

Octagon Investment Funds
Financial Statements
For the year ended 31 March 2024

Statements of Comprehensive Income

\$		NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
For the year ended 31 March	Note	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Income											
Interest income on financial assets at amortised cost		65,857	32,250	77,229	51,974	47,035	55,806	35,964	15,067	232,969	161,743
Interest income on financial assets at fair value through profit and loss		-	-	-	2	-	-	2	-	4,369,412	5,323,527
Dividend and distribution income		3,086,985	2,868,571	3,159,530	3,319,117	302,442	463,604	1,375,749	1,389,324	65,597	95,608
Net foreign currency (losses)/gains		(409)	1,469	(14,495)	(21,053)	(191,696)	739,740	13,286	(13,745)	-	-
Net (loss)/gain on financial assets and liabilities at fair value through profit or loss		(319,150)	(3,224,175)	11,028,065	(1,612,187)	30,245,282	1,663,149	(33,366)	(6,758,075)	4,120,304	(6,503,421)
Fee rebates	5	-	-	-	-	606,817	443,747	-	-	-	-
Other income		-	-	-	-	128	-	-	-	23,500	53,135
Total income/(loss)		2,833,283	(321,885)	14,250,329	1,737,853	31,010,008	3,366,046	1,391,635	(5,367,429)	8,811,782	(869,408)
Expenses											
Management fees	5	1,001,185	974,882	940,415	903,513	1,776,127	1,503,169	365,627	367,822	1,126,097	1,369,749
Transaction costs		197,366	270,466	118,346	168,305	37,519	132,893	29,067	34,572	22,327	23,470
Other expenses		-	-	-	86	13	107	-	-	-	-
Total operating expenses		1,198,551	1,245,348	1,058,761	1,071,904	1,813,659	1,636,169	394,694	402,394	1,148,424	1,393,219
Operating profit/(loss)		1,634,732	(1,567,233)	13,191,568	665,949	29,196,349	1,729,877	996,941	(5,769,823)	7,663,358	(2,262,627)
Profit/(loss) for the year attributable to Unitholders		1,634,732	(1,567,233)	13,191,568	665,949	29,196,349	1,729,877	996,941	(5,769,823)	7,663,358	(2,262,627)
Total comprehensive income/(loss) for the year attributable to Unitholders		1,634,732	(1,567,233)	13,191,568	665,949	29,196,349	1,729,877	996,941	(5,769,823)	7,663,358	(2,262,627)

\$		Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund*
For the year ended 31 March	Note	2024	2023	2024	2023	2024	2023	2024
Income								
Interest income on financial assets at amortised cost		14,674	11,984	45,323	63,677	29,008	23,776	847,472
Interest income on financial assets at fair value through profit and loss		28	3,218	9,140	32,195	3,548	12,333	400,991
Dividend and distribution income		232,300	152,195	182,338	37,501	69,316	15,537	-
Net foreign currency gains/(losses)		100	(554)	-	2,325	-	441	-
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss		404,937	(518,381)	4,002,375	(754,183)	3,840,018	(573,475)	282,245
Fee rebates	5	50,803	52,554	359,477	287,314	329,175	274,671	-
Other income		-	-	-	-	-	-	1,250
Total income/(loss)		702,842	(298,984)	4,598,653	(331,171)	4,271,065	(246,717)	1,531,958
Expenses								
Management fees	5	80,770	72,788	451,637	369,827	380,467	326,835	88,273
Transaction costs		8,164	8,632	2,706	4,736	1,208	2,604	588
Total operating expenses		88,934	81,420	454,343	374,563	381,675	329,439	88,861
Operating profit/(loss)		613,908	(380,404)	4,144,310	(705,734)	3,889,390	(576,156)	1,443,097
Profit/(loss) for the year attributable to Unitholders		613,908	(380,404)	4,144,310	(705,734)	3,889,390	(576,156)	1,443,097
Total comprehensive income/(loss) for the year attributable to Unitholders		613,908	(380,404)	4,144,310	(705,734)	3,889,390	(576,156)	1,443,097

* Current period is from establishment date, 4 May 2023, to 31 March 2024.

These statements are to be read in conjunction with the accompanying notes.

