

Booster KiwiSaver Scheme

Financial Statements 2019



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Statement of changes in net assets
For the year ended 31 March 2019

Notes	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Income												
Interest income	418	304	416	398	1,464	1,308	839	703	436	468	9	5
Dividend and distribution income	-	-	-	-	-	-	-	-	-	-	-	-
Other income	204	78	193	96	280	161	88	55	6	6	21	5
Net gains / (losses) on financial instruments at fair value through profit or loss	25,860	16,488	24,838	17,862	35,107	24,916	9,868	6,256	(4)	-	3,116	1,196
Total income	26,482	16,870	25,447	18,356	36,851	26,385	10,795	7,014	438	474	3,146	1,206
Expenses												
Management fees	3,773	2,371	3,229	2,717	5,157	4,581	1,593	1,454	130	145	301	137
Other expenses	-	-	-	-	-	-	-	-	-	-	378	186
Total expenses	3,773	2,371	3,229	2,717	5,157	4,581	1,593	1,454	130	145	679	323
Total comprehensive profit for the year	22,709	14,499	22,218	15,639	31,694	21,804	9,202	5,560	308	329	2,467	883
Net assets available for benefits at the beginning of the year	198,211	167,618	239,335	198,459	413,179	358,745	140,708	128,674	15,427	18,674	14,728	7,500
Changes in net assets:												
Total comprehensive profit for the year	22,709	14,499	22,218	15,639	31,694	21,804	9,202	5,560	308	329	2,467	883
Contributions from Members	137,636	33,410	54,026	46,870	73,217	71,579	30,527	26,396	4,389	2,397	20,122	7,341
Withdrawals by Members	(27,329)	(16,497)	(24,335)	(20,914)	(46,214)	(38,019)	(21,069)	(19,676)	(3,030)	(5,908)	(1,852)	(951)
Members net PIE tax withdrawals	(2,057)	(819)	(1,775)	(719)	(3,252)	(930)	(1,082)	(246)	(63)	(65)	(154)	(45)
Net assets available for benefits at the end of the year	329,170	198,211	289,469	239,335	468,624	413,179	158,286	140,708	17,031	15,427	35,311	14,728

These financial statements should be read in conjunction with the accompanying notes.

Statement of changes in net assets
For the year ended 31 March 2019

(continued)

Notes	SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver		Capital Guaranteed	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Income												
Interest income	67	54	132	105	3	4	5	6	617	398	1,245	1,092
Dividend and distribution income	22	92	207	419	-	-	-	-	582	790	-	-
Other income	18	14	30	25	3	2	5	4	85	59	19	17
Net gains / (losses) on financial instruments at fair value through profit or loss	4,134	2,698	3,001	1,509	1,071	502	971	1,060	2,214	716	354	356
Total income	4,241	2,858	3,370	2,058	1,077	508	981	1,070	3,498	1,963	1,618	1,465
Expenses												
Management fees	497	367	460	358	84	77	164	137	234	168	451	415
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	497	367	460	358	84	77	164	137	234	168	451	415
Total comprehensive profit for the year	3,744	2,491	2,910	1,700	993	431	817	933	3,264	1,795	1,167	1,050
Net assets available for benefits at the beginning of the year	35,423	26,255	33,434	26,615	7,022	5,952	11,176	8,996	51,515	34,753	47,403	44,979
Changes in net assets:												
Total comprehensive profit for the year	3,744	2,491	2,910	1,700	993	431	817	933	3,264	1,795	1,167	1,050
Contributions from Members	15,761	9,104	13,348	7,882	1,067	1,198	2,483	1,954	32,428	28,327	12,363	9,062
Withdrawals by Members	(3,569)	(2,251)	(4,215)	(2,682)	(1,259)	(552)	(1,034)	(637)	(14,806)	(13,140)	(8,077)	(7,536)
Members net PIE tax withdrawals	(177)	(176)	(219)	(81)	(18)	(7)	(98)	(70)	(617)	(220)	(196)	(152)
Net assets available for benefits at the end of the year	51,182	35,423	45,258	33,434	7,805	7,022	13,344	11,176	71,784	51,515	52,660	47,403

These financial statements should be read in conjunction with the accompanying notes.

Statement of changes in net assets
For the year ended 31 March 2019

(continued)

Notes	Options		Shielded Growth		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		Switches		TOTAL SCHEME	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Income														
Interest income	98	29	-	-	13	12	4	-	6	6	-	-	5,772	4,890
Dividend and distribution income	-	-	-	-	1,101	1,896	129	22	230	492	-	-	2,271	3,711
Other income	-	-	19	-	272	218	33	5	61	54	-	-	1,337	799
Net gains / (losses) on financial instruments at fair value through profit or loss	597	7,284	4	-	1,995	2,446	338	(48)	623	162	-	-	114,087	83,403
Total income	695	7,313	23	-	3,381	4,572	504	(21)	920	714	-	-	123,467	92,803
Expenses														
Management fees	104	1,057	8	-	803	651	105	15	207	183	-	-	17,300	14,833
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	378	186
Total expenses	104	1,057	8	-	803	651	105	15	207	183	-	-	17,678	15,019
Total comprehensive profit for the year	591	6,256	15	-	2,578	3,921	399	(36)	713	531	-	-	105,789	77,784
Net assets available for benefits at the beginning of the year	90,823	89,828	-	-	55,714	41,935	4,637	-	16,941	13,636	-	-	1,375,675	1,172,620
Changes in net assets:														
Total comprehensive profit for the year	591	6,256	15	-	2,578	3,921	399	(36)	713	531	-	-	105,789	77,784
Contributions from Members	406	11,159	1,326	-	14,660	14,390	8,000	4,793	4,890	5,748	(127,361)	(31,102)	299,288	250,508
Withdrawals by Members	(91,809)	(15,226)	(375)	-	(4,813)	(4,185)	(737)	(115)	(3,022)	(2,889)	127,361	31,102	(130,184)	(120,076)
Members net PIE tax withdrawals	(11)	(1,194)	(4)	-	(499)	(347)	(80)	(5)	(119)	(85)	-	-	(10,421)	(5,161)
Net assets available for benefits at the end of the year	-	90,823	962	-	67,640	55,714	12,219	4,637	19,403	16,941	-	-	1,640,147	1,375,675

These financial statements should be read in conjunction with the accompanying notes.

Statement of net assets
As at 31 March 2019

Notes	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth		
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Assets													
Cash and cash equivalents	3	17,725	11,955	19,088	17,606	45,315	57,121	30,213	27,932	17,065	14,459	416	385
Receivables		59	35	59	52	127	157	75	75	38	36	2	1
Financial assets at fair value through profit or loss	5	313,864	187,276	272,433	222,739	426,950	357,445	129,242	113,136	-	1,004	43,121	19,540
Total assets		331,648	199,266	291,580	240,397	472,392	414,723	159,530	141,143	17,103	15,499	43,539	19,926
Liabilities													
Loan	6	-	-	-	-	-	-	-	-	-	-	8,000	5,100
Payables		444	249	358	354	554	629	182	197	11	10	74	53
Member attributed tax payable		2,034	806	1,753	708	3,214	915	1,062	238	61	62	154	45
Financial liabilities at fair value through profit or loss	5	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities (excluding net assets attributable to Members)		2,478	1,055	2,111	1,062	3,768	1,544	1,244	435	72	72	8,228	5,198
Net assets attributable to Members		329,170	198,211	289,469	239,335	468,624	413,179	158,286	140,708	17,031	15,427	35,311	14,728

These financial statements should be read in conjunction with the accompanying notes.

Statement of net assets
 As at 31 March 2019

(continued)

	Notes	SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver		Capital Guaranteed	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets													
Cash and cash equivalents	3	3,242	2,386	4,686	4,763	124	234	143	334	24,638	19,918	48,290	42,435
Receivables		7	6	13	13	-	-	-	-	62	52	110	107
Financial assets at fair value through profit or loss	5	48,158	33,240	40,823	28,775	7,706	6,818	13,313	10,944	47,833	31,863	4,491	5,050
Total assets		51,407	35,632	45,522	33,551	7,830	7,052	13,456	11,278	72,533	51,833	52,891	47,592
Liabilities													
Loan	6	-	-	-	-	-	-	-	-	-	-	-	-
Payables		46	35	44	37	7	23	15	33	105	51	40	42
Member attributed tax payable		179	174	220	80	18	7	97	69	603	212	191	147
Financial liabilities at fair value through profit or loss	5	-	-	-	-	-	-	-	-	41	55	-	-
Total liabilities (excluding net assets attributable to Members)		225	209	264	117	25	30	112	102	749	318	231	189
Net assets attributable to Members		51,182	35,423	45,258	33,434	7,805	7,022	13,344	11,176	71,784	51,515	52,660	47,403

These financial statements should be read in conjunction with the accompanying notes.


