



Booster Savvy Scheme

Financial Statements 2024



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Statement of Comprehensive Income
For the 12 month period ended 31 March 2024

	Note	2024	2023
		\$	\$
Interest revenue	4	90,857	487
Total Revenue		90,857	487
Operating expenses	9.c	-	31
Swap arrangement	9.d	5,226	-
Total Expenses		5,226	31
Profit / (losses) and total comprehensive income for the period		85,631	456

Statement of Changes in Net Assets Attributable to Unitholders

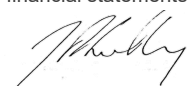
For the 12 month period ended 31 March 2024

	Unitholder Capital
	\$
Net assets attributable to unitholders at 31 March 2022	5,437
Contributions from unitholders	88,903
Withdrawals by unitholders	(63,380)
Distributions to unitholders	(469)
Net unitholders attributed tax	(121)
Total comprehensive income for the period	456
Net assets attributable to unitholders at 31 March 2023	30,826
Contributions from unitholders	9,102,220
Withdrawals by unitholders	(1,184,559)
Distributions to unitholders	(85,600)
Net unitholders attributed tax	(22,002)
Total comprehensive income for the period	85,631
Net assets attributable to unitholders at 31 March 2024	7,926,516

Statement of Financial Position
As at 31 March 2024

	Note	2024	2023
		\$	\$
Assets			
Cash and cash equivalents	6	7,976,676	30,942
Other receivables	9.c	4,808	-
Total Assets		7,981,484	30,942
Liabilities			
Other payables	9.c	3,293	-
Distributions payable		29,673	-
Member attributed tax payable/(receivable)		22,002	116
Total Liabilities		54,968	116
Net assets attributable to unitholders		7,926,516	30,826

For and on behalf of Booster Investment Management Limited who authorised the issue of these financial statements on 30 July 2024.



John Selby
Director and Chair of the Board



Paul Foley
Director

Statement of Cash Flows
For the 12 month period ended 31 March 2024

	Note	2024	2023
<i>Cash was provided from/(applied to):</i>		\$	\$
Interest received		86,049	487
Swap arrangement payments	9.c	(1,933)	-
Operating expenses paid		-	(31)
Net cash outflows from operating activities	6	84,116	456
<i>Cash was provided from/(applied to):</i>			
Proceeds from contributions		9,102,219	88,890
Payments for withdrawals		(1,184,559)	(63,384)
Distributions to unitholders		(55,927)	(469)
PIE tax paid on behalf of members		(116)	(6)
Net cash inflows from financing activities		7,861,618	25,031
Net increase in cash held		7,945,734	25,487
Cash and cash equivalents at the beginning of the period		30,942	5,455
Cash and cash equivalents at the end of period	6	7,976,676	30,942

1. Reporting entity

These financial statements are for the Booster Savvy Scheme (the Scheme) for the year ended 31 March 2024 (reporting date).

The Booster Savvy Scheme is established and domiciled in New Zealand and is an FMC Reporting Entity under the Financial Markets Conduct Act 2013. The Scheme is a managed investment scheme. The Scheme is comprised of one investment fund at the reporting date, being the Booster Savvy Fund (the Fund). The Fund provides investors with a competitive everyday transactional account with a minimum set return paid monthly.

The Scheme was initially established under a Trust Deed dated 7 January 2019 (amended and replaced on 18 September 2019), and subsequently updated on 1 December 2021.

The Manager of the Scheme is Booster Investment Management Limited, and the Supervisor is the Public Trust.

These financial statements have been prepared for the only Fund within the Scheme and not the Scheme as a whole in accordance with the Financial Markets Conduct (Financial Statements for Schemes Consisting Only of Separate Funds) Exemption Notice 2022.

The financial statements were adopted and authorised for issue by the Board of Directors of the Manager on 30 July 2024

2. Basis of preparation

a) Statement of compliance

The financial statements of the Fund have been prepared in accordance with the Trust Deed governing the Scheme, section 7 of the Financial Markets Conduct Act 2013 and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). For the purpose of complying with NZ GAAP, the Fund is a for-profit entity. The financial statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) issued by the New Zealand Accounting Standards Board and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, and other applicable financial reporting standards as appropriate for for-profit oriented entities. The Fund converted from a wholesale fund to a retail fund on the 14 June 2023 allowing applications from external investors. Management has prepared the financial statements of the Fund in accordance with Tier 1 for profit reporting requirements outlined in the External Reporting Board's Accounting Standards Framework (XRB-A1) and they have been prepared on the assumption that the Fund operates on a going concern basis.

b) Basis of measurement

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected assets and liabilities for which the fair value basis of accounting has been applied.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not classified between current or non-current.