Statements of Changes in Net Assets Attributable to Unitholders

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
For the year ended 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net assets attributable to Unitholders at the beginning of the year	83,717,065	90,724,308	78,565,069	79,305,864	122,870,391	55,434,822	29,644,966	34,755,318	150,076,071	232,250,832
Proceeds from units issued	16,383,975	11,316,144	12,008,383	14,108,764	14,921,660	91,527,740	8,678,722	5,740,981	30,807,313	30,950,700
Redemption of units	(9,669,172)	(16,769,487)	(12,727,052)	(15,275,879)	(19,525,721)	(25,802,526)	(6,518,375)	(5,091,647)	(35,795,695)	(110,830,993)
Unitholder tax receivables/(liabilities)	17,410	13,333	(159,824)	(239,629)	(100,219)	(19,522)	10,183	10,137	(901,027)	(31,841)
Net increase/(decrease) from transaction in units	6,732,213	(5,440,010)	(878,493)	(1,406,744)	(4,704,280)	65,705,692	2,170,530	659,471	(5,889,409)	(79,912,134)
Total comprehensive income/(loss) for the year attributable to Unitholders	1,634,732	(1,567,233)	13,191,568	665,949	29,196,349	1,729,877	996,941	(5,769,823)	7,663,358	(2,262,627)
Net assets attributable to Unitholders at the end of the year	92,084,010	83,717,065	90,878,144	78,565,069	147,362,460	122,870,391	32,812,437	29,644,966	151,850,020	150,076,071

Units	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
For the year ended 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Units on issue at the beginning of the year	20,962,533	22,375,315	49,604,760	50,360,709	85,549,805	36,104,471	13,336,037	13,110,387	81,903,848	126,150,887
Units issued	4,199,537	2,943,676	7,236,699	9,253,988	9,483,311	68,366,768	3,929,869	2,456,762	16,624,850	17,017,487
Units redeemed	(2,475,520)	(4,356,458)	(7,741,899)	(10,009,937)	(12,578,807)	(18,921,434)	(3,005,374)	(2,231,112)	(19,792,202)	(61,264,526)
Units on issue at the end of the year	22,686,550	20,962,533	49,099,560	49,604,760	82,454,309	85,549,805	14,260,532	13,336,037	78,736,496	81,903,848

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund*
For the year ended 31 March	2024	2023	2024	2023	2024	2023	2024
Net assets attributable to Unitholders at the beginning of the year	10,224,388	8,880,784	33,912,996	31,090,682	27,633,446	24,344,110	-
Proceeds from units issued	2,864,501	4,077,174	16,107,671	10,355,942	8,492,040	7,666,916	51,447,996
Redemption of units	(2,230,855)	(1,967,633)	(7,872,535)	(6,829,764)	(4,699,256)	(3,795,606)	(16,992,468)
Distributions	(453,998)	(370,786)	-	-	-	-	-
Unitholder tax (liabilities)/receivables	(55,844)	(14,747)	(217,914)	1,870	(106,719)	(5,818)	(67,764)
Net increase from transaction in units	123,804	1,724,008	8,017,222	3,528,048	3,686,065	3,865,492	34,387,764
Total comprehensive income/(loss) for the year attributable to Unitholders	613,908	(380,404)	4,144,310	(705,734)	3,889,390	(576,156)	1,443,097
Net assets attributable to Unitholders at the end of the year	10,962,100	10,224,388	46,074,528	33,912,996	35,208,901	27,633,446	35,830,861

Units	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund*
For the year ended 31 March	2024	2023	2024	2023	2024	2023	2024
Units on issue at the beginning of the year	10,936,535	8,759,213	34,556,710	30,941,208	27,699,459	23,725,481	-
Units issued	3,092,494	4,238,786	15,915,064	10,744,885	8,198,035	7,903,829	51,040,659
Units redeemed	(2,461,411)	(2,061,464)	(7,953,359)	(7,129,383)	(4,649,455)	(3,929,851)	(16,866,312)
Units on issue at the end of the year	11,567,618	10,936,535	42,518,415	34,556,710	31,248,039	27,699,459	34,174,347

* Current period is from establishment date, 4 May 2023, to 31 March 2024.