Statement of net assets
As at 31 March 2019

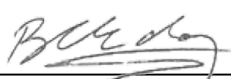
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Notes	Options		Shielded Growth		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		Scheme Application		TOTAL SCHEME		
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Assets															
Cash and cash equivalents	3	-	29,157	8	-	880	697	432	124	506	353	1,430	1,706	214,200	231,564
Receivables		-	-	2	-	175	155	21	8	20	18	-	-	770	715
Financial assets at fair value through profit or loss	5	-	62,914	957	-	67,155	55,272	11,858	4,514	19,013	16,670	-	-	1,446,917	1,157,200
Total assets		-	92,071	967	-	68,210	56,124	12,311	4,646	19,539	17,041	1,430	1,706	1,661,887	1,389,479
Liabilities															
Loan	6	-	-	-	-	-	-	-	-	-	-	-	-	8,000	5,100
Payables		-	111	1	-	77	66	12	4	18	17	1,430	1,706	3,418	3,617
Member attributed tax payable		-	1,137	4	-	493	344	80	5	118	83	-	-	10,281	5,032
Financial liabilities at fair value through profit or loss	5	-	-	-	-	-	-	-	-	-	-	-	-	41	55
Total liabilities (excluding net assets attributable to Members)		-	1,248	5	-	570	410	92	9	136	100	1,430	1,706	21,740	13,804
Net assets attributable to Members		-	90,823	962	-	67,640	55,714	12,219	4,637	19,403	16,941	-	-	1,640,147	1,375,675

These financial statements should be read in conjunction with the accompanying notes.

For and on behalf of Booster Investment Management Limited who authorised the issue of these financial statements as at the date below:


 John Selby
 Director and Chairman of the Board
 20 June 2019


 Bruce Edgar
 Director and Chairman of the Audit, Risk and Compliance Committee
 20 June 2019

Statement of cash flows
For the year ended 31 March 2019

Notes	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash flows from operating activities												
Interest received	413	305	416	399	1,465	1,307	839	703	435	467	9	6
Dividends and distributions received	-	-	-	-	-	-	-	-	-	-	-	-
Other Income received	192	76	183	91	268	157	85	53	6	6	19	5
Sale of financial instruments at fair value through profit or loss	80,117	34,361	71,885	27,131	82,992	45,657	26,875	13,708	1,000	2	7,773	1,692
Purchase of financial instruments at fair value through profit or loss	(180,853)	(52,103)	(96,739)	(51,762)	(117,350)	(72,780)	(33,108)	(20,175)	-	-	(28,238)	(10,993)
Management, administration and other expenses paid	(3,638)	(2,334)	(3,182)	(2,671)	(5,107)	(4,522)	(1,578)	(1,443)	(129)	(147)	(642)	(295)
Net cash (outflow)/inflow from operating activities	(103,769)	(19,695)	(27,437)	(26,812)	(37,732)	(30,181)	(6,887)	(7,154)	1,312	328	(21,079)	(9,585)
Cash flows from financing activities												
Proceeds from contributions	137,636	33,410	54,026	46,870	73,217	71,579	30,527	26,396	4,389	2,397	20,122	7,341
Payments for withdrawals	(27,268)	(16,561)	(24,377)	(20,903)	(46,338)	(38,134)	(21,101)	(19,727)	(3,030)	(5,907)	(1,867)	(937)
Increase in borrowings from the Income Securities Portfolio	-	-	-	-	-	-	-	-	-	-	2,900	3,410
Net (decrease)/increase in pending contributions	-	-	-	-	-	-	-	-	-	-	-	-
PIE tax received/(paid) on behalf of members	(829)	(190)	(730)	(178)	(953)	(447)	(258)	(192)	(65)	(63)	(45)	-
Net cash inflow/(outflow) from financing activities	109,539	16,659	28,919	25,789	25,926	32,998	9,168	6,477	1,294	(3,573)	21,110	9,814
Net increase/(decrease) in cash and cash equivalents	5,770	(3,036)	1,482	(1,023)	(11,806)	2,817	2,281	(677)	2,606	(3,245)	31	229
Cash and cash equivalents at the beginning of the year	11,955	14,991	17,606	18,629	57,121	54,304	27,932	28,609	14,459	17,704	385	156
Cash and cash equivalents at the end of the year	17,725	11,955	19,088	17,606	45,315	57,121	30,213	27,932	17,065	14,459	416	385

These financial statements should be read in conjunction with the accompanying notes.

Statement of cash flows
 For the year ended 31 March 2019

(continued)

	Notes	SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver		Capital Guaranteed	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash flows from operating activities													
Interest received		65	54	132	105	3	3	5	5	619	399	1,245	1,092
Dividends and distributions received		3	-	26	-	-	-	-	-	200	56	-	-
Other Income received		17	14	29	24	3	2	4	4	84	57	18	17
Sale of financial instruments at fair value through profit or loss		3,345	3,326	7,710	1,744	477	524	3,332	922	13,605	12,195	3,545	639
Purchase of financial instruments at fair value through profit or loss		(14,112)	(9,758)	(16,575)	(5,960)	(294)	(1,043)	(4,729)	(2,047)	(26,999)	(19,735)	(2,635)	(1,729)
Management, administration and other expenses paid		(483)	(358)	(449)	(351)	(84)	(75)	(161)	(134)	(228)	(163)	(447)	(413)
Net cash (outflow)/inflow from operating activities	8	(11,165)	(6,722)	(9,127)	(4,438)	105	(589)	(1,549)	(1,250)	(12,719)	(7,191)	1,726	(394)
Cash flows from financing activities													
Proceeds from contributions		15,761	9,104	13,348	7,882	1,067	1,198	2,483	1,954	32,428	28,327	12,363	9,062
Payments for withdrawals		(3,569)	(2,250)	(4,218)	(2,680)	(1,275)	(536)	(1,055)	(616)	(14,763)	(13,206)	(8,082)	(7,547)
Increase in borrowings from the Income Securities Portfolio	6	-	-	-	-	-	-	-	-	-	-	-	-
Net (decrease)/increase in pending contributions		-	-	-	-	-	-	-	-	-	-	-	-
PIE tax received/(paid) on behalf of members		(171)	(124)	(80)	(87)	(7)	(6)	(70)	(12)	(226)	(105)	(152)	(116)
Net cash inflow/(outflow) from financing activities		12,021	6,730	9,050	5,115	(215)	656	1,358	1,326	17,439	15,016	4,129	1,399
Net increase/(decrease) in cash and cash equivalents		856	8	(77)	677	(110)	67	(191)	76	4,720	7,825	5,855	1,005
Cash and cash equivalents at the beginning of the year		2,386	2,378	4,763	4,086	234	167	334	258	19,918	12,093	42,435	41,430
Cash and cash equivalents at the end of the year	3	3,242	2,386	4,686	4,763	124	234	143	334	24,638	19,918	48,290	42,435

These financial statements should be read in conjunction with the accompanying notes.

Statement of cash flows
 For the year ended 31 March 2019

(continued)

	Notes	Options		Shielded Growth		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		Switches / Scheme Application		TOTAL SCHEME	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash flows from operating activities															
Interest received		101	28	-	-	13	13	3	-	6	5	-	-	5,769	4,888
Dividends and distributions received		-	-	-	-	1,085	1,762	119	15	229	479	-	-	1,662	2,312
Other Income received		-	-	17	-	268	213	31	4	60	53	-	-	1,284	776
Sale of financial instruments at fair value through profit or loss		63,511	34,681	339	-	-	8,802	-	-	-	3,610	-	-	366,506	188,994
Purchase of financial instruments at fair value through profit or loss		-	(1,382)	(1,292)	-	(9,888)	(19,930)	(7,006)	(4,562)	(1,721)	(6,687)	-	-	(541,539)	(280,646)
Management, administration and other expenses paid		(196)	(1,056)	(7)	-	(791)	(636)	(97)	(11)	(205)	(180)	-	-	(17,424)	(14,789)
Net cash (outflow)/inflow from operating activities	8	63,416	32,271	(943)	-	(9,313)	(9,776)	(6,950)	(4,554)	(1,631)	(2,720)	-	-	(183,742)	(98,465)
Cash flows from financing activities															
Proceeds from contributions		406	11,159	1,326	-	14,660	14,390	8,000	4,793	4,890	5,748	(127,361)	(31,102)	299,288	250,508
Payments for withdrawals		(91,831)	(15,263)	(375)	-	(4,814)	(4,182)	(737)	(115)	(3,022)	(2,890)	127,361	31,102	(130,361)	(120,352)
Increase in borrowings from the Income Securities Portfolio	6	-	-	-	-	-	-	-	-	-	-	-	-	2,900	3,410
Net (decrease)/increase in pending contributions		-	-	-	-	-	-	-	-	-	-	(276)	1,091	(276)	1,091
PIE tax received/(paid) on behalf of members		(1,148)	(93)	-	-	(350)	(213)	(5)	-	(84)	(56)	-	-	(5,173)	(1,882)
Net cash inflow/(outflow) from financing activities		(92,573)	(4,197)	951	-	9,496	9,995	7,258	4,678	1,784	2,802	(276)	1,091	166,378	132,775
Net increase/(decrease) in cash and cash equivalents		(29,157)	28,074	8	-	183	219	308	124	153	82	(276)	1,091	(17,364)	34,310
Cash and cash equivalents at the beginning of the year		29,157	1,083	-	-	697	478	124	-	353	271	1,706	615	231,564	197,254
Cash and cash equivalents at the end of the year	3	-	29,157	8	-	880	697	432	124	506	353	1,430	1,706	214,200	231,564

These financial statements should be read in conjunction with the accompanying notes.

**Notes to the financial statements
For the year ended 31 March 2019**

1 General information

These financial statements are for the Booster KiwiSaver Scheme (the Scheme) for the year ended 31 March 2019 (the reporting date), with comparatives presented for the year ended 31 March 2018.

The Scheme is established and domiciled in New Zealand and is an FMC Reporting Entity under the Financial Markets Conduct Act 2013. The main purpose of the Scheme is to provide retirement benefits to members. The Scheme was established under a Trust Deed dated 31 October 2006 as a registered superannuation scheme and subsequently converted to a KiwiSaver Scheme on 21 June 2007. The Scheme is currently governed by an amended and consolidated Trust Deed dated 19 September 2016 (as amended and restated).

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

These financial statements were adopted and authorised for issue by the Directors of the Manager, Booster Investment Management Limited on 20 June 2019.

The Scheme is comprised of various Investment Funds (Fund or Funds) as at reporting date.

The Funds as at 31 March 2019 and 31 March 2018 were as follows:

High Growth Fund	Enhanced Income Fund	Trans-Tasman Share Fund	Options Fund**
Balanced Growth Fund	Geared Growth Fund	International Share Fund	Asset Class Growth Fund
Balanced Fund	Socially Responsible Investment (SRI) Growth Fund	Default Saver Fund	Asset Class Balanced Fund
Moderate Fund	Socially Responsible Investment (SRI) Balanced Fund	Capital Guaranteed Fund	Asset Class Conservative Fund
			Shielded Growth Fund*

**The Shielded Growth Fund was established on 7 May 2018. The financial statements of this Fund are prepared for 10 months and 23 days.*

***On 14 March 2018 the Manager resolved to close and wind up the Options Fund and commenced selling financial assets held in this fund. Refer to note 11 for more information.*

Included as part of the Scheme is the Scheme or Application account. This is a clearing account for all Scheme application and withdrawal monies. Monies held in this account are either waiting unitisation and transfer into a Fund (once all necessary contribution and member information has been received by the Scheme), or have been de-unitised and are waiting transfer to a Member or to a Member's nominated KiwiSaver scheme.

The Manager was appointed as a KiwiSaver Default Provider for a seven year term from 1 July 2014. From that date the Scheme is one of nine default KiwiSaver schemes that accepts persons allocated by Inland Revenue as default members. Default members are invested in the Scheme's default investment Fund, the Default Saver Fund, a Fund that was established and available to all Scheme Members from 1 July 2014.

The principal accounting policies applied in the preparation of these financial statements are set out below.

2 Summary of significant accounting policies

(a) Basis of preparation

The financial statements of the Funds and the Scheme have been prepared in accordance with the Trust Deed governing the Scheme, the KiwiSaver Act 2006, section 7 of the Financial Markets Conduct Act 2013 and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They 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 profit oriented entities. The financial statements of the Scheme have been prepared 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 Scheme operates on a going concern basis except the Options Portfolio which was wound up on 7 May 2018 and is presented on a liquidation basis.

The statement of net assets is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

Notes to the financial statements
For the year ended 31 March 2019

2 Summary of significant accounting policies (continued)

(b) Basis of measurement

The financial statements have been prepared on an accrual basis and at historical cost, except for investments in financial assets or financial liabilities at fair value through profit or loss, which have been measured at fair value.

All values are rounded to the nearest thousand dollars (\$'000), except where otherwise indicated.

(c) Income

Income is recognised to the extent that it is probable that economic benefits will flow to the Funds and the income can be readily measured.

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

Dividend and distribution income is recognised when the right to receive the payment is established.

Net realised and unrealised gains or losses on financial instruments at fair value through profit or loss are calculated as the difference between the fair value at sale or redemption, or at reporting date, and the fair value recorded at the date of the last valuation. This difference includes both realised and unrealised gains and losses, but does not include interest or dividend revenue.

Some of the 2018 figures reflect immaterial reclassifications between interest income and dividend and distribution income to ensure consistency with the 2019 financial year.

(d) Financial instruments at fair value through profit or loss

Financial assets and financial liabilities at fair value through profit or loss are measured initially at fair value including transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Subsequent to initial recognition, all financial instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in profit or loss within the statement of changes in net assets, resulting in transaction costs being reflected in the movement in fair value for the period. For financial assets and financial liabilities that are actively traded in organised financial markets, fair value is determined by reference to exchange quoted market bid prices at the close of business on the reporting date. Financial assets and financial liabilities in unlisted managed investment funds are recorded at the redemption value per unit as reported by the Managers of such funds.

(e) Forward foreign exchange contracts

The Scheme and Funds may utilise forward foreign exchange contracts (either directly or indirectly) as part of their foreign currency hedging strategy. See Note 7(b(i)) for more details on the hedging strategy and the direct residual foreign currency exposure of the Funds and Scheme. Subsequent to initial recognition, all forward foreign exchange contracts are revalued to market value on a daily basis. Changes to the market value are recognised through profit or loss in the statement of changes in net assets.

(f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held on call with financial institutions, other short term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in the statement of net assets. Payments and receipts relating to the purchase and sale of financial instruments are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Scheme and Fund's main income generating activity.

(g) Receivables

Receivables may include amounts for unsettled dividends, interest and distributions. Dividend and distributions are accrued on ex date. Interest is accrued at each reporting date from the time of last payment or from purchase date. Receivables are recognised initially at fair value and subsequently at amortised cost using the effective interest rate method less any allowance for credit losses.

An allowance for doubtful debts is made when collection of an amount is no longer probable and credit risk has increased since initial recognition.

If, at the reporting date, the credit risk has not increased significantly the Scheme and the Funds shall measure the loss allowance at an amount equal to the 12 month expected credit losses. If credit risk has increased significantly, the loss allowance is measured at the lifetime expected credit loss. If the credit risk of an individual financial asset increases to the point that it is considered credit impaired, interest is calculated on the carrying amount net of the loss allowance. Amounts are generally received within 90 days of being recorded as receivable.

Any impairment is recognised in the Statement of changes in net assets as an expense.

Notes to the financial statements
For the year ended 31 March 2019

2 Summary of significant accounting policies (continued)

(h) Payables

Payables includes liabilities and accrued expenses owing by the Scheme which are unpaid at the reporting date. Purchases of financial assets are recorded on trade date, and normally settled within three business days. Purchases of financial assets that are unsettled at reporting date are included in payables. Payables are initially recognised at fair value and subsequently measured at amortised cost.

(i) Taxation

Portfolio Investment Entity (PIE) Tax

The Scheme 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 Members and therefore the Scheme has no tax expense or deferred tax assets or deferred tax liabilities. The Scheme, as a PIE, pays no income tax on the taxable income of the Scheme and Funds and all taxable income and tax credits are attributed to Members in proportion to the units they hold on the days when taxable income and credits arise. The Scheme deducts tax from each Member's allocation using each Members' Notified Prescribed Investor Rate, or if a rate has not been notified, at the default Prescribed Investor Rate (PIR) of 28% (2018: 28%).

Goods and Services Tax (GST)

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

(j) Member funds

Units issued by the Funds provide the members with the right to require redemption for cash at the value proportionate to the member's share in each Fund's net asset value (provided they meet the eligibility requirements under the KiwiSaver Act 2006 or any other enactment).

(k) Currency

Functional and presentation currency

The Scheme's Members are primarily located within New Zealand, with all transactions with Members and the Scheme and Funds denominated in New Zealand Dollars ('NZD'). The NZD is considered as the currency that most faithfully represents the activities of the Scheme and Funds. The financial statements are presented in NZD which is the Scheme and Fund's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at reporting date exchange rates, of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss within the statement of changes in net assets. Assets and liabilities denominated in foreign currency are translated to NZD at the exchange rate prevailing at reporting date.

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

(l) Member Activity

Subject to the terms of the Trust Deed and applicable legislation, units held in the Funds of the Scheme are redeemable at the Member's option, meet the definition of a puttable instrument, and are therefore classified as equity. The units are redeemable for cash based on their redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the reporting date if Members exercised their right to redeem units in the Funds.

(m) Vested benefits

Amounts available for benefits is the Scheme's present obligation to pay benefits to Members and has been calculated as the difference between the carrying value of the assets and the carrying value of the liabilities in the Funds at year end. These benefits have been fully vested to members. Vested benefits are the rights to which, under conditions of the Scheme, are not conditional or continued membership. No guarantees have been made in respect to the liability of promised benefits.

Notes to the financial statements
For the year ended 31 March 2019

2 Summary of significant accounting policies (continued)

(n) Contributions and withdrawals

Subject to the terms of the Trust Deed and applicable legislation, contributions and withdrawals are recognised when the Manager has confirmed the validity of a Member's application or withdrawal request.

(o) Use of estimates and judgements

The preparation of financial statements necessarily requires estimation and judgements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The most significant judgement made in the preparation of these financial statements relates to the valuation of financial assets and liabilities at fair value through profit or loss which is detailed in note 5.

(p) Standards, amendments and interpretations to existing standards

The following new standards are considered relevant to the financial statements, have been issued and were adopted for the first time during the reporting period:

NZ IFRS 9 Financial Instruments

NZ IFRS 9 Financial Instruments replaces NZ IAS 39 Financial Instruments: Recognition and Measurement. This introduces changes to the classification and measurement of financial assets effective for accounting periods commencing on or after 1 January 2018. The standard does not have any significant impact on the measurement basis of the financial assets since all of the Fund's financial assets are measured at fair value through profit or loss. The Scheme applied the transitional relief allowing the Scheme to not restate the comparatives, with any effects of initial application recognised as an adjustment to the opening balances at 1 April 2018, of which there were none. The accounting policies have been consistently applied throughout the periods presented, except in relation to new standards adopted with transitional relief as net out in Note 2(p).

NZ IFRS 15 Revenues from Contracts with Customers

NZ IFRS 15 Revenue from Contracts with Customers replaces NZ IAS 18 Revenue, NZ IAS 11 Construction Contracts and several revenue related interpretations. The new standard introduces a change in the recognition of income from contracts with customers effective for accounting periods commencing on or after 1 January 2018. The standard has no impact on the recognition of income of the Funds as income is derived from investment in securities, not from contracts with customers and recorded in accordance with NZ IFRS 9.

There were no other new NZ IFRS standards and interpretations that were issued, and effective within the reporting period, but not yet adopted.

Notes to the financial statements
For the year ended 31 March 2019

3 Cash and cash equivalents

	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash at Bank	1,003	1,102	1,044	1,149	1,597	2,477	786	692	225	217	416	385
Cash Equivalents	16,722	10,853	18,044	16,457	43,718	54,644	29,427	27,240	16,840	14,242	-	-
Total Cash and cash equivalents	17,725	11,955	19,088	17,606	45,315	57,121	30,213	27,932	17,065	14,459	416	385

	SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver		Capital Guaranteed	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash at Bank	722	443	409	376	124	234	143	334	604	1,541	324	807
Cash Equivalents	2,520	1,943	4,277	4,387	-	-	-	-	24,034	18,377	47,966	41,628
Total Cash and cash equivalents	3,242	2,386	4,686	4,763	124	234	143	334	24,638	19,918	48,290	42,435

	Options		Shielded Growth		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		Scheme Application		TOTAL SCHEME	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash at Bank	-	29,157	8	-	880	697	432	124	506	353	1,430	1,706	10,653	41,794
Cash Equivalents	-	-	-	-	-	-	-	-	-	-	-	-	203,547	189,770
Total Cash and cash equivalents	-	29,157	8	-	880	697	432	124	506	353	1,430	1,706	214,200	231,564

The Funds invest their cash at bank in "on call" deposits at floating interest rates with New Zealand banks registered with the Reserve Bank of New Zealand.

Cash Equivalents represent units held in the Enhanced Cash Portfolio which is an investment option within the Booster Investment Scheme and invests in short term interest bearing securities which have a credit rating of AAA to A-.

Notes to the financial statements
For the year ended 31 March 2019

4 Membership activity

The Membership activity of the Scheme is presented in the Financial Statements for each Fund that comprises the Scheme. This by its nature will include activity between Funds. The Membership activity of the overall Scheme is presented below.

	TOTAL SCHEME	
	2019 \$'000	2018 \$'000
Contributions		
Member contributions at section 64 contribution rate	103,851	92,588
Employer contributions	61,227	56,181
Crown contributions (section 226) and fee subsidies	23,390	21,711
Transfers of Members' accumulations into scheme from other KiwiSaver schemes	78,034	50,083
Transfers of Members' accumulations into scheme from registered superannuation schemes	2,273	1,506
Transfers of Members' accumulations into scheme from Australian superannuation schemes	5,338	6,178
Lump sum contributions	25,176	22,262
Other voluntary contributions over section 64 contribution rate	-	-
Total contributions	299,288	250,508
Withdrawals		
First home purchase withdrawals	16,664	11,812
Mortgage diversion withdrawals	9	9
KiwiSaver end payment date withdrawals	26,813	22,091
Withdrawals on death	2,523	1,798
Serious illness withdrawals	1,691	900
Withdrawals or transfers on permanent emigration	418	346
Significant financial hardship withdrawals	2,968	3,614
Transfers of Members' accumulations out of scheme into other KiwiSaver schemes	75,306	75,780
Transfers of Members' accumulations out of scheme into Australian superannuation schemes	198	88
Amounts required to be paid under other enactments	151	72
Invalid enrolment withdrawals	311	283
Administration fees	3,131	3,282
Total withdrawals	130,184	120,076

Notes to the financial statements
For the year ended 31 March 2019

5 Financial assets and liabilities at fair value through profit or loss

The non-derivative financial assets at fair value through profit or loss have been presented below based on their exposure (net of hedges) to the underlying asset classes as opposed to the legal nature of the assets owned. For example, the international fixed interest holdings are held via unlisted managed investment funds rather than directly through international fixed interest bonds. The legal nature of the assets owned is reflected in Note 7 - Financial risk management.

	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<i>Non-Derivative financial assets:</i>												
Alternative (Options)	-	-	-	-	-	-	-	-	-	-	-	-
Australian Shares	11,497	9,534	18,086	13,104	23,891	22,164	3,268	3,128	-	-	2,025	1,430
International Fixed Interest	9,935	3,062	23,130	19,938	96,434	67,129	37,490	29,788	-	-	-	-
International Shares	209,913	126,774	131,176	109,836	150,668	141,403	29,281	25,520	-	-	29,201	13,476
New Zealand Fixed Interest	6,635	4,150	26,149	19,165	67,012	55,767	37,172	34,401	-	1,004	-	-
New Zealand Shares	61,657	30,842	58,978	41,056	64,001	48,135	15,890	12,602	-	-	9,411	3,279
Property Related Shares	14,227	12,915	14,914	19,640	24,944	22,847	6,141	7,699	-	-	2,484	1,355
Total financial assets held at fair value through profit or loss	313,864	187,276	272,433	222,739	426,950	357,445	129,242	113,136	-	1,004	43,121	19,540
	SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver		Capital Guaranteed	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<i>Non-Derivative financial assets:</i>												
Alternative (Options)	-	-	-	-	-	-	-	-	-	-	-	-
Australian Shares	1,747	1,700	2,226	1,926	3,015	2,663	-	-	1,470	852	282	332
International Fixed Interest	1,502	523	9,174	5,235	-	-	-	-	19,346	11,184	395	557
International Shares	32,233	22,909	14,507	11,573	-	-	13,313	10,944	9,173	7,105	2,268	2,613
New Zealand Fixed Interest	1,019	724	6,508	4,577	-	-	-	-	13,722	10,130	530	585
New Zealand Shares	9,616	5,426	6,137	3,900	4,691	4,155	-	-	3,194	2,028	1,016	963
Property Related Shares	2,041	1,957	2,271	1,533	-	-	-	-	920	507	-	-
<i>Derivative financial assets:</i>												
Foreign Exchange Contracts	-	1	-	31	-	-	-	-	8	57	-	-
Total financial assets held at fair value through profit or loss	48,158	33,240	40,823	28,775	7,706	6,818	13,313	10,944	47,833	31,863	4,491	5,050
<i>Derivative financial liabilities:</i>												
Foreign Exchange Contracts	-	-	-	-	-	-	-	-	41	55	-	-
Total financial liabilities held at fair value through profit or loss	-	-	-	-	-	-	-	-	41	55	-	-

Notes to the financial statements
For the year ended 31 March 2019

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

	Options		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		Shielded Growth		TOTAL SCHEME	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<i>Non-Derivative financial assets:</i>												
Alternative (Options)	-	62,914	-	-	-	-	-	-	-	-	-	62,914
Australian Shares	-	-	2,874	2,281	334	122	242	235	34	-	70,991	59,470
International Fixed Interest	-	-	6,116	5,166	4,579	1,743	12,623	11,130	29	-	220,753	155,453
International Shares	-	-	45,893	37,904	5,330	2,051	4,313	3,758	643	-	677,912	515,866
New Zealand Fixed Interest	-	-	-	-	-	-	-	-	19	-	158,766	130,502
New Zealand Shares	-	-	8,782	7,138	1,002	364	836	692	189	-	245,400	160,581
Property Related Shares	-	-	3,490	2,783	613	234	999	855	43	-	73,087	72,324
<i>Derivative financial assets:</i>												
Foreign Exchange contracts	-	-	-	-	-	-	-	-	-	-	8	89
Total financial assets held at fair value through profit or loss	-	62,914	67,155	55,272	11,858	4,514	19,013	16,670	957	-	1,446,917	1,157,200
<i>Derivative financial liabilities:</i>												
Foreign Exchange contracts	-	-	-	-	-	-	-	-	-	-	41	55
Total financial liabilities held at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	41	55

Investments greater than 5% of net assets available for benefits

	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Booster Investment Enhanced Cash Portfolio	5%	5%	6%	7%	9%	13%	19%	19%	99%	92%	-	-
Booster Wholesale Australian Shares Fund	-	-	5%	-	-	-	-	-	-	-	-	8%
Booster Wholesale Global Direct Shares Fund	-	9%	-	6%	-	-	-	-	-	-	-	14%
Booster Wholesale Global Fixed Interest Fund	-	-	8%	8%	21%	16%	24%	21%	-	-	-	-
Booster Wholesale Global Index Plus Shares Fund	52%	49%	37%	35%	26%	26%	15%	14%	-	-	68%	69%
Booster Wholesale Global Specialist Managers Fund	11%	6%	8%	-	6%	-	-	-	-	-	14%	9%
Booster Wholesale New Zealand Fixed Interest Fund	-	-	9%	8%	14%	13%	23%	24%	-	-	-	-
Booster Wholesale New Zealand Shares Fund	16%	15%	17%	16%	11%	11%	8%	9%	-	-	24%	21%
Booster Wholesale Property Fund	-	-	-	6%	-	-	-	-	-	-	-	7%
HSBC Floating Rate Note 10/12/2018	-	-	-	-	-	-	-	-	-	7%	-	-

Notes to the financial statements
For the year ended 31 March 2019

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

Investments greater than 5% of net assets available for benefits

	Shielded Growth		SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Booster Investment Enhanced Cash Portfolio	-	-	-	5%	9%	13%	-	-	-	-	33%	36%
Booster Wholesale Australian Shares Fund	-	-	-	-	-	-	39%	38%	-	-	-	-
Booster Wholesale Australian Socially Responsible Share Fund	-	-	-	-	-	6%	-	-	-	-	-	-
Booster Wholesale Global Direct Shares Fund	-	-	-	-	-	-	-	-	-	15%	-	-
Booster Wholesale Global Fixed Interest Fund	-	-	-	-	-	-	-	-	-	-	-	-
Booster Wholesale Global Index Plus Shares Fund	-	-	-	-	-	-	-	-	82%	73%	-	-
Booster Wholesale Global Socially Responsible Shares Fund	-	-	63%	65%	32%	35%	-	-	-	-	-	-
Booster Wholesale Global Specialist Managers Fund	-	-	-	-	-	-	-	-	17%	10%	-	-
Booster Wholesale New Zealand Fixed Interest Fund	-	-	-	-	14%	14%	-	-	-	-	19%	20%
Booster Wholesale New Zealand Shares Fund	-	-	-	-	-	-	60%	59%	-	-	-	-
Booster Wholesale New Zealand Socially Responsible Fund	-	-	19%	15%	14%	12%	-	-	-	-	-	-
Booster Wholesale Property Fund	-	-	-	6%	5%	-	-	-	-	-	-	-
Booster Investment Shielded Growth Fund	99%	-	-	-	-	-	-	-	-	-	-	-
UBS MSCI World Socially Responsible UCITS ETF	-	-	-	-	-	-	-	-	-	-	13%	14%
Vanguard Int'l Fixed Interest Index Fund (AUD Hgd)	-	-	-	-	-	16%	-	-	-	-	-	22%
Vanguard Ethically Conscious Gbl Agg Bond Index Fund NZD Hgd	-	-	-	-	20%	-	-	-	-	-	27%	-

	Options		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		Capital Guaranteed	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Booster Investment Enhanced Cash Portfolio	-	-	-	-	-	-	-	-	91%	88%
DFA Emerging Markets Trust	-	-	14%	14%	9%	9%	-	-	-	-
DFA Five Year Diversified Fixed Interest Trust – NZD Hedged	-	-	-	-	13%	13%	26%	26%	-	-
DFA Global Bond Trust – NZD Hedged	-	-	6%	6%	21%	21%	20%	20%	-	-
DFA Global Core Equity Trust – NZD Hedged	-	-	41%	41%	26%	27%	13%	13%	-	-
DFA Global Core Equity Trust – Unhedged	-	-	14%	14%	9%	9%	-	-	-	-
DFA Global Real Estate Trust - NZD Hedged	-	-	5%	-	5%	5%	5%	5%	-	-
DFA Two Year Diversified Fixed Interest Trust - NZD Hedged	-	-	-	-	-	-	19%	20%	-	-
Nikko AM Wholesale Option Fund	-	69%	-	-	-	-	-	-	-	-
NZ Core Equity Trust	-	-	13%	13%	8%	8%	-	-	-	-

Notes to the financial statements
For the year ended 31 March 2019

6 Related Parties

(a) Responsible Entities

Booster Investment Management Limited is the Manager of the Scheme . The Manager is a wholly owned subsidiary of Booster Financial Services Limited. Under the terms of the Trust Deed the Manager is entitled to receive management fees and the Supervisor is entitled to receive a fee for its services. All fees are deducted from Members' accounts or from the assets of each of the Funds.

(b) Details of Key Management Personnel

Directors

The Directors of the Manager are considered to be Key Management Personnel.

The Directors of the Manager in office during the year or up to the date of signing of these financial statements were:

	<u>Appointed</u>
Allan Seng Tong Yeo	29 April 1999
Brendon Hugh Doyle	27 February 2017
Bruce Adrian Edgar	3 October 2016
John Ross Selby	16 May 2016
Paul Gerard Foley	30 April 2013

In addition to the Directors, the Manager is considered to be Key Management Personnel with the authority for the strategic direction and management of the Scheme.

Key management personnel transactions

No amounts have been paid by the Scheme to the Directors in their capacity as Directors of the Manager.

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

The Directors interests at the reporting date consist of Booster KiwiSaver Geared Growth Fund \$9,000 (2018 \$9,000) and the Booster KiwiSaver Balanced Fund \$91,000 (2018 \$85,000)

(c) Manager and Supervisor fees and other transactions

Under the terms of the Trust Deed, the Manager is entitled to receive management fees which are expressed as a percentage of the net assets of each Fund (excluding GST).

The fees rates for the Funds are as follows:

	2019	2018		2019	2018
High Growth Fund	1.27%p.a.	1.27%p.a.	International Share Fund	1.32%p.a.	1.32%p.a.
Balanced Growth Fund	1.22%p.a.	1.22%p.a.	Trans-Tasman Share Fund	1.17%p.a.	1.17%p.a.
Balanced Fund	1.17%p.a.	1.17%p.a.	Default Saver Fund	0.38%p.a.	0.38%p.a.
Moderate Fund	1.07%p.a.	1.07%p.a.	Capital Guaranteed Fund	0.90%p.a.	0.90%p.a.
Enhanced Income Fund	0.82%p.a.	0.82%p.a.	Options Fund	1.15%p.a.	1.15%p.a.
Geared Growth Fund	1.27%p.a.	1.27%p.a.	Asset Class Growth Fund	1.29%p.a.	1.29%p.a.
Socially Responsible Investment Growth Fund	1.17%p.a.	1.17%p.a.	Asset Class Balanced Fund	1.22%p.a.	1.22%p.a.
Socially Responsible Investment Balanced Fund	1.17%p.a.	1.17%p.a.	Asset Class Conservative Fund	1.15%p.a.	1.15%p.a.
Shielded Growth Fund	1.27%p.a.	n/a			

Notes to the financial statements
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6 Related Parties (continued)

The management fees paid to the Manager for each Fund is disclosed in the statement of changes in net assets as "Management Fees". The amount of management fees payable at reporting date are noted in the table below.

This fee comprises fees payable to the Manager for providing investment management and administration services (including any fees payable to an underlying fund) and the fee payable to the Supervisor for providing supervisory services, and reimburses the Manager's and the Supervisor's regular costs, expenses and liabilities incurred in running the Scheme.

All fees and expense reimbursements charged through the unit price of the underlying investments (except for performance fees and foreign exchange facilitation (as above) are fully rebated to the Funds. The exceptions do not apply to the Default Saver Fund. During the current year the total amounts directly rebated to the Funds are included in the Statement of changes in net assets as "Other income". The amount of rebates receivable at reporting date are noted in the table below.

	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Management Fees outstanding as at reporting date	351	216	296	250	462	413	143	128	12	11	44	20
Rebates outstanding as at reporting date	21	8	20	11	28	17	9	5	1	-	2	1

	SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver		Capital Guaranteed	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Management Fees outstanding as at reporting date	50	35	44	33	8	7	15	13	23	16	40	36
Rebates outstanding as at reporting date	2	1	3	2	-	-	-	-	8	6	2	1

	Options		Shielded Growth		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		TOTAL SCHEME	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Management Fees outstanding as at reporting date	-	89	1	-	74	61	12	4	19	17	1,594	1,349
Rebates outstanding as at reporting date	-	-	2	-	25	21	4	1	6	5	133	79

The Manager paid the Supervisor \$413,000 (2018: \$356,000) in Supervisor fees.

The Manager paid Grant Thornton \$26,200 (2018: \$21,000) in audit fees and \$2,400 (2018:\$3,000) in registry audit fees.

Except for the Default Saver Fund, the Manager and/or the Supervisor are entitled to be reimbursed out of the Scheme for all non-regular and extraordinary costs, expenses and liabilities incurred by them in acting as the Manager or Supervisor of the Scheme not otherwise met out of the annual management fee. The Scheme did not reimburse the Manager or the Supervisor for such costs in the current or prior year.

Default Saver Fund – Expenses:

The Manager and/or the Supervisor are not entitled to be reimbursed out of the Default Saver Fund for non-regular and extraordinary costs, expenses and liabilities incurred by them in acting as the Manager or Supervisor of the Scheme not otherwise met out of the annual management fee. The Supervisor is entitled to be reimbursed by the Manager for non-regular and extraordinary costs, expenses and liabilities relating to the Default Saver Fund incurred by it in acting as the Supervisor of the Scheme not otherwise met out of the annual management fee.

Notes to the financial statements
For the year ended 31 March 2019

6 Related Parties (continued)

Gearing Fee:

1.1% p.a. of the geared component of the Geared Growth Fund ("GGF") is payable to the Manager (2018: 1.1% p.a.). The total expense for the current period is \$79,000 (2018: \$38,000).

There is a Loan Facility agreement in place between the Supervisor of the GGF and the Supervisor of the Income Securities Portfolio of the Booster Investment Scheme ("ISP") to provide a facility of up to \$8m (2018: \$8m) to the GGF from the ISP upon the terms and subject to the conditions set out in the agreement. As at reporting date, \$8,000,000 was outstanding under this facility (2018: \$5,100,000). The interest paid for the current period was \$299,000 (2018: \$148,000) and the only movement was the increase as disclosed in the statement of cash flows.

Foreign Exchange Facilitation Fee:

Up to 0.50% p.a. (2018: 0.50% p.a.) of any net foreign exchange transactions undertaken by a Fund is payable to Booster Custodial Administration Services Limited, a wholly owned subsidiary of Booster Financial Services Limited. This fee does not apply to the Default Saver Fund. For the year ended 31 March 2019 the Funds incurred direct fees of \$1,000 (2018: \$14,000).

Withdrawal / Account Closure Fee:

An account closure fee of \$30 (2018: \$30) is charged when a Member closes their Scheme account, and is deducted from the Members' accounts. This fee is not charged to members where all their money has been fully invested in the Default Saver Fund since they joined the Scheme.

Member Fee:

The Standard Member Fee is \$36 per annum (2018: \$36) (\$3.00 per month) for members with an account balance greater than \$500. Members who have had all their money fully invested in the Default Saver Fund since they joined the Scheme will pay no member fee unless the balance of their member account is greater than \$10,001, where a fee of \$2.50 per month will apply.

During the year, member and withdrawal/account closure fees of \$3,350,000 were deducted from member accounts and paid to the Manager by cancelling units in members' accounts (2018: \$3,322,000). At reporting date, member and withdrawal/account closure fees payable were \$279,000 (2018: \$272,000).

(d) Booster Investment Scheme (BIS) and Booster Investment Scheme 2 (BIS 2)

Booster Investment Management Limited (BIML) is also the manager of the BIS and BIS 2 which are both registered schemes under the Financial Markets Conduct Act 2013.

All management fees and expense reimbursements charged by BIML and supervisor fees paid to the supervisor through the unit prices of the BIS and BIS 2 funds are fully rebated to the Funds. In addition, where the Funds invest in managed investment funds that are not managed by the BIML (or related parties of BIML), except for performance-based fees, all management fees charged by those funds are fully rebated to the Scheme by the BIML.

The Funds had the following amounts invested in BIS and BIS2 at reporting date:

	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Investment in BIS	314,563	196,479	274,584	237,172	451,591	409,451	153,606	139,847	16,878	14,242	41,509	19,422
Investment in BIS 2	5,874	-	5,533	-	7,886	-	2,513	-	-	-	829	-

	SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver		Capital Guaranteed	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Investment in BIS	49,182	34,658	35,936	27,896	7,706	6,818	13,313	10,943	43,394	31,893	52,565	46,677
Investment in BIS 2	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements
For the year ended 31 March 2019

6 Related Parties (continued)

	Options		Shielded Growth		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		TOTAL SCHEME	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Investment in BIS	-	-	957	-	-	-	-	-	-	-	1,455,784	1,175,498
Investment in BIS 2	-	-	-	-	-	-	-	-	-	-	22,635	-

(e) Booster Tahī Limited Partnership (Booster Tahī LP)

Booster Tahī LP is a limited partnership registered under the Limited Partnerships Act 2008. It is not a registered managed investment scheme under the Financial Markets Conduct Act 2013. Booster Funds Management Limited (BFML) is the manager of Booster Tahī LP and Booster Tahī GP Limited (BTGP) is the general partner of Booster Tahī LP. Both BFML and BTGP are wholly owned subsidiaries of Booster Financial Services Limited (BFSL). Some Funds within the Scheme invest in Booster Tahī LP.

BFML is entitled to a performance fee from Booster Tahī LP based on returns generated by Booster Tahī LP. As BFML is a related party of BIML, BIML will rebate 0.50% of its management fee where it relates to investments in Booster Tahī LP.

Rebates received by the Funds are included in the Statement of changes in net assets available for benefits as "Rebates". Rebates outstanding at reporting date are disclosed as "rebates" in Note 6(c) Manager and Supervisor fees and other transactions. Included therein are rebates received in respect to the investment in Booster Tahī LP the details of which are listed below.

	High Growth		Balanced Growth		Balanced		Moderate		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Investment in Booster Tahī LP	10,126	1,651	10,335	2,024	11,221	2,638	2,601	530	776	118
Rebates received with respect to Booster Tahī LP	15	8	14	10	16	12	4	3	1	-
Rebates outstanding with respect to Booster Tahī LP	2	1	2	1	2	2	-	-	-	-

(f) NZ Innovation GP Limited (NZIB GP)

NZ Innovation Booster LP (NZIB LP)

NZIB LP is a limited partnership registered under the Limited Partnerships Act 2008. It is not a registered managed investment scheme under the Financial Markets Conduct Act 2013. NZIB GP is the general partner of NZIB LP. NZIB GP is 50% owned by BFSL. John Selby, Allan Yeo, Brendon Doyle and Paul Foley (alternate) were directors of both the Manager and NZIB GP. Some Funds within the Scheme invest in NZIB LP.

	High Growth		Balanced Growth		Balanced		Moderate		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Investment in NZIB LP	60	-	64	-	69	-	15	-	7	-

Notes to the financial statements For the year ended 31 March 2019

7 Financial risk management

As at reporting date, the Scheme is primarily invested in unlisted managed investment schemes and cash and cash equivalents. Risks arising from holding financial instruments are managed through a process of on-going identification, measurement and monitoring. The Scheme and Funds may be exposed to credit risk, market price risk and liquidity and cash flow risk arising from the financial instruments it holds.

The risks are measured using a method that reflects the expected impact on the results and net assets attributable to Members of the Scheme from reasonably possible changes in the relevant risk variables. Information about these risk exposures at the reporting date, measured on this basis, is disclosed below. Information about the total fair value of financial instruments exposed to risk, as well as compliance with established investment mandate limits, is also monitored by the Manager. These mandate limits reflect the investment strategy and market environment of the Scheme, as well as the level of risk that the Scheme is willing to accept, with additional emphasis on selected industries. This information is prepared and reported to relevant parties within the Manager on a regular basis (ranging from daily to monthly depending on the nature of the information) as deemed appropriate.

In order to avoid excessive concentrations of risk, the Manager monitors the Scheme's and Fund's exposure to ensure concentrations of risk remain within acceptable levels. The risk management policies employed by the Manager to manage these risks are discussed below.

(a) Credit risk

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

With respect to credit risk arising from the financial assets of the Scheme, the Scheme's exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these instruments as disclosed in the statement of net assets. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the reporting date.

Concentrations of credit risk are minimised in each fund primarily by:

- Ensuring counterparties, together with the respective credit limits, are approved and consistent with the investment objectives for each Fund;
- Ensuring that transactions are undertaken with a large number of counterparties; and
- Ensuring that the majority of transactions are undertaken on recognised exchanges.

The carrying amount of financial assets best represents the maximum credit risk exposure at each reporting date. This relates also to financial assets carried at amortised cost, as they have a short term to maturity.

The credit risk exposure has been prepared on the basis of each Fund's direct investments only and not on a look through basis for investments held indirectly through managed investment funds. Where the Funds invest into managed investment funds ("underlying funds") managed by the Manager, the investment strategies of these underlying funds aim to achieve an appropriate diversification of investments to manage their credit risk. As at reporting date the Funds investments in managed investment funds that were indirectly exposed to credit risk are set out in the table to follow.

The Manager does not consider there to be significant credit risk in relation to accounts receivable or cash equivalents. Accounts receivable is made up of unsettled sales of financial assets or income receivables, all of which have settled subsequent to the reporting date. Cash Equivalents represent units held in the Booster Investment Series Enhanced Cash Portfolio which invests in short term interest bearing securities which have a credit rating of AAA to A-.

Notes to the financial statements
For the year ended 31 March 2019

7 Financial risk management (continued)

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.

	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Indirect credit exposure										
Investments in managed funds that are indirectly exposed to credit risk	33,292	18,065	67,323	55,559	207,164	177,536	104,088	91,428	16,840	15,248
Direct credit exposure										
Cash at bank: AAA to A-	1,003	1,102	1,044	1,149	1,597	2,477	786	692	225	217
Financial assets at fair value through profit or loss: AAA to A-	-	-	-	-	-	-	-	-	-	1,004
Financial assets at fair value through profit or loss: Not rated	-	-	-	-	-	-	-	-	-	1
Total	1,003	1,102	1,044	1,149	1,597	2,477	786	692	225	1,222

	Geared Growth		SRI Growth		SRI Balanced		Trans-Tasman		International Share	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Indirect credit exposure										
Investments in managed funds that are indirectly exposed to credit risk	-	-	5,040	3,189	19,958	14,199	-	-	-	-
Direct credit exposure										
Cash at bank: AAA to A-	416	385	722	443	409	376	124	234	143	334
Financial assets at fair value through profit or loss: AAA to A-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss: Not rated	-	-	-	-	-	-	-	-	-	-
Total	416	385	722	443	409	376	124	234	143	334

	Default Saver		Capital Guaranteed		Options		Shielded Growth		Asset Class Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Indirect credit exposure										
Investments in managed funds that are indirectly exposed to credit risk	57,102	39,693	48,891	42,769	-	-	49	-	6,116	5,166
Direct credit exposure										
Cash at bank: AAA to A-	604	1,541	324	807	-	29,157	8	-	880	697
Financial assets at fair value through profit or loss: AAA to A-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss: Not rated	-	-	-	-	-	-	-	-	-	-
Total	604	1,541	324	807	-	29,157	8	-	880	697

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7 Financial risk management (continued)

	Asset Class Balanced		Asset Class Conservative		Scheme Application		TOTAL SCHEME	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Indirect credit exposure								
Investments in managed funds that are indirectly exposed to credit risk	4,579	1,743	12,623	11,130	-	-	583,065	475,725
Direct credit exposure								
Cash at bank: AAA to A-	432	124	506	353	1,430	1,706	10,653	41,794
Financial assets at fair value through profit or loss: AAA to A-	-	-	-	-	-	-	-	1,004
Financial assets at fair value through profit or loss: Not rated	-	-	-	-	-	-	-	1
Total	432	124	506	353	1,430	1,706	10,653	42,799

(b) Market price risk

Market price risk is the risk that the value of the Funds 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.

Market risk comprises three types of risk; foreign currency risk, interest rate risk and other market price risk.

(b(i)) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The foreign currency risk disclosures have been prepared on the basis of the Funds direct investments (including investments in non-New Zealand domiciled managed investment funds) and not on a look through basis for investments held indirectly through New Zealand domiciled managed investment funds.

To the extent that a Fund holds international investments, the level of currency hedging is set with regards to the investment objective within each investment sector. International property and fixed interest investments are fully hedged, while the level of hedging within international and Australian shares is actively managed by the Manager.

At the reporting date, the benchmark for the proportion of the currency exposure hedged in each of the investment sectors, where applicable, is as follows:

	Default Saver		Asset Class Growth		Asset Class Balanced		Asset Class Conservative	
	2019	2018	2019	2018	2019	2018	2019	2018
Hedging presented as percentage of fund:								
International Shares	60%	60%	60%	60%	60%	60%	60%	60%
Australian Shares	n/a	n/a	0%	0%	0%	0%	0%	0%

Foreign currency risk sensitivity analysis

	Default Saver		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		TOTAL SCHEME	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<i>Financial assets and liabilities at fair value through profit or loss</i>										
Carrying amount exposed to currency risk (net of hedges)	9,173	2,772	21,211	17,403	2,470	944	1,967	1,755	34,821	22,873
Foreign Currency Rate (NZD to Foreign) + 10%	(917)	(277)	(2,121)	(1,740)	(247)	(94)	(197)	(175)	(3,482)	(2,287)
Foreign Currency Rate (NZD to Foreign) - 10%	917	277	2,121	1,740	247	94	197	175	3,482	2,287

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7 Financial risk management (continued)

(b(ii)) Interest rate risk

Interest rate risk represents the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. A Fund's exposure to market value risk for changes in interest rates relate primarily to investments in fixed interest bonds and debentures. The duration of the instrument (expressed at Fund level) has a significant influence on the interest rate sensitivity.

The interest rate risk exposure has been prepared on the basis of each Fund's direct investments only and not on a look through basis for investments held indirectly through other managed investment funds.

The analysis below shows the effect of fair value changes on profit or loss and net assets that would result from reasonable changes in the interest rate.

	Enhanced Income		TOTAL SCHEME	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<i>Financial instruments at fair value through profit or loss</i>				
Amount exposed to interest rate risk	-	1,005	-	1,005
Interest rate - 1.00%	-	2	-	2
Interest rate + 2.00%	-	(4)	-	(4)

Excluded funds do not have material direct exposure to interest rate risk.

(b(iii)) Other market price risk

Other market price risk represents the risk that the value of a financial instrument will fluctuate because of changes in market prices other than interest rates and foreign currency rates.

Other market price risk sensitivity analysis

The analysis below shows the effect on profit or loss and net assets that would result in reasonable changes in market fluctuations where a Fund has invested in managed investment funds or directly in equity securities.

	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<i>Financial instruments at fair value through profit or loss</i>												
Amount exposed to market risk	313,864	187,277	272,433	222,739	426,950	357,445	129,242	113,136	-	1	43,121	19,540
Market -10%	(31,386)	(18,728)	(27,243)	(22,274)	(42,695)	(35,745)	(12,924)	(11,314)	-	-	(4,312)	(1,954)
Market +10%	31,386	18,728	27,243	22,274	42,695	35,745	12,924	11,314	-	-	4,312	1,954

Notes to the financial statements
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7 Financial risk management (continued)

Other market price risk sensitivity analysis (continued)

	SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver		Capital Guaranteed	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Financial instruments at fair value through profit or loss</i>												
Amount exposed to market risk	48,158	33,238	40,823	28,744	7,706	6,818	13,313	10,943	47,825	31,806	4,491	5,050
Market -10%	(4,816)	(3,324)	(4,082)	(2,874)	(771)	(682)	(1,331)	(1,094)	(4,783)	(3,181)	(449)	(505)
Market +10%	4,816	3,324	4,082	2,874	771	682	1,331	1,094	4,783	3,181	449	505
	Options		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		Shielded Growth		TOTAL SCHEME	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Financial instruments at fair value through profit or loss</i>												
Amount exposed to market risk	-	62,914	67,155	55,272	11,858	4,514	19,013	16,669	957	-	1,446,909	1,156,107
Market -10%	-	(6,291)	(6,716)	(5,527)	(1,186)	(451)	(1,901)	(1,667)	(96)	-	(144,691)	(115,611)
Market +10%	-	6,291	6,716	5,527	1,186	451	1,901	1,667	96	-	144,691	115,611

(c) Liquidity and cash flow risk

Liquidity risk is the risk that the Funds will experience difficulty in either realising assets or raising sufficient funds to satisfy commitments associated with financial instruments. Cash flow risk is the risk that future cash flows derived from holding financial instruments will fluctuate. The risk management guidelines adopted by the Funds are designed to minimise liquidity and cash flow risk through ensuring that there is no significant exposure to illiquid or thinly traded financial instruments, applying limits to ensure there is no concentration of liquidity risk to a particular counterparty or market. Based on the maturity profiles and, where applicable, the existence of secondary markets, all financial assets, except as listed below, are realisable within six months of the reporting date and all financial liabilities are payable within six months of the reporting date.

	High Growth		Balanced Growth		Balanced		Moderate		Geared Growth		TOTAL SCHEME	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets realisable in greater than 6 months	16,001	5,327	15,868	7,533	19,107	8,992	5,115	2,580	1,606	464	57,697	24,896

(d) Estimation of fair values

NZ IFRS 13 *Fair Value Measurement* requires the Scheme to measure and disclose fair values using the following fair value hierarchy:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the financial statements
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7 Financial risk management (continued)

(d) Estimation of fair values (continued)

All financial assets and financial liabilities at fair value through profit or loss as disclosed in note 5 are classified as level 2 fair value instruments, except for financial assets classified as global shares in the Default Saver Fund totalling \$9,173,000, which are classified as level 1. In 2018 all financial assets and financial liabilities at fair value through profit or loss were classified as level 2 fair value instruments,, except for financial assets classified as global shares in the Default Saver Fund totalling \$7,105,000, which are classified as level 1. The Fund's holdings in managed investment funds are valued at the price quoted by the manager of each those funds. There were no transfers between Level 1 and Level 2 in 2019 or 2018.

Measurement of fair value of financial instruments classified as Level 2

Financial instruments classified as being Level 2 include forward foreign currency contracts and holdings in managed investment funds.

Managed Investment Funds

The Scheme's holdings in managed investment funds are valued at the price quoted by the manager of those funds.

There were no transfers between Level 1 and Level 2 in 2019 or 2018, and there were no financial instruments classified as Level 3.

Notes to the financial statements
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8 Reconciliation of total comprehensive income / (loss) attributable to Members to net cash flows from operating activities

	High Growth		Balanced Growth		Balanced		Moderate		Enhanced Income		Geared Growth	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Total comprehensive income / (loss)	22,709	14,499	22,218	15,639	31,694	21,804	9,202	5,560	308	329	2,467	883
Reinvested dividends	-	-	-	-	-	-	-	-	-	-	-	-
Net unrealised (gains) / losses on financial instruments held at fair value through profit or loss	(11,109)	(10,789)	(10,382)	(13,493)	(18,837)	(17,739)	(4,463)	(4,444)	3	(2)	(1,868)	(909)
Net realised (gains) / losses on financial instruments held at fair value through profit or loss	(14,741)	(5,699)	(14,458)	(4,363)	(16,311)	(7,140)	(5,409)	(1,798)	2	3	(1,248)	(287)
Net (purchases) / sales of financial instruments at fair value through profit or loss	(100,736)	(17,742)	(24,854)	(24,631)	(34,358)	(27,123)	(6,233)	(6,467)	1,000	2	(20,465)	(9,301)
Change in income receivables	(27)	(2)	(7)	(10)	31	(41)	1	(14)	(2)	(1)	(1)	(1)
Change in expense payables	135	38	46	46	49	58	15	9	1	(3)	36	30
Net cash flows from operating activities	(103,769)	(19,695)	(27,437)	(26,812)	(37,732)	(30,181)	(6,887)	(7,154)	1,312	328	(21,079)	(9,585)

	SRI Growth		SRI Balanced		Trans-Tasman		International Share		Default Saver		Capital Guaranteed	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Total comprehensive income / (loss)	3,744	2,491	2,910	1,700	993	431	817	933	3,264	1,795	1,167	1,050
Reinvested dividends	(18)	(92)	(181)	(419)	-	-	-	-	(383)	(734)	-	-
Net unrealised (gains) / losses on financial instruments held at fair value through profit or loss	(3,667)	(2,385)	(2,825)	(1,458)	(920)	(442)	(257)	(931)	(2,707)	255	271	(234)
Net realised (gains) / losses on financial instruments held at fair value through profit or loss	(466)	(312)	(178)	(47)	(152)	(60)	(714)	(129)	499	(947)	(623)	(100)
Net (purchases) / sales of financial instruments at fair value through profit or loss	(10,767)	(6,432)	(8,865)	(4,216)	183	(519)	(1,397)	(1,125)	(13,394)	(7,540)	910	(1,090)
Change in income receivables	(6)	(1)	1	(4)	-	-	-	-	(5)	(26)	(3)	(21)
Change in expense payables	15	9	11	6	1	1	2	2	7	6	4	1
Net cash flows from operating activities	(11,165)	(6,722)	(9,127)	(4,438)	105	(589)	(1,549)	(1,250)	(12,719)	(7,191)	1,726	(394)

Notes to the financial statements
For the year ended 31 March 2019

8 Reconciliation of total comprehensive income / (loss) attributable to Members to net cash flows from operating activities continued

	Options		Asset Class Growth		Asset Class Balanced		Asset Class Conservative		Shielded Growth		TOTAL SCHEME	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Total comprehensive income / (loss)	591	6,256	2,578	3,921	399	(36)	713	531	15	-	105,789	77,784
Reinvested dividends	-	-	-	-	-	-	-	-	-	-	(582)	(1,245)
Net unrealised (gains) / losses on financial instruments held at fair value through profit or loss	15,304	1,359	(1,995)	(2,484)	(338)	48	(623)	(57)	(12)	-	(44,425)	(53,705)
Net realised (gains) / losses on financial instruments held at fair value through profit or loss	(15,901)	(8,643)	-	38	-	-	-	(105)	8	-	(69,692)	(29,589)
Net (purchases) / sales of financial instruments at fair value through profit or loss	63,511	33,299	(9,888)	(11,128)	(7,006)	(4,562)	(1,721)	(3,077)	(953)	-	(175,033)	(91,652)
Change in income receivables	-	-	(21)	(139)	(13)	(8)	(2)	(14)	(2)	-	(56)	(282)
Change in expense payables	(89)	-	13	16	8	4	2	2	1	-	257	225
Net cash flows from operating activities	63,416	32,271	(9,313)	(9,776)	(6,950)	(4,554)	(1,631)	(2,720)	(943)	-	(183,742)	(98,464)

9 Contingent assets and liabilities and commitments

There are no outstanding contingent assets or liabilities or commitments at the reporting date (2018 : Nil).

10 Capital Management

The Scheme's capital is represented by redeemable units and is reflected in the statement of net assets as net assets attributable for benefits. In accordance with the risk management policies outlined in Note 7, the Scheme 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 (2018: None).

11 Events occurring after reporting date

2019

On 1 April 2019, the Supervisor of the Geared Growth Fund entered into a Loan Agreement with the Supervisor of the New Zealand Fixed Interest Portfolio in the Booster Investment Scheme (which is also managed by the Manager) to provide a facility of up to \$9,500,000. As at the date of signing of these financial statements, \$1,600,000 had been lent pursuant to the Loan Agreement and the applicable interest rate was OCR + 2.5% which was 4.25%.

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

2018

On 14 March 2018 the Manager resolved to close and wind up the Options Fund. On 7 May 2018, each member's investment in the Options Fund was either switched to their chosen fund/s or to the High Growth Fund. The total redemption value was \$91,533,000.



Grant Thornton

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Independent auditor's report

To the Members of the Booster KiwiSaver Scheme

Report on the audit of the financial statements



Opinion

We have audited the attached financial statements on pages 1 to 30 of the scheme and the individual funds of the Booster KiwiSaver Scheme listed in Appendix 1 (the "Scheme and Funds") which comprise the Statement of net assets as at 31 March 2019, and the Statement of changes in net assets and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Scheme and Funds as at 31 March 2019 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) issued by the New Zealand Accounting Standards Board.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) issued by the New Zealand Audit and Assurance Standards Board. 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 Scheme in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners 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.

Our firm carries out other assignments for the Scheme and Funds in the area of other assurance services. The firm has no other interest in the Scheme and Funds.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Why the matter is significant	How our audit addressed the key audit matter
<p>Valuation and Existence of Financial Assets at Fair Value through Profit or Loss</p> <p>As at 31 March 2019, the scheme and funds hold significant financial assets at fair value through profit or loss. While the investments were not assessed to be at a significant risk of misstatement or subject to significant levels of judgement, due to their materiality in the context of the Scheme and Funds as a whole, they were considered to be the area which had the greatest impact on our overall audit strategy and the allocation of resources in planning and completing our audit.</p>	<p>We have:</p> <ul style="list-style-type: none"> Documented and understood the controls in place for recording investment transactions and valuing the portfolio. This included evaluating the control environment in place at the Manager by obtaining and reading the report issued by an independent auditor on the design and operation of those controls Agreed the 31 March 2019 investment holdings to confirmations received from the managers of those investments.

Emphasis of Matter – Fund Wind Up

We draw attention to Note 1 and 2 of the financial statements, which notes that the Options Fund was wound up during the period. Accordingly the financial statements in respect to this fund were not prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Manager’s responsibilities for the Financial Statements

The Manager is responsible on behalf of the Scheme and Funds for the preparation and fair presentation of the financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board, 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 on behalf of the Scheme and Funds for assessing the Scheme and 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 Manger either intends to liquidate the Scheme and Funds or to 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 ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor’s responsibilities for the audit of the financial statements is located on the following website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-2/>

Restriction on use of our report

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

Grant Thornton New Zealand Audit Partnership



Brayden Smith
Wellington
24 June 2019



Appendix 1

Detailed below are the funds which have been individually audited and are subject to this audit opinion

- High Growth Fund
- Balanced Growth Fund
- Balanced Fund
- Moderate Fund
- Enhanced Income Fund
- Geared Growth Fund
- Socially Responsible Investment Growth Fund
- Socially Responsible Investment Balances Fund
- Trans-Tasman Share Fund
- International Share Fund
- Default Saver Fund
- Capital Guaranteed Fund
- Options Fund
- Asset Class Growth Fund
- Asset Class Balanced Fund
- Asset Class Conservative Fund
- Shielded Growth Fund