The Scheme is not registered for GST and the financial statements are stated inclusive of GST where applicable.

2. Basis of preparation continued

c) Functional and presentation currency

The functional currency of the Fund is New Zealand dollars (NZD).

The financial statements are presented in NZD and rounded to the nearest dollar (\$'0) unless otherwise stated.

Investments and other monetary assets and liabilities denominated in foreign currency are translated to NZD at the exchange rate prevailing at the reporting date.

d) Uses of estimates and judgements

The preparation of financial statements necessarily requires estimation and judgements. The resulting accounting estimates, by definition, may not equal the related actual results.

e) Taxation

Portfolio Investment Entity (PIE) Tax

The Fund has elected to be a PIE under the Income Tax Act 2007. Under the PIE regime income is effectively taxed in the hands of the unitholders and therefore the Scheme has no tax expense or deferred tax assets or deferred tax liabilities. The Fund, as a PIE, pays no income tax on the taxable income of the Fund and all taxable income and tax credits are attributed to unitholders in proportion to the units they hold on the days when taxable income and credits arise. The Fund deducts tax from each unitholder's allocation using each Unitholder's Notified Prescribed Investor Rate, or if a rate has not been notified, at the default Prescribed Investor Rate (PIR) of 28%.

f) Accounting Policies

Material accounting policies that summarise the recognition and measurement used and are relevant to the understanding of these financial statements are provided throughout the accompanying notes.

The accounting policies adopted have been consistently applied throughout the period presented in these financial statements.

3. Standards, amendments, and interpretations to existing standards

IFRS 18 Presentation and Disclosure in Financial Statements was issued in 2024 to replace IAS 1 Presentation of Financial Statements. The effective date is for annual periods beginning on or after 1 January 2027. The Funds and Scheme have not early adopted IFRS 18.

Several amendments and interpretations apply for the first time in 2024, but do not have an impact on the financial statements of the Funds and Scheme.

4. Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Fund and the revenue can be readily measured.

Interest revenue is recognised using the effective interest rate method, and includes interest earned on cash equivalents.

5. Unitholders' funds

Units issued by the Fund provides the unitholders with the right to require redemption for cash at the value proportionate to the unitholders' share in the Fund's net asset value. The units qualify as 'puttable instruments' and are classified as equity.

The Fund provides investors with a competitive everyday transactional money account. The manager pays a monthly set return, as a distribution. Investors may also receive a bonus rate of return earned over and above the set rate of return. See Related Parties note (c) Manager's performance based fees and other transactions.

6. Cash and cash equivalents

Cash at bank represents cash with New Zealand banks registered with the Reserve Bank of New Zealand, with the result that they are subject to insignificant risk of changes in value.

Cash and cash equivalents are classified as financial assets measured at amortised cost in accordance with NZ IFRS 9 *Financial Instruments*.

Cash flows from operating activities represent the principal revenue-producing and investment activities of the entity and other activities that are not financing activities.

Cash flows from financing activities represent changes in the amount and composition of the contributed equity of the Fund.

	2024	2023
Cash at Bank - Total	7,976,676	30,942

Reconciliation of profit or loss to net cash from operating activities

	2024	2023
	\$	\$
Profit	85,631	456
Change in receivables	(4,808)	-
Change in payables	3,293	-
Net cash outflows from operating activities	84,116	456

7. Financial risk management

As at reporting date, the Fund is invested in cash.

Credit risk

Credit risk represents the risk that the counterparty will fail to discharge an obligation and cause the Fund to incur a financial loss.

The Manager does not consider there to be significant credit risk in relation to accounts receivable or cash equivalents.

The table below shows the maximum credit risk exposure and the credit quality by class of asset for debt instruments and cash at bank using Standard and Poor's rating categories.

	2024	2023
Direct credit exposure	\$	\$
Cash at bank: AAA to A-	7,976,676	30,942
Receivables	4,808	-

The Fund holds no collateral or any other security over their financial assets subject to credit risk. The credit risk for cash and cash equivalents are low, even though the funds are held by one NZ bank, it is a well-established NZ bank with an AA- Standard & Poor credit rating.

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

Market price risk

Market price risk is the risk that the value of the Fund will fluctuate as a result of changes in market prices. This risk is managed by ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund's only exposure to interest rate risk is on its cash and cash equivalents.

Cash and cash equivalents are current assets and the Fund does not consider there to be a significant impact on profit or loss or equity from movements in interest rate due to the Swap agreement in place with the manager. Refer to note 9 c for further information on the Swap agreement.

Liquidity risk

Liquidity risk is the risk that the Fund will experience difficulty in either realising assets or raising sufficient funds to satisfy commitments associated with financial instruments. The Fund only holds cash at present so liquidity risk is immaterial.

The Fund's capital is represented by redeemable units and is reflected in the net assets attributable to unitholders. In accordance with the risk management policies outlined in Note 9, the Fund invests contributions received in appropriate investments whilst maintaining sufficient liquidity to meet any withdrawal requests. Compliance with investment management mandate limits is monitored by the Manager with oversight from the Supervisor.

There are no externally imposed mandate limits.

8. Auditor's remuneration

	2024	2023
	\$	\$
Audit of financial statements - Ernst & Young	17,330	15,065
Other assurance services - registry audit - Ernst & Young	2,000	1,259
Total auditor's remuneration	19,330	16,324

The manager pays all audit fees.

9. Related parties

a) Responsible entities

Booster Investment Management Limited (BIML) is the Manager of the Scheme. BIML is a wholly owned subsidiary of Booster Financial Services Limited.

Public Trust is the Supervisor for the Scheme. None of these related parties holds or held units in the Fund.

b) Key management personnel

The Directors of BIML and senior managers are considered to be Key Management Personnel. The Directors of the Manager and senior managers in office during the year or up to the date of signing of these financial statements were:

Directors	Role	Appointed *	
Allan Seng Tong Yeo	Director	29 April 1999	
John Ross Selby	Independent Director	16 May 2016	
Melanie Sharon Templeton	Independent Director	1 February 2021	
Paul Gerard Foley	Director	30 April 2013	
Richard Gordon Kirkland	Independent Director	30 September 2022	Resigned 2 July 2024
Dianne Day	Independent Director	1 July 2024	

Senior Managers

Alison Payne	Chief Operating Officer
Andrew Hughes	Chief Risk Officer
Dianna Papadopoulos	Chief Customer Officer
Mihaela Chitu	Head of Technology Solutions
Natasha Keddie	Head of Finance and Administration
Nicholas Craven	Chief Investment Officer

* Note appointment date refers to date employed by the ultimate parent company

No amounts have been paid by the Fund to the Directors of BIML or senior managers in their capacity as key management personnel of the Fund.(2023: nil)

Key management personnel may hold units in the Fund in their capacity as Members of the Fund. All transactions between these parties are pursuant to, and governed by, the terms of the Trust Deed of the Scheme.

The total value of key management personnel's interests (held personally or closely associated with the person) in the Fund at the reporting date was \$307,495 (2023: \$6,331).

c) Manager's performance based fees and other transactions

The Manager has entered into an income swap agreement with the Fund which ensures the Fund receives sufficient income to pay the committed set return to the unitholders. The amount paid to the manager under this swap agreement is disclosed as "Swap arrangement" in the statement of comprehensive income.

Under the terms of the Swap Agreement, every quarter a bonus return shall be calculated. The calculation comprises of the surplus income (after the monthly set return payments) less allowable expenses as defined by the agreement. Should the calculation result in a surplus the Manager is entitled to receive a performance based fee which is the lesser of 0.6% of the net asset value of the Fund, or remaining surplus for the period . The performance based fee is capped at 0.6% per annum. These fees will be disclosed in the Statement of Comprehensive Income as "Performance fees" when incurred. For the current reporting period no performance fee has been paid (2023 nil)

The bonus return calculation is completed quarterly , shortfalls are not carried forward. The Fund is entitled to the the surplus of the bonus return calculation less the management performance based fee, and any unrecovered fraud related costs.

9. Related parties continued

d) Fees paid to the Supervisor

Under the terms of the Trust Deed, the Supervisor is entitled to receive Supervisor fees. The Supervisor fee is paid for by the Manager.

The Supervisor agreed not to charge fees during the testing phase which ended on the 1 June 2023.

10. Contingent assets, liabilities, and commitments

There are no outstanding contingent assets or liabilities or commitments at the reporting date (2023: none).

11. Events occurring after reporting date

FMA Proceedings against the Manager of the Scheme

On Wednesday 12 June 2024, the Financial Markets Authority (FMA) filed civil proceedings against Booster Investment Management Limited (BIML) and five of its Senior managers and executive directors (the BIML Individuals). The FMA's Statement of Claim alleges 75 causes of action against BIML and the BIML Individuals relating to 18 investments made by BIML between 2017 and 2023, into a limited partnership, the Booster Tahī Limited Partnership (Tahī), which invested into a series of New Zealand wine businesses, later amalgamated into the Booster Wine Group. The causes of action against BIML allege breaches of the following provisions of the FMCA:

- o section 143(1): a failure to act in the best interests of the Booster Scheme participants by investing in the circumstances;
- o section 143(2): a failure to carry out functions of a manager in accordance with the governing document, SIPO and other issuer obligations;
- o section 173: entering into a transaction giving related party benefits without obtaining the supervisor's consent or certification that the transaction falls under an exception specified in the FMCA; and
- o section 144: a failure to exercise the requisite care diligence and skill when exercising BIML's power to invest scheme property.

The FMA is seeking declarations; pecuniary penalties (with a maximum penalty of \$600,000 for BIML per charge); a court determined inquiry into damages to determine any harm or loss any investors suffered as a result of any breach; and costs. Booster is defending the FMA's claims. Any legal costs that are incurred and any pecuniary damages that may be imposed are the expenses of BIML directly and will not impact this Scheme. It is difficult to calculate exposure to BIML at this early stage. In terms of penalty if BIML is found to have contravened the FMCA, the court will have regard to s 506 of the FMCA (which provides that a person is only liable to 1 pecuniary penalty order for the same conduct) and the totality principle (i.e. that the total penalty should reflect the overall seriousness rather than merely the number of charges).

BIML is actively monitoring the liquidity of the funds within the schemes in line with its liquidity policy and best interests of the schemes' investors and as at the date of the signing of these accounts, the directors do not anticipate any material impact on the funds within BIML's registered schemes.

The Scheme has no exposure to the Booster Tahī LP.

No other significant events have occurred since the reporting date which would impact on the financial position of the Scheme or on the financial performance and cash flows of the Scheme for the year ended on that date.



Independent auditor's report to the Unitholders of the Booster Savvy Fund (the only constituent fund of Booster Savvy Scheme (the "Scheme"))

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Booster Savvy Fund (the "Fund") on pages 1 to 8, which comprise the statement of financial position of the Fund as at 31 March 2024, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the year then ended of the Fund, and the notes to the financial statements including material accounting policy information.

In our opinion, the financial statements on pages 1 to 8 present fairly, in all material respects, the financial position of the Fund as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

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

Basis for opinion

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

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

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

Ernst & Young provides other assurance services to the Fund. Partners and employees of our firm may deal with the Fund on normal terms within the ordinary course of trading activities of the business of the Fund. We have no other relationship with, or interest in, the Fund.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the financial statements of the current year. These matters were addressed in the context of our audits of the financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audits addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of the audit report, including in relation to these matters. Accordingly, our audits included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinions on the accompanying financial statements.

Cash and Cash equivalents

Why significant	How our audit addressed the key audit matter
<ul style="list-style-type: none"> ▶ Cash and Cash equivalents represent 99% of the assets of the Fund and so are most significant to its financial position. ▶ As explained in the Fund's accounting policies and Note 6, cash at bank represents cash and on-call deposits. ▶ Disclosures regarding the Fund's Cash and Cash equivalents are included in Note 6 to the financial statements. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▶ Gaining an understanding of the processes used to record cash and cash equivalent transactions. ▶ Testing a selection of the controls in place at the Fund's Manager that are relevant to the Fund's cash and cash equivalent holding. We considered the implications of any control deficiencies for our audit. ▶ Independently confirming with the relevant bank the deposits held by the Fund. ▶ Considering the adequacy of the disclosures in relation to cash and cash equivalents in the financial statements.

Information other than the financial statements and auditor's report

The Manager of the Fund is responsible for the Annual Report, which includes information other than the financial statements and auditor's report which is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and, if uncorrected, to take appropriate action to bring the matter to the attention of users for whom our auditor's report was prepared.



Manager's responsibilities for the financial statements

The Manager is responsible, on behalf of the entity, for the preparation and fair presentation of the financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing on behalf of the Fund, the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board website: <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-2/>. This description forms part of our auditor's report.

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

The signature 'Ernst & Young' is written in a cursive, handwritten style in black ink.

Chartered Accountants
Wellington
30 July 2024



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