These statements are to be read in conjunction with the accompanying notes.

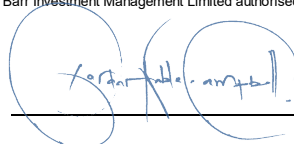
Statements of Financial Position

\$		NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	Note	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Assets											
Cash and cash equivalents		702,308	1,484,034	2,686,302	2,572,057	1,942,423	2,145,785	989,691	426,799	9,930,828	5,740,496
Financial assets at fair value through profit or loss	6	91,143,161	81,630,944	87,678,215	75,439,873	147,446,186	121,851,023	31,894,475	29,118,982	140,245,188	143,674,703
Outstanding settlements receivable		182,006	405,550	590,252	616,555	52,929	46,823	-	82,671	1,435,279	573,323
Contributions receivable		15,055	1,181	9,723	706	532,023	2,381	2,577	568	111,155	48,935
Other receivables		393,417	435,933	412,420	389,884	20,581	16,660	6,492	24,270	1,448,646	1,166,405
Tax receivable on behalf of unitholders		34,433	36,042	213	2	2,912	74,508	19,011	22,880	35	19,635
Total assets		92,470,380	83,993,684	91,377,125	79,019,077	149,997,054	124,137,180	32,912,246	29,676,170	153,171,131	151,223,497
Liabilities											
Financial liabilities at fair value through profit or loss	6	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-
Outstanding settlements payable		204,070	172,448	-	153,858	-	-	55,596	-	164,756	940,000
Related party payables	5	89,334	81,873	87,176	77,837	167,828	138,947	31,689	29,105	98,289	99,296
Withdrawals payable		76,502	152	29,209	69	403,802	326,871	8,148	52	111,014	61,428
Tax payable on behalf of unitholders		16,464	22,146	137,112	222,244	39,601	8,324	761	1,597	947,052	46,702
Total liabilities		386,370	276,619	498,981	454,008	2,634,594	1,266,789	99,809	31,204	1,321,111	1,147,426
Net assets attributed to Unitholders		92,084,010	83,717,065	90,878,144	78,565,069	147,362,460	122,870,391	32,812,437	29,644,966	151,850,020	150,076,071

\$		Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund*
As at 31 March	Note	2024	2023	2024	2023	2024	2023	2024
Assets								
Cash and cash equivalents		207,587	610,047	384,252	1,006,068	403,878	1,674,733	3,540,238
Financial assets at fair value through profit or loss	6	10,756,227	9,685,842	45,842,636	32,770,457	34,824,185	26,002,418	31,951,293
Outstanding settlements receivable		62,380	1,826	4,284	117,297	1,569	1,676	-
Related party receivables	5	2,842	3,954	29,899	24,522	28,260	24,452	-
Contributions receivable		25,100	60	198,021	39,385	94,355	4,126	498,182
Other receivables		24,738	25,284	165	8,516	173	793	325,973
Tax receivable on behalf of unitholders		-	688	37	15,980	277	12,974	-
Total assets		11,078,874	10,327,701	46,459,294	33,982,225	35,352,697	27,721,172	36,315,686
Liabilities								
Financial liabilities at fair value through profit or loss	6	6,393	-	-	-	-	-	-
Distribution payable		29,292	24,453	-	-	-	-	-
Outstanding settlements payable		-	27,152	-	-	-	-	403,245
Related party payables	5	6,727	6,560	41,617	33,009	34,087	29,322	10,715
Withdrawals payable		20,051	29,980	119,451	22,080	1,703	39,991	-
Tax payable on behalf of unitholders		54,311	15,168	223,698	14,140	108,006	18,413	70,865
Total liabilities		116,774	103,313	384,766	69,229	143,796	87,726	484,825
Net assets attributed to Unitholders		10,962,100	10,224,388	46,074,528	33,912,996	35,208,901	27,633,446	35,830,861

The Directors of Forsyth Barr Investment Management Limited authorised these Financial Statements for issue on 22 July 2024.

Director



Director



These statements are to be read in conjunction with the accompanying notes.

Statements of Cash Flows

\$		NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
For the year ended 31 March	Note	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Cash flows from operating activities											
Proceeds from sale of financial assets at fair value through profit or loss		30,457,526	50,329,174	27,412,572	44,535,792	35,392,500	120,919,259	4,141,292	6,101,708	98,302,952	94,808,677
Purchase of financial assets at fair value through profit or loss		(39,454,804)	(46,274,323)	(29,133,647)	(43,864,652)	(28,238,786)	(117,067,006)	(6,479,712)	(7,739,983)	(92,375,213)	(25,967,068)
Settlement of derivative financial instruments**		-	-	671,267	484,629	(1,277,229)	(1,917,605)	11,764	13,149	-	6,000
Dividends received		2,551,460	2,590,124	3,096,913	3,174,908	298,820	533,981	1,053,018	1,307,787	65,597	95,608
Interest income received		65,554	32,250	76,529	51,976	46,736	55,806	35,752	15,067	4,305,041	5,895,622
Fee rebates received		-	-	-	-	606,817	443,747	-	-	-	-
Other income received		-	-	-	85	128	-	-	-	23,500	53,135
Operating expenses paid		(993,724)	(981,675)	(931,076)	(902,172)	(1,747,259)	(1,426,748)	(363,043)	(372,633)	(1,127,104)	(1,422,962)
Transaction costs on sale/purchase of financial instruments held at fair value through profit or loss		(197,944)	(270,466)	(118,709)	(168,305)	(37,519)	(132,893)	(29,114)	(34,572)	(22,349)	(23,470)
Net cash (outflow)/inflow from operating activities	8	(7,571,932)	5,425,084	1,073,849	3,312,261	5,044,208	1,408,541	(1,630,043)	(709,477)	9,172,424	73,445,542
Cash flows from financing activities											
Proceeds from units issued		16,370,101	11,316,765	11,999,366	14,208,398	14,392,018	23,367,388	8,676,713	5,740,547	30,745,093	30,978,045
Redemptions of units		(9,592,822)	(16,773,538)	(12,697,912)	(15,276,021)	(19,448,790)	(25,484,481)	(6,510,279)	(5,091,695)	(35,746,109)	(111,109,539)
Unitholders tax liabilities		13,336	30,325	(245,168)	(157,648)	2,654	(280,657)	13,215	10,177	18,924	2,063,857
Net cash inflow/(outflow) from financing activities		6,790,615	(5,426,448)	(943,714)	(1,225,271)	(5,054,118)	(2,397,750)	2,179,649	659,029	(4,982,092)	(78,067,637)
Net (decrease)/increase in cash and cash equivalents		(781,317)	(1,364)	130,135	2,086,990	(9,910)	(989,209)	549,606	(50,448)	4,190,332	(4,622,095)
Cash and cash equivalents at the beginning of the year		1,484,034	1,483,929	2,572,057	506,120	2,145,785	2,395,254	426,799	490,992	5,740,496	10,362,591
Foreign exchange (losses)/gains on cash and cash equivalents denominated in foreign currencies		(409)	1,469	(15,890)	(21,053)	(193,452)	739,740	13,286	(13,745)	-	-
Cash and cash equivalents at the end of the year		702,308	1,484,034	2,686,302	2,572,057	1,942,423	2,145,785	989,691	426,799	9,930,828	5,740,496

\$		Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund*	
For the year ended 31 March	Note	2024	2023	2024	2023	2024	2023	2024	
Cash flows from operating activities									
Proceeds from sale of financial assets at fair value through profit or loss		5,131,130	3,136,944	9,957,733	11,842,731	4,835,678	7,795,572	71,255,580	
Purchase of financial assets at fair value through profit or loss		(5,814,940)	(4,978,194)	(18,739,505)	(16,577,162)	(9,755,450)	(10,790,400)	(78,286,444)	
Settlement of derivative financial instruments**		13,648	14,018	-	(105,498)	-	(124,808)	-	
Dividends received		156,360	133,544	27,103	37,501	11,271	15,537	-	
Interest income received		14,685	15,202	43,031	87,565	29,351	35,316	1,007,372	
Fee rebates received		51,915	66,075	354,100	337,418	325,367	313,071	-	
Other income		-	-	-	-	-	-	1,250	
Operating expenses paid		(80,603)	(71,848)	(443,029)	(366,951)	(375,702)	(323,004)	(77,558)	
Transaction costs on sale/purchase of financial instruments held at fair value through profit or loss		(8,096)	(8,632)	(2,706)	(4,736)	(1,208)	(2,604)	(588)	
Net cash outflow from operating activities	8	(535,901)	(1,692,891)	(8,803,273)	(4,749,132)	(4,930,693)	(3,081,320)	(6,100,388)	
Cash flows from financing activities									
Proceeds from units issued		2,839,461	3,785,516	15,949,035	10,318,109	8,401,811	7,685,023	26,629,993	
Redemptions of units		(2,240,784)	(1,939,150)	(7,775,164)	(6,809,972)	(4,737,544)	(3,755,615)	(16,992,468)	
Distributions paid		(449,159)	(68,900)	-	-	-	-	-	
Unitholders tax liabilities		(16,013)	13,454	7,586	42,611	(4,429)	(21,001)	3,101	
Net cash inflow from financing activities		133,505	1,790,920	8,181,457	3,550,748	3,659,838	3,908,407	9,640,626	
Net (decrease)/increase in cash and cash equivalents		(402,396)	98,029	(621,816)	(1,198,384)	(1,270,855)	827,087	3,540,238	
Cash and cash equivalents at the beginning of the year		610,047	512,572	1,006,068	2,202,127	1,674,733	847,205	-	
Foreign exchange gains/(losses) on cash and cash equivalents denominated in foreign currencies		(64)	(554)	-	2,325	-	441	-	
Cash and cash equivalents at the end of the year		207,587	610,047	384,252	1,006,068	403,878	1,674,733	3,540,238	

* Current period is from establishment date, 4 May 2023, to 31 March 2024.

** In prior years, the net settlement from Forward foreign exchange contracts was reported under Proceeds from sale of financial assets at Fair value through Profit of loss when the amount was a net cash inflow and under Purchase of financial assets at Fair value through Profit of loss when the amount was a net cash outflow. NZ IFRS does not explicitly state how this should be treated, however, in the current year a new line was created to separately disclose the net cashflow from Forward foreign exchange contracts under Settlement of derivative financial instruments to provide more accurate information to the users, and comparatives have been reclassified as a result.

These statements are to be read in conjunction with the accompanying notes.

Notes to the Financial Statements

1. General information

Reporting Entities

The reporting entity included in these Financial Statements is the Octagon Investment Funds (formerly known as the Forsyth Barr Investment Funds until 30 November 2021), which comprises the following individual and separate investment funds (the "Funds"):

- Octagon New Zealand Equities Fund ("New Zealand Equities Fund"; formerly known as Forsyth Barr New Zealand Equities Fund)
- Octagon Australian Equities Fund ("Australian Equities Fund"; formerly known as Forsyth Barr Australian Equities Fund)
- Octagon Global Equities Fund ("Global Equities Fund"; formerly known as Forsyth Barr Global Equities Fund)
- Octagon Listed Property Fund ("Listed Property Fund"; formerly known as Forsyth Barr Listed Property Fund)
- Octagon New Zealand Fixed Interest Fund ("New Zealand Fixed Interest Fund"; formerly known as Forsyth Barr New Zealand Fixed Interest Fund)
- Octagon Income Fund ("Income Fund"; formerly known as Forsyth Barr Income Fund)
- Octagon Balanced Fund ("Balanced Fund"; formerly known as Forsyth Barr Balanced Fund)
- Octagon Growth Fund ("Growth Fund"; formerly known as Forsyth Barr Growth Fund)
- Octagon Enhanced Cash Fund ("Enhanced Cash Fund")

The investment objectives of the Funds are as follows:

- New Zealand Equities Fund: to achieve positive long-term returns by investing in selected New Zealand shares which will typically have high level of movement up and down in value.
- Australian Equities Fund: to achieve positive long-term returns by investing in selected Australian shares which will typically have very high levels of movement up and down in value.
- Global Equities Fund: to achieve positive long-term returns by investing in selected international shares which will typically have very high levels of movement up and down in value.
- Listed Property Fund: to achieve positive long-term returns by investing in selected listed property vehicles which will typically have high levels of movement up and down in value.
- New Zealand Fixed Interest Fund: to achieve positive long-term returns by investing in selected New Zealand fixed interest assets which will typically have low levels of movement up and down in value.
- Income Fund: to pay distributions, while maintaining the fund's capital value over the long-term by selecting exposure across asset classes.
- Balanced Fund: to achieve positive long-term returns by selecting exposure across asset classes.
- Growth Fund: to achieve positive long-term returns by selecting exposure across asset classes.
- Enhanced Cash Fund: to achieve returns above the Official Cash Rate (OCR) over a rolling 12 month period.

The Funds were created under a Master Trust Deed (the "Trust Deed") executed by Forsyth Barr Funds Management Limited (now Forsyth Barr Investment Management Limited effective from 27 February 2015) (the "Manager") on 27 September 2007. The New Zealand Equities Fund, Australian Equities Fund, Global Equities Fund, Listed Property Fund and New Zealand Fixed Interest Fund (formerly Premium Yield Fund) were created under a Unit Trust Establishment Deed between the Manager and Perpetual Trust Limited dated 27 March 2008 and the Funds commenced operation on 26 June 2008. The existing Trust Deed was substituted, and each of the establishment deeds for the Funds amended and consolidated, by instruments dated 9 August 2016. The amendment was made to comply with and to reflect the requirements of the Financial Markets Conduct Act 2013 (FMCA), Financial Markets Regulations Act 2014 (FMCR) and other enactments made pursuant to the FMCA, and to make a number of other amendments in connection with the Funds becoming registered under the FMCA. The Income Fund, Balanced Fund and Growth Fund were created under a Unit Trust Establishment Deed on 24 November 2020 and these Funds commenced operations on 21 December 2020. The Enhanced Cash Fund was created under a Unit Trust Establishment Deed on 4 May 2023 and commenced operations on 7 June 2023. A change was also made on 24 November 2020 to the provisions of the Trust Deed concerning distributions to allow the inclusion of capital in any distribution amount and allow distributions to be paid either in cash, or in specie, or by way of bonus units. A change was also made to allow the funds to borrow for specific purposes. The Supervisor for the Funds is Trustees Executors Limited.

On 11 December 2020, the "Premium Yield Fund" name was changed to "New Zealand Fixed Interest Fund"

The registered office for the Manager is Level 9, Forsyth Barr House, The Octagon, Dunedin.

Statutory Base

The Funds are registered under Octagon Investment Funds, a Managed Investment Scheme as defined by the Financial Markets Conduct Act 2013 and are subject to the provisions of that Act. These Financial Statements have been prepared in accordance with the requirements of the Financial Markets Conduct Act 2013, the Financial Reporting Act 2013 and the Trust Deed.

The Financial Statements for the Funds are for the year ended 31 March 2024, except for Enhanced Cash Fund for which the period is from 7 June 2023 to 31 March 2024. The comparatives are for the year ended 31 March 2023.

The Financial Statements were authorised for issue by the Directors of the Manager on 22 July 2024.

2. Summary of material accounting policies

2.1 Basis of preparation

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied throughout the year presented, unless otherwise stated.

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). For the purposes of complying with NZ GAAP, the Funds' are profit-oriented entities. These Financial Statements have been prepared in accordance with the New Zealand equivalents to IFRS Accounting Standards (NZ IFRS). These Financial Statements also comply with IFRS Accounting Standards (IFRS). These Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss. The accrual basis of accounting has been applied for all Funds.

Going Concern

The financial statements for all Funds are prepared on a going concern basis.

(a) Use of estimates and judgements

The preparation of Financial Statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires the Directors of the Manager to exercise their judgement in the process of applying the Funds' accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in note 3.

Notes to the Financial Statements

2. Material accounting policies (continued)

2.1 Basis of preparation (continued)

(b) Presentation

All amounts are presented in New Zealand dollars, which are the Funds' functional and presentation currency.

(c) New standards and amendments

(i) Standards and amendments to existing standards effective 1 April 2023

Disclosure of Accounting Policies – Amendments to NZ IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements

In the current year, the amendments replaced the requirement for entities to disclose significant accounting policies with a requirement to disclose material accounting policy information. There was no material impact on the financial statements of the Funds due to these amendments.

Legislation has been enacted that requires Climate Reporting Entities to prepare annual Climate Statements in accordance with the Aotearoa New Zealand Climate Standards issued by the External Reporting Board ("XRB"). These requirements took effect for annual reporting periods commencing 1 January 2023. The Manager has determined that the Funds are not required to report in accordance with the new standards.

There are no other standards or amendments to standards that are effective for annual periods beginning on 1 April 2023 that have a material effect on the financial statements of the Funds.

(ii) Standards and amendment to existing standards not yet effective 1 April 2023

New standards and amendments to existing standards effective after 1 April 2023 and have not been early adopted

NZ IFRS 18 - Presentation and Disclosure in Financial Statements

In May 2024, the XRB introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements (NZ IFRS 18) (effective for annual reporting periods beginning on or after 1 January 2027). This standard replaces NZ IAS 1 Presentation of Financial Statements (NZ IAS 1) and primarily introduces a defined structure for the statement of comprehensive income, disclosure of management-defined performance measures (a subset of non-GAAP measures) in a single note together with reconciliation requirements. The Funds have not early adopted this standard and is yet to assess its impacts.

A number of other new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Funds.

2.2 Financial instruments

(a) Classification

Financial assets

Financial assets are recognised initially at fair value. After initial recognition, financial assets are measured at fair value or amortised cost, determined on the basis of both (a) the Fund's business model for managing the financial assets; and (b) the contractual cash flow characteristics of the financial asset.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss can be either designated as such upon initial recognition or mandatorily measured at fair value in accordance with NZ IFRS 9. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and use that information to assess the assets' performance and to make decisions. All financial assets measured at fair value are those mandatorily measured at fair value. Financial assets at fair value through profit or loss comprise of listed equities, listed trusts, unlisted trusts, fixed interest securities and forward foreign exchange contracts that have a positive fair value.

(ii) Financial assets at amortised cost

(a) **Cash and cash equivalents** include cash in hand and deposits held at call with banks, denominated in New Zealand dollars and in foreign currencies. Payments and receipts relating to the purchase and sale of investment securities are classified as cashflows from operating activities, as movements in the fair value of these securities represents the Funds main income generating activity.

(b) **Receivables** are amounts representing assets owing to the Funds and may include amounts due for settlements receivable, contributions receivable and other receivables such as interest or dividends.

Financial liabilities

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss can be either designated as such upon initial recognition or mandatorily measured at fair value in accordance with NZ IFRS 9. The portfolio of financial liabilities is managed and performance is evaluated on a fair value basis. All financial liabilities are mandatorily measured at fair value through profit or loss. Derivatives that have a negative fair value are presented as financial liabilities at fair value through profit or loss.

(ii) Financial liabilities at amortised cost

(a) **Payables** are amounts representing liabilities and accrued expenses owing by the Funds at year end and may include outstanding settlements payable, withdrawals payable, other payables and related party payables such as management fee payable and supervisor fee payable.

(b) Recognition, measurement and derecognition

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

The Funds recognise financial assets and liabilities at fair value through profit or loss on the date they become parties to the contractual agreement. Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the Statement of Comprehensive Income. Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the Statements of Comprehensive Income when they arise. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all of the risks and rewards of ownership. Any gain or loss arising on derecognition of the financial asset at fair value through profit or loss is included in the Statements of Comprehensive Income in the year the item is derecognised.

(ii) Financial assets and liabilities at amortised cost

The Funds recognise financial assets and liabilities at amortised cost on the date they become parties to the contractual agreement. Financial assets and liabilities at amortised cost are initially recognised at fair value. Subsequent to initial recognition, all financial assets at amortised cost are measured at amortised cost less any impairment. Any impairment charge is recognised in the Statement of Comprehensive Income. Financial assets at amortised cost are derecognised when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all of the risks and rewards of ownership. Financial liabilities at amortised cost are derecognised when the obligation under the liability is discharged, cancelled or expires.

Notes to the Financial Statements

2. Material accounting policies (continued)

(c) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value in an active market

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Fair value in an inactive or unquoted market

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each balance sheet date. Valuation techniques used include the use of recent arm's length market transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Fund's investments in unlisted trusts are subject to the terms and conditions of the respective Funds' offering documentation. The investments in other funds are primarily valued based on the latest available redemption price of such units for each other fund investment, as determined by the other funds' administrators. The Fund reviews the details of the reported information obtained from the other funds and consider: the liquidity of the other fund or its underlying investments; the value date of the net asset value provided; and restrictions on redemptions.

The fair value of derivatives that are not exchange-traded is estimated at the amount that the Funds would receive or pay to terminate the contract at the balance sheet date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward foreign exchange contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

2.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.4 Net assets attributable to Unitholders

The Funds issue units that are redeemable at the Unitholders' option and have identical features and are therefore classified as equity. The units can be put back to the Funds at any time for cash based on the 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 balance sheet date if Unitholders exercised their right to put the units back to the Funds. As stipulated in the Trust Deed, each unit represents an individual share in the Funds and does not extend to a right in the underlying assets of the Funds. There are no separate classes of units within the Funds and each unit has the same rights attaching to it as all other units in the respective Fund.

Applications received for units in the Funds are recorded net of any entry fees payable prior to the issue of units in the Funds. Redemptions from the Funds are recorded gross of any exit fees payable after the cancellation of the units redeemed. Units are issued and redeemed at the holder's option at prices based on the Funds' net asset value per unit at the time of issue or redemption. The Funds' net asset value per unit is calculated by dividing the net assets attributable to the holders of the Funds with the total number of outstanding units of the Funds. In accordance with the provisions of the offering documents, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for subscriptions and redemptions.

In accordance with the Trust Deed, the Manager has full discretion as to whether to distribute any income of the Funds. Income that is not distributed is invested as part of the assets of the Funds or may be used later to make distributions to Unitholders of that Fund.

2.5 Investment income

Interest income earned on financial assets at amortised cost is recognised in the Statement of Comprehensive Income using the effective interest method.

Interest earned on financial assets and liabilities at fair value through the profit and loss recognised in the Statement of Comprehensive Income excludes dividend and distribution income earned on financial assets at fair value through profit or loss. It represents interest income earned on financial assets and liabilities held at fair value; changes in fair value are recorded in accordance with the policies described in note 2.2.

Dividend and distribution income is recognised in the Statement of Comprehensive Income on the ex-dividend date with any related withholding tax recorded in the Statement of Net Assets Attributable to Unitholders as withholding taxes deducted. Dividend income is recognised on a present entitlement basis.

2.6 Investments gains and losses

Realised and unrealised gains and losses are reflected in the Statements of Comprehensive Income as net gain/(loss) on financial instruments held at fair value through profit or loss.

Unrealised gains or losses include the change in net market value of investments held as at balance sheet date and the reversal of prior periods unrealised gains or losses on investments that have been realised in the current period. Realised gains or losses are calculated based on the gross sale proceeds and the weighted average cost of the investments sold.

2.7 Expenses

All expenses, including the Funds' management, performance and supervisor fees, are recognised in the Statements of Comprehensive Income on an accruals basis. Management fee rebates are received from an external manager.

2.8 Foreign currency translation

(a) Functional and presentation currency

Items included in the Funds' Financial Statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the New Zealand dollar, which reflects the currency of the economy in which the Funds compete for funds and are regulated. The New Zealand dollar is also the Funds' presentation currency.

The Manager considers the New Zealand dollar the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The New Zealand dollar is the currency in which the Funds measure their performance and report their results, as well as the currency in which the Funds receive subscriptions from investors.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the balance sheet date. Foreign exchange gains or losses arising from translation are included in the Statements of Comprehensive Income within net gain/(loss) on financial instruments held at fair value through profit or loss.

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

2.9 Statements of Cash Flows

Definitions of the terms used in the Statement of Cash Flows are:

(a) Operating activities include all transactions and other events that are not financing activities.

(b) Financing activities are those activities that result in changes in the size and composition of Unitholders' funds. This includes elements of Unitholders' funds not falling within the definition of cash. Distributions paid in relation to Unitholders' