (b) in respect of the Australian Growth Fund, each financial half year, unless the Manager decides to distribute income by reference to quarters or months rather than half years; and
- (c) In respect of the Infrastructure Fund, means a period of three months (or such other period as the Manager may determine and which has been notified to the Unit Holders of that Trust by not less than one month's notice) commencing on the day following a Distribution Date.

Equity Security or Equity Securities means any of the following investments:

- (a) ordinary shares or stocks (fully paid or partly paid);
- (b) preference shares or stock (fully paid or partly paid);
- (c) rights to ordinary shares or preference shares;
- (d) options or warrants to purchase ordinary shares or preference shares;
- (e) units in a unit trust as defined in section YA 1 of the Tax Act; and
- (f) Debt Securities which convert on a mandatory or optional (at the holder's option) basis into any of the foregoing.

Financial Period means an Accounting Year, Half Year or Quarter as the case may be (and if not otherwise specified in the Growth Funds Trust Deed or the Issue Terms, means an Accounting Year) or, in the context of distributions only, means such period as the Manager may in its discretion determine.

Infrastructure Assets means entities that provide or will provide, or whose core business relates to the provision of, an essential service or any service which is a monopoly or monopoly like and relates to the basic facilities, services and instalments needed for the functioning of a communicable society such as (but not limited to) transportation and communication systems, water and power lines and public institutions, schools, post offices and prisons. Examples of those services are:

- Toll roads
- Airports
- Bus networks
- Mass transit systems
- Ports
- Railroads
- Tank terminals
- Network Couriers
- Waste collection and disposal
- Pipelines
- Electricity generation
- Energy Distribution and transmission
- Telecommunications networks
- Water utility
- Asset with long term take-or-pay contracts
- Public-private partnership (PPP) assets or private finance initiative (PFI) concessions such as hospitals, schools, sewers and prisons
- Other regulated utilities.

Investment Manager means Morrison & Co Wealth Management Limited.

Manager means Fisher Funds Management Limited.

PIE or Portfolio Investment Entity means an investment entity as defined in Section YA 1 of the Tax Act.

PIE Tax Liability means in respect of a Trust, the tax liability for the Trust as determined by section HM47 of the Tax Act.

Prescribed Investor Rate has the same meaning as in Section YA 1 of the Tax Act.

Register means the register of Unit Holders of a Trust maintained pursuant to the Trust Deed.

Registrar means the person from time to time holding appointment from the Manager to maintain the Register of the Fund pursuant to the Trust Deeds which at the date of this Prospectus is the Fund Services Division of Trustees Executors Limited.

Related Company has the meaning given to that term in section 2(3) of the Companies Act 1993.

Security or Securities means any interest or right to participate in any capital, assets, earnings, royalties, or other property of any person, and includes:

- (a) an equity security;
- (b) a debt security;
- (c) a unit in a unit trust;
- (d) an interest in a superannuation scheme;
- (e) any interest or right that is declared by regulations to be a security for the purposes of the Securities Act; and
- (f) any renewal or variation of the terms on conditions of any such interest or right.

Securities Act means the Securities Act 1978.

Securities Regulations means the Securities Regulations 2009.

Tax Act means the Income Tax Act 2007.

Tax File Number has the same meaning as in Section YA 1 of the Tax Act.

Trust Deed means the Growth Funds Trust Deed and the Australian Growth Fund Trust Deed, and reference to Trust Deed means any one of them

Trustee means Trustees Executors Limited.

UTA means the Unit Trusts Act 1960.

APPENDIX 3 – SUMMARY FINANCIAL STATEMENTS

The specific disclosures in the summary of financial statements for each of the Trusts have been extracted from the full audited financial statements.

FISHER FUNDS GROWTH FUNDS

**FISHER FUNDS NEW ZEALAND GROWTH FUND
SUMMARY OF FINANCIAL STATEMENTS**

	NZ IFRS 31-Mar-11 Audited \$	NZ IFRS 31-Mar-10 Audited \$	NZ IFRS 31-Mar-09 Audited \$	NZ IFRS 31-Mar-08 Audited \$	NZ IFRS 31-Mar-07 Audited \$	Previous NZ FR5 31-Mar-07 Audited \$
Summary statement of financial position						
Unit holders' funds	76,904,582	75,196,564	57,248,823	90,954,287	137,225,393	137,413,170
Current assets						
Cash and cash equivalents	8,755,263	4,645,768	2,590,755	3,431,520	3,357,326	3,357,326
Trade and other receivables	198,511	393,299	288,886	211,571	644,455	644,455
Financial assets and derivatives at fair value through profit or loss	67,942,970	70,304,763	60,042,091	98,928,995	156,797,679	157,077,944
Tax receivable	-	-	-	-	2,765,176	2,765,176
Tax attributable to unit holders	136,535	118,833	120,023	92,601	-	-
Total assets	77,033,279	75,462,663	63,041,755	102,664,687	163,564,636	163,844,901
Current liabilities						
Trade and other payables	128,697	266,099	174,362	166,359	2,947,727	2,947,727
Tax payable	-	-	5,618,570	5,468,916	-	-
Total current liabilities	128,697	266,099	5,792,932	5,635,275	2,947,727	2,947,727
Non-current liabilities						
Non-current tax payable	-	-	-	6,075,125	-	-
Deferred tax payable	-	-	-	-	23,391,516	23,484,004
Total non-current liabilities	-	-	-	6,075,125	23,391,516	23,484,004
Total liabilities	128,697	266,099	5,792,932	11,710,400	26,339,243	26,431,731
Net assets	76,904,582	75,196,564	57,248,823	90,954,287	137,225,393	137,413,170
Summary statement of movements in unit holders' funds						
Funds						
Total comprehensive income after tax	7,717,269	20,674,039	(26,384,106)	(48,155,045)	31,547,591	31,565,140
Applications for units for the year	6,177,778	6,160,894	4,937,082	33,820,124	-	-
Withdrawals for the year	(12,329,919)	(9,011,198)	(12,379,550)	(32,028,827)	-	-
Tax attributable to unit holders received/(paid)	142,890	124,006	121,110	92,642	-	-
Net (withdrawals)/contributions for the year	(6,009,251)	(2,726,298)	(7,321,358)	1,883,939	14,270,870	14,270,870
Opening unit holders' funds	1,708,018	17,947,741	(33,705,464)	(46,271,106)	45,818,461	45,836,010
Closing unit holders' funds	75,196,564	57,248,823	90,954,287	137,225,393	91,406,932	91,577,160
Units						
Units on issue at the start of the year	25,830,486	26,786,626	29,322,938	29,654,780	26,351,046	26,351,046
Net redemption in units	(1,989,118)	(956,140)	(2,536,312)	(331,842)	3,303,734	3,303,734
Units on issue at the end of the year	23,841,368	25,830,486	26,786,626	29,322,938	29,654,780	29,654,780
Summary statement of comprehensive income						
Revenue						
Interest income	230,347	273,805	510,923	675,573	410,262	410,262
Dividend income	1,980,744	2,600,930	2,762,193	3,499,166	4,551,214	4,551,214
Net changes in fair value of financial assets	6,754,163	19,170,990	(28,149,428)	(52,756,917)	45,167,085	45,193,279
Total revenue	8,965,254	22,045,725	(24,876,312)	(48,582,178)	50,128,561	50,154,755
Other income	-	-	-	2,037	7,277	7,277
Expenses						
Management fees	943,984	993,743	1,147,569	1,652,178	1,146,759	1,146,759
Performance fees	-	-	-	(54,446)	3,090,474	3,090,474
Interest expense	-	-	-	231,648	131,331	131,331
Operating and administration expenses	304,001	377,941	355,234	494,406	440,838	440,838
Total expenses	1,247,985	1,371,684	1,502,803	2,323,786	4,809,402	4,809,402
Net profit/(loss) before taxation	7,717,269	20,674,041	(26,379,115)	(50,903,927)	45,326,436	45,352,630
Taxation expense/(benefit)	-	2	4,991	(2,748,882)	13,778,845	13,787,490
Net profit/(loss) after tax	7,717,269	20,674,039	(26,384,106)	(48,155,045)	31,547,591	31,565,140
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income after tax	7,717,269	20,674,039	(26,384,106)	(48,155,045)	31,547,591	31,565,140
Summary statement of cash flows						
Net cash flows from operating activities	10,156,565	4,808,713	6,485,381	(2,039,729)	(14,715,733)	(8,756,554)
Net cash flows from investing activities	-	-	-	-	-	(5,959,179)
Net cash flows from financing activities	(6,047,070)	(2,753,700)	(7,326,146)	2,113,923	13,535,438	13,535,438
Net increase/(decrease) in cash and cash equivalents	4,109,495	2,055,013	(840,765)	74,194	(1,180,295)	(1,180,295)
Opening cash brought forward	4,645,768	2,590,755	3,431,520	3,357,326	4,537,621	4,537,621
Ending cash carried forward	8,755,263	4,645,768	2,590,755	3,431,520	3,357,326	3,357,326

The full financial statements were authorised for issue by the Manager, Fisher Funds Management Limited on the:

23-Jun-11 24-Jun-10 29-May-09 17-Jul-08 29-Jun-07

Explanatory Notes

1. Adoption of International Financial Reporting Standards

The Fund adopted NZ IFRS for the year ended 31 March 2008 with a transition date of 1 April 2006. The only significant adjustment to the balances previously reported under New Zealand Financial Reporting Standards (NZ FR5) is to value equities at last bid price rather than the last sale price. The impact of this change in valuation, can be seen through "Financial assets at fair value through the profit or loss" and "Net changes in fair value of financial assets". Taxation expense and Deferred tax liability have also been adjusted for the tax effect of this change in valuation. As comparatives have been restated the amounts in the table show balances under NZ FR5 (previous NZ GAAP) as well as balances under NZ IFRS (current NZ GAAP) for the year ended 31 March 2007.

2. Applications and withdrawals

For the years ended 31 March 2006 and 31 March 2007, applications for units and withdrawals are shown as a net amount, which is consistent with disclosures in the full financials for those years.

FISHER FUNDS GROWTH FUNDS

FISHER FUNDS AUSTRALIAN GROWTH FUND
SUMMARY OF FINANCIAL STATEMENTS

	NZ IFRS 31-Mar-11 Audited \$	NZ IFRS 31-Mar-10 Audited \$	NZ IFRS 31-Mar-09 Audited \$	NZ IFRS 31-Mar-08 Audited \$	NZ IFRS 31-Mar-07 Audited \$	Previous NZ FRS 31-Mar-07 Audited \$
Summary statement of financial position						
Unit holders' funds	96,519,648	89,174,268	53,663,239	88,167,834	65,845,550	66,408,900
Current assets						
Cash and cash equivalents	16,880,921	7,247,110	4,847,104	4,437,081	11,161,081	11,161,081
Trade and other receivables	741,687	11,640,427	424,367	538,385	1,462,086	1,462,086
Financial assets at fair value through profit or loss	81,219,656	70,916,370	50,322,303	86,217,296	57,179,154	58,019,974
Tax receivable	-	-	-	-	-	-
Total current assets	98,842,264	89,803,907	55,593,774	91,192,762	69,802,321	70,643,141
Non-current assets						
Deferred tax asset	-	-	-	-	-	-
Total non-current assets	-	-	-	-	-	-
Total assets	98,842,264	89,803,907	55,593,774	91,192,762	69,802,321	70,643,141
Current liabilities						
Trade and other payables	710,930	403,320	107,579	228,954	994,522	994,521
Financial liabilities at fair value through profit or loss	1,559,309	23,358	-	-	-	-
Tax payable	-	-	1,487,531	1,013,781	-	-
Tax attributable to unit holders	52,377	202,961	335,425	326,023	-	-
Total current liabilities	2,322,616	629,639	1,930,535	1,568,758	994,522	994,521
Non-current liabilities						
Non-current tax payable	-	-	-	1,456,170	-	-
Deferred tax payable	-	-	-	-	2,962,249	3,239,720
Total non-current liabilities	-	-	-	1,456,170	2,962,249	3,239,720
Total liabilities	2,322,616	629,639	1,930,535	3,024,928	3,956,771	4,234,241
Net assets	96,519,648	89,174,268	53,663,239	88,167,834	65,845,550	66,408,900
Summary statement of movements in unit holders' funds						
Funds						
Total comprehensive income after tax	15,885,745	38,430,170	(20,994,230)	(42,865,604)	7,902,733	8,398,068
Applications for units for the year	10,270,136	7,540,870	6,185,157	91,380,732	-	-
Withdrawals for the year	(18,702,738)	(10,217,064)	(19,305,453)	(25,796,617)	-	-
Tax attributable to unit holders paid	(107,763)	(242,947)	(390,069)	(396,227)	-	-
Net (withdrawals)/contributions for the year	(8,540,365)	(2,919,141)	(13,510,365)	65,187,888	38,766,034	38,766,035
Opening unit holders' funds	7,345,380	35,511,029	(34,504,595)	22,322,284	46,668,767	47,164,103
89,174,268	53,663,239	88,167,834	65,845,550	19,176,783	19,244,797	
Closing unit holders' funds	96,519,648	89,174,268	53,663,239	88,167,834	65,845,550	66,408,900
Units	Number	Number	Number	Number	Number	Number
Units on issue at the start of the year	41,975,930	43,575,993	53,986,424	27,939,324	9,865,781	9,865,781
Net movement in units	(3,819,865)	(1,600,063)	(10,410,431)	26,047,100	18,073,543	18,073,543
Units on issue at the end of the year	38,156,065	41,975,930	43,575,993	53,986,424	27,939,324	27,939,324
Summary statement of comprehensive income						
Revenue						
Interest income	788,075	317,181	336,686	752,225	477,440	477,440
Dividend income	2,460,093	2,051,394	2,519,596	2,857,164	2,481,945	2,481,945
Net changes in fair value of financial assets and liabilities	13,444,609	37,002,292	(22,608,220)	(41,106,845)	9,699,820	10,439,126
Total revenue	16,692,777	39,370,867	(19,751,938)	(37,497,456)	12,659,205	13,398,511
Other income/(expenses)	867,433	444,938	293,039	(351,909)	(49,989)	(49,989)
Expenses						
Management fees	1,157,322	1,003,649	985,051	1,365,153	381,459	381,459
Performance fees	38,258	-	-	591,703	617,300	617,300
Interest expense	-	-	-	15,294	-	-
Operating and administration expenses	478,885	382,012	296,075	437,601	177,951	177,951
Total expenses	1,674,465	1,385,661	1,281,126	2,409,757	1,176,710	1,176,710
Net profit/(loss) before taxation	15,885,745	38,430,144	(20,740,025)	(40,259,116)	11,432,506	12,171,812
Taxation (benefit)/expense	-	(26)	254,205	2,606,488	3,529,273	3,773,744
Net profit/(loss) after tax	15,885,745	38,430,170	(20,994,230)	(42,865,604)	7,902,733	8,398,068
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income after tax	15,885,745	38,430,170	(20,994,230)	(42,865,604)	7,902,733	8,398,068
Summary statement of cash flows						
Net cash flows from operating activities	17,703,681	5,277,520	14,020,290	(73,029,553)	(34,339,061)	2,040,348
Net cash flows from investing activities	-	-	-	-	-	(36,213,352)
Net cash flows from financing activities	(8,671,431)	(2,958,716)	(13,499,743)	66,266,403	38,013,543	38,013,543
Net increase/(decrease) in cash and cash equivalents	9,032,250	2,318,804	520,547	(6,763,150)	3,674,482	3,840,539
Opening cash brought forward	7,247,110	4,847,104	4,437,081	11,161,081	7,320,542	7,320,542
Effect of exchange rate fluctuations	601,561	81,202	(110,524)	39,150	166,057	-
Ending cash carried forward	16,880,921	7,247,110	4,847,104	4,437,081	11,161,081	11,161,081

The full financial statements were authorised for issue by the Manager, Fisher Funds Management Limited on the:

23-Jun-11 24-Jun-10 29-May-09 17-Jul-08 29-Jun-07

Explanatory Notes

1. Adoption of International Financial Reporting Standards

The Fund adopted NZ IFRS for the year ended 31 March 2008 with a transition date of 1 April 2006. The only significant adjustment to the balances previously reported under New Zealand Financial Reporting Standards (NZ FRS) is to value equities at last bid price rather than the last sale price. The impact of this change in valuation, can be seen through "Financial assets at fair value through the profit or loss" and "Net changes in fair value of financial assets". Taxation expense and Deferred tax liability have also been adjusted for the tax effect of this change in valuation. As comparatives have been restated the amounts in the table show balances under NZ FRS (previous NZ GAAP) as well as balances under NZ IFRS (current NZ GAAP) for the year ended 31 March 2007.

2. Applications and withdrawals

For the years ended 31 March 2006 and 31 March 2007, applications for units and withdrawals are shown as a net amount, which is consistent with disclosures in the full financials for those years.

FISHER FUNDS GROWTH FUNDS

FISHER FUNDS FLEDGLING FUND
SUMMARY OF FINANCIAL STATEMENTS

	NZ IFRS 31-Mar-11 Audited \$	NZ IFRS 31-Mar-10 Audited \$	NZ IFRS 31-Mar-09 Audited \$	NZ IFRS 31-Mar-08 Audited \$	NZ IFRS 31-Mar-07 Audited \$	Previous NZ FRS 31-Mar-07 Audited \$
Summary statement of financial position						
Unit holders' funds	3,027,959	2,754,582	2,064,109	2,630,595	3,498,994	3,504,223
Current assets						
Cash and cash equivalents	403,921	184,072	297,263	190,629	238,902	238,902
Trade and other receivables	5,731	13,696	4,331	4,762	10,000	10,000
Financial assets and derivatives at fair value through profit or loss	2,615,447	2,555,367	1,822,034	2,560,598	3,518,292	3,526,096
Tax attributable to unit holders	12,362	14,314	14,837	4,041	-	-
Total assets	3,037,461	2,767,449	2,138,465	2,760,030	3,767,194	3,774,998
Current liabilities						
Trade and other payables	9,502	12,867	20,911	22,547	10,949	10,949
Tax payable	-	-	53,445	54,242	-	-
Total current liabilities	9,502	12,867	74,356	76,789	10,949	10,949
Non-current liabilities						
Non-current tax payable	-	-	-	52,646	-	-
Deferred tax payable	-	-	-	-	257,251	259,826
Total non-current liabilities	-	-	-	52,646	257,251	259,826
Total liabilities	9,502	12,867	74,356	129,435	268,200	270,775
Net assets	3,027,959	2,754,582	2,064,109	2,630,595	3,498,994	3,504,223
Summary statement of movements in unit holders' funds						
Funds						
Total comprehensive income after tax	279,414	644,521	(729,078)	(1,041,189)	565,436	568,830
Applications for units for the year	223,660	232,531	275,702	716,450	-	-
Withdrawals for the year	(242,357)	(201,204)	(128,219)	(474,373)	-	-
Tax attributable to unit holders received	12,660	14,625	15,109	4,039	-	-
Net contributions for the year	(6,037)	45,952	162,592	246,116	605,089	605,089
Distributions to unit holders	273,377	690,473	(566,486)	(795,073)	1,370,525	1,373,919
Opening unit holders' funds	2,754,582	2,064,109	2,630,595	3,498,994	2,128,469	2,130,304
Closing unit holders' funds	3,027,959	2,754,582	2,064,109	2,630,595	3,498,994	3,504,223
Units						
Units on issue at the start of the year	2,613,878	2,566,530	2,400,796	2,247,232	1,673,770	1,673,770
Net movement in units	(3,953)	47,348	165,734	153,564	573,462	573,462
Units on issue at the end of the year	2,609,925	2,613,878	2,566,530	2,400,796	2,247,232	2,247,232
Summary statement of comprehensive income						
Revenue						
Interest income	9,359	5,865	20,728	33,688	24,863	24,863
Dividend income	74,520	88,199	74,387	73,356	100,558	100,558
Net changes in fair value of financial assets	254,758	614,415	(749,487)	(1,087,640)	750,252	755,318
Total revenue	338,637	708,479	(654,372)	(980,596)	875,673	880,739
Expenses						
Management fees	28,299	27,064	26,561	36,906	30,040	30,040
Operating and administration expenses	30,924	36,894	48,145	80,750	42,035	42,035
Total expenses	59,223	63,958	74,706	117,656	72,075	72,075
Net profit/(loss) before taxation	279,414	644,521	(729,078)	(1,098,252)	803,598	808,664
Taxation (benefit)/expense	-	-	-	(57,063)	238,162	239,833
Net profit/(loss) after tax	279,414	644,521	(729,078)	(1,041,189)	565,436	568,831
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income after tax	279,414	644,521	(729,078)	(1,041,189)	565,436	568,831
Summary statement of cash flows						
Net cash flows from operating activities	223,918	(159,653)	(45,162)	(219,522)	(729,272)	60,476
Net cash flows from investing activities	-	-	-	-	-	(789,748)
Net cash flows from financing activities	(4,069)	46,462	151,796	171,249	756,561	756,561
Net (decrease)/increase in cash and cash equivalents	219,849	(113,191)	106,634	(48,273)	27,289	27,289
Opening cash brought forward	184,072	297,263	190,629	238,902	211,613	211,613
Ending cash carried forward	403,921	184,072	297,263	190,629	238,902	238,902
The full financial statements were authorised for issue by the Manager, Fisher Funds Management Limited on the:	23-Jun-11	24-Jun-10	29-May-09	17-Jul-08		29-Jun-07

Explanatory Notes

1. Adoption of International Financial Reporting Standards

The Fund adopted NZ IFRS for the year ended 31 March 2008 with a transition date of 1 April 2005. The only significant adjustment to the balances previously reported under New Zealand Financial Reporting Standards (NZ FRS) is to value equities at last bid price rather than the last sale price. The impact of this change in valuation, can be seen through "Financial assets or fair value through the profit or loss" and "Net changes in fair value of financial assets". Taxation expense and Deferred tax liability have also been adjusted for the tax effect of this change in valuation. As comparatives have been restated the amounts in the table show balances under NZ FRS (previous NZ GAAP) as well as balances under NZ IFRS (current NZ GAAP) for the year ended 31 March 2007.

2. Applications and withdrawals

For the years ended 31 March 2006 and 31 March 2007, applications for units and withdrawals are shown as a net amount, which is consistent with disclosures in the full financials for those years.

FISHER FUNDS GROWTH FUNDS

FISHER FUNDS INTERNATIONAL GROWTH FUND
SUMMARY OF FINANCIAL STATEMENTS

	NZ IFRS 31-Mar-11 (12 months) Audited \$	NZ IFRS 31-Mar-10 (12 months) Audited \$	NZ IFRS 31-Mar-09 (12 months) Audited \$	NZ IFRS 31-Mar-08 (5 months) Audited \$
Summary statement of financial position				
Unit holders' funds	15,801,923	10,295,202	4,755,659	4,515,556
Current assets				
Cash and cash equivalents	2,701,144	3,400,547	891,151	3,279,682
Trade and other receivables	314,562	153,386	78,502	2,545
Financial assets at fair value through profit or loss	13,045,178	6,811,378	4,028,412	1,413,095
Tax attributable to unit holders	-	31,898	-	-
Total assets	16,060,884	10,397,209	4,998,065	4,695,322
Current liabilities				
Trade and other payables	217,483	101,892	196,126	162,839
Financial liabilities at fair value through profit or loss	-	115	-	-
Tax attributable to unit holders	41,478	-	46,280	16,927
Total liabilities	258,961	102,007	242,406	179,766
Net assets	15,801,923	10,295,202	4,755,659	4,515,556
Summary statement of movements in unit holders' funds				
Funds				
Total comprehensive income after tax	714,099	2,404,213	(914,114)	(93,261)
Applications for units for the year	8,152,699	6,365,336	2,216,168	4,695,802
Withdrawals for the year	(3,304,090)	(3,281,845)	(1,009,409)	(67,753)
Tax attributable to unit holders received/(paid)	(55,987)	31,839	(52,542)	(19,232)
	5,506,721	5,539,543	240,103	4,515,556
Opening unit holders' funds	10,295,202	4,755,659	4,515,556	-
Closing unit holders' funds	15,801,923	10,295,202	4,755,659	4,515,556
Units				
	Number	Number	Number	Number
Units on issue at the start of the year	8,559,149	5,771,430	4,597,355	-
Net movement in units	4,008,792	2,787,719	1,174,075	4,597,355
Units on issue at the end of the year	12,567,941	8,559,149	5,771,430	4,597,355
Summary statement of comprehensive income				
Revenue				
Interest income	23,584	12,305	38,227	68,459
Dividend income	122,647	70,701	45,294	1,768
Net changes in fair value of financial assets and liabilities	919,416	2,848,053	(1,050,912)	(161,975)
Total revenue	1,065,647	2,931,059	(967,391)	(91,748)
Other (expenses)/income	20,339	(177,799)	193,930	56,567
Expenses				
Management fees	172,985	95,185	64,511	18,150
Performance fees	67,406	148,596	-	-
Operating and administration expenses	131,496	105,266	76,142	39,930
Total expenses	371,887	349,047	140,653	58,080
Net profit/(loss) before taxation	714,099	2,404,213	(914,114)	(93,261)
Taxation expense	-	-	-	-
Net profit/(loss) after tax	714,099	2,404,213	(914,114)	(93,261)
Other comprehensive income	-	-	-	-
Total comprehensive income after tax	714,099	2,404,213	(914,114)	(93,261)
Summary statement of cash flows				
Net cash flows from operating activities	(5,493,110)	(470,868)	(3,482,808)	(1,398,682)
Net cash flows from financing activities	4,786,044	2,972,429	1,187,394	4,625,744
Net increase/(decrease) in cash and cash equivalents	(707,074)	2,501,561	(2,295,414)	3,227,062
Opening cash brought forward	3,400,547	891,151	3,279,682	-
Effect of exchange rate fluctuations	7,671	7,835	(93,117)	52,620
Ending cash carried forward	2,701,144	3,400,547	891,151	3,279,682

The full financial statements were authorised for issue by the Manager, Fisher Funds Management Limited on the:

23-Jun-11 24-Jun-10 29-May-09 8-Jul-08

FISHER FUNDS GROWTH FUNDS

FISHER MORRISON INFRASTRUCTURE FUND
SUMMARY OF FINANCIAL STATEMENTS

	NZ IFRS 31-Mar-11 (12 months) Audited \$	NZ IFRS 31-Mar-10 (12 months) Audited \$	NZ IFRS 31-Mar-09 (4 months) Audited \$
Summary statement of financial position			
Unit holders' funds	8,161,089	2,931,758	1,375,097
Current assets			
Cash and cash equivalents	532,995	196,715	725,516
Trade and other receivables	115,637	32,601	1,752
Financial assets at fair value through profit or loss	7,540,156	2,736,972	805,368
Total assets	8,188,788	2,966,288	1,532,636
Current liabilities			
Trade and other payables	7,613	7,754	146,874
Tax attributable to unit holders	20,086	26,776	10,665
Total liabilities	27,699	34,530	157,539
Net assets	8,161,089	2,931,758	1,375,097
Summary statement of movements in unit holders' funds			
Funds			
Total comprehensive income after tax	557,650	664,659	(4,155)
Applications for units for the year	6,154,603	3,217,565	1,393,537
Withdrawals for the year	(1,367,227)	(2,228,276)	(403)
Distributions to unit holders	(311,060)	(128,382)	(3,165)
Distributions reinvested	220,254	65,236	-
Tax attributable to unit holders received/(paid)	(24,889)	(34,141)	(10,717)
	5,229,331	1,556,661	1,375,097
Opening unit holders' funds	2,931,758	1,375,097	-
Closing unit holders' funds	8,161,089	2,931,758	1,375,097
Units			
	Number	Number	Number
Units on issue at the start of the year	2,336,810	1,386,438	-
Net movement in units	3,979,986	950,372	1,386,438
Units on issue at the end of the year	6,316,796	2,336,810	1,386,438
Summary statement of comprehensive income			
Revenue			
Interest income	7,728	22,453	7,068
Dividend income	295,092	87,241	453
Net changes in fair value of financial assets and liabilities	303,185	680,695	12,546
Total revenue	606,005	790,389	20,067
Other income/expenses	50,856	(16,342)	8,224
Expenses			
Management fees	69,141	30,663	3,411
Performance fees	-	47,131	-
Operating and administration expenses	30,070	31,594	29,035
Total expenses	99,211	109,388	32,446
Net profit/(loss) before taxation	557,650	664,659	(4,155)
Taxation expense	-	-	-
Net profit/(loss) after tax	557,650	664,659	(4,155)
Other comprehensive income	-	-	-
Total comprehensive income after tax	557,650	664,659	(4,155)
Summary statement of cash flows			
Net cash flows from operating activities	(4,245,505)	(1,409,014)	(652,192)
Net cash flows from financing activities	4,581,979	879,544	1,388,324
Net (decrease)/increase in cash and cash equivalents	336,474	(529,470)	726,132
Opening cash brought forward	196,715	725,516	-
Effect of exchange rate fluctuations	(194)	669	(616)
Ending cash carried forward	532,995	196,715	725,516

The full financial statements were authorised for issue by the Manager,
Fisher Funds Management Limited on the:

23-Jun-11 24-Jun-10 29-May-09

Notes to the summary of financial statements

Relationship to full financial statements

The summary of financial statements for the Fisher Funds New Zealand Growth Fund, Fisher Funds Australian Growth Fund and the Fisher Funds Fledgling Fund are for the years ended 31 March 2011, 31 March 2010, 31 March 2009, 31 March 2008 and 31 March 2007. The summary of financial statements for the Fisher Funds International Growth Fund is for the years ended 31 March 2011, 31 March 2010, 31 March 2009 and five month period ended 31 March 2008. The summary of financial statements for the Fisher Morrison Infrastructure Fund is for the year ended 31 March 2011, 31 March 2010 and the four month period ended 31 March 2009.

The summary of financial statements for each of the Trusts have been extracted from and are a summary of the Trusts' audited full financial statements. The summary financial statements were authorised for issue by the Manager, Fisher Funds Management Limited, on 31 August 2011. The summary of financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements. The summary of financial statements have been prepared in accordance with FRS-43: *Summary Financial Statements* and comply with Generally Accepted Accounting Practice in New Zealand (*NZ GAAP*) as it relates to summary financial statements. To ensure consistency the format of previous periods has been changed.

The Trusts are Unit Trusts registered under the Unit Trust Act 1960. The full financial statements have been prepared in accordance with the relevant Trust Deed, the Unit Trusts Act 1960 and the Financial Reporting Act 1993. The full financial statements have been prepared in accordance with NZ GAAP and comply with New Zealand equivalents to International Financial Reporting Standards (*NZIFRS*) since adoption on 1 April 2006, and other applicable Financial Reporting Standards, as appropriate for profit oriented entities. The full financial statements also comply with the International Financial Reporting Standards (*IFRS*). The full financial statements for the period ended 31 March 2011 were authorised for issue by the Manager, Fisher Funds Management Limited, on 29 July 2011. The full financial statements for each period have been audited and the auditors' opinions on them were unmodified. The auditors' unmodified audit opinion on the year ended 31 March 2011 full financial statements was dated 23 June 2011. A copy of the full financial statements can be obtained by contacting Fisher Funds at the address in paragraph 2.1.

Refer to Appendix 1 for the auditor's unmodified audit opinion on the summary of financial statements.

Functional and presentation currency

The summary of financial statements are presented in New Zealand dollars (\$) which is the Trusts' functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

Items of material incidence, size or nature

There are no items of such incidence, size or nature that require disclosure to explain the performance of any of the Trusts during the periods.

Material changes in activities

There have been no material changes in the activities of any of the Trusts during the periods.

Changes in accounting policies

From 1 April 2006, the Trusts have adopted NZIFRS which replaces previous NZ FRS going forward. As a result, the summary of financial statements in respect of the period ended 31 March 2007 for the Fisher Funds New Zealand Growth Fund, Fisher Funds Australian Growth Fund and Fisher Funds Fledgling Fund have been summarised in both previous NZ FRS and NZ IFRS. The Fisher Funds International Growth Fund and the Fisher Morrison Infrastructure Fund prepared their financial statements under NZIFRS from commencement of operations.

With the exception of the change in accounting policies to comply with NZ IFRS, there have been no changes in accounting policies of the Trusts during the periods.

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I, Glenn William Ashwell of Auckland, New Zealand, General Manager, certify:

- 1 That by deed dated 8 June 2009, Morrison & Co Wealth Management Limited of Wellington appointed me its attorney.
- 2 That I have not received any notice of any event revoking the power of attorney.

Signed at AUCKLAND this 31 day of AUGUST 2011.



Power of Attorney

by Morrison & Co Wealth Management Limited



POWER OF ATTORNEY

- 2.1 **Enter into, Execute and Deliver Documents**
Negotiate, enter into, execute and deliver all documents listed in the Schedule and any other documents which are considered necessary, appropriate or desirable in connection therewith by any Attorney (the *Documents*).
- 2.2 **Approve Amendments**
Amend or terminate any Document and negotiate, enter into, execute and deliver any document which effects or evidences the amendment or termination.
- 2.3 **Completion of Documents**
Complete any blanks in any Document.
- 2.4 **Do Other Acts etc**
Do all other acts and things which any Attorney considers necessary, appropriate or desirable in relation to the Transaction or any Document.
- 2.5 **Notices and Communications**
Give any notice or communication under any Document.
- 2.6 **Appoint Substitute Attorneys**
Appoint one or more substitutes for any Attorney with the same powers as those the Company has given to the Attorneys or more limited powers, and revoke the appointment of such substitutes at any time and appoint others in their place.

3 DEALINGS WITH ATTORNEYS

- 3.1 **No Need to Enquire**
No person or body corporate dealing with an Attorney need enquire as to the propriety or expediency of anything which that Attorney may do or purport to do or agree to do in the Company's name by virtue of this power of attorney.
- 3.2 **Execution of Documents**
The execution by any one or more of the Attorneys of any Document shall be conclusive evidence of any one or more Attorneys' approval of that document.

4 RATIFICATION

The Company agrees to ratify whatever each Attorney lawfully do or cause to be done by virtue of this power of attorney.

5 INDEMNITY BY COMPANY

The Company will indemnify the Attorneys against any loss, claim, damage, expense, liability or proceeding suffered or incurred at any time by the Attorneys and resulting from the Attorneys' exercise, or purported exercise, in good faith, of the powers conferred by this deed.

Document Number

(for office use only)

The Securities Act 1978

AUTHORITY FOR AGENT TO SIGN PROSPECTUS

(Section 41(b))

Issuer
Name

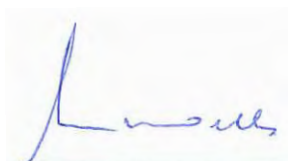
FISHER FUNDS MANAGEMENT LIMITED

Issuer Number

AK.903800

I, Sir John Wells, being a director of the Issuer hereby authorise each of Carmel Miringa Fisher, Hugh Gladstone Fisher, Francis Ivor Charles Jasper, Glenn William Ashwell and Hugh Richmond Lloyd Morrison, separately, to sign on my behalf as my agent:

- a Prospectus to be dated on or about 31 August 2011 for an offer of units in the Fisher Funds New Zealand Growth Fund, the Fisher Funds Australian Growth Fund, the Fisher Funds International Growth Fund, the Fisher Funds Fledgling Fund and the Fisher Morrison Infrastructure Fund on the terms set out in the Prospectus;
- any Memorandum of Amendment(s) to the Prospectus; and
- such reports, certificates, statements, documents or other papers referred to in, or ancillary to, the Prospectus as my agent may consider necessary or desirable for the purposes of the issue and distribution of the Prospectus.



Sir John Wells
Director of Issuer

Date 28.8.11

Document Number

(for office use only)

The Securities Act 1978

AUTHORITY FOR AGENT TO SIGN PROSPECTUS

(Section 41(b))

Issuer
Name

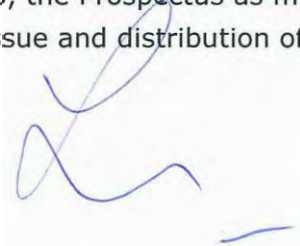
FISHER FUNDS MANAGEMENT LIMITED

Issuer Number

AK.903800

I, Hugh Richmond Lloyd Morrison, being a director of the Issuer hereby authorise each of Carmel Miringa Fisher, Hugh Gladstone Fisher, Glenn William Ashwell, Francis Ivor Charles Jasper and Sir John Wells, separately, to sign on my behalf as my agent:

- a Prospectus to be dated on or about 31 August 2011 for an offer of units in the Fisher Funds New Zealand Growth Fund, the Fisher Funds Australian Growth Fund, the Fisher Funds International Growth Fund, the Fisher Funds Fledgling Fund and the Fisher Morrison Infrastructure Fund on the terms set out in the Prospectus; and
- any Memorandum of Amendment(s) to the Prospectus; and
- such reports, certificates, statements, documents or other papers referred to in, or ancillary to, the Prospectus as my agent may consider necessary or desirable for the purposes of the issue and distribution of the Prospectus.



Hugh Richmond Lloyd Morrison
Director of Issuer

Date: 28.6.11

Document Number

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(for office use only)

The Securities Act 1978

**AUTHORITY FOR AGENT TO SIGN
PROSPECTUS**

(Section 41(b))

Prospectus


FISHER FUNDS GROWTH FUNDS

Issuer Number

903800

I, Marko Bogoievski, being a promoter of the securities offered by Fisher Funds Management Limited, hereby authorise each of Carmel Miringa Fisher, Hugh Gladstone Fisher, Glenn William Ashwell, Francis Ivor Charles Jasper and Hugh Richmond Lloyd Morrison, separately, to sign on my behalf as my agent:

- a Prospectus to be dated on or about 31 August 2011 for offers of units in the Fisher Funds New Zealand Growth Fund, the Fisher Funds Australian Growth Fund, the Fisher Funds International Growth Fund, the Fisher Funds Fledgling Fund and the Fisher Morrison Infrastructure Fund on the terms set out in the Prospectus; and
- such reports, certificates, statements, documents or other papers referred to in, or ancillary to, the Prospectus as my agent may consider necessary or desirable for the purposes of the issue and distribution of the Prospectus.



Marko Bogoievski
Promoter

Date: 28.06.11

Document Number

(for office use only)

The Securities Act 1978

AUTHORITY FOR AGENT TO SIGN PROSPECTUS

(Section 41(b))

Prospectus

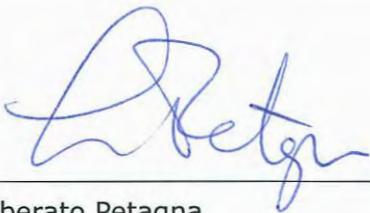
FISHER FUNDS GROWTH FUNDS

Issuer Number

903800

I, Liberato Petagna, being a promoter of the securities offered by Fisher Funds Management Limited, hereby authorise each of Carmel Miringa Fisher, Hugh Gladstone Fisher, Glenn William Ashwell, Francis Ivor Charles Jasper and Hugh Richmond Lloyd Morrison, separately, to sign on my behalf as my agent:

- a Prospectus to be dated on or about 31 August 2011 for offers of units in the Fisher Funds New Zealand Growth Fund, the Fisher Funds Australian Growth Fund, the Fisher Funds International Growth Fund, the Fisher Funds Fledgling Fund and the Fisher Morrison Infrastructure Fund on the terms set out in the Prospectus; and
- such reports, certificates, statements, documents or other papers referred to in, or ancillary to, the Prospectus as my agent may consider necessary or desirable for the purposes of the issue and distribution of the Prospectus.



Liberato Petagna

Promoter

Date: 28.8.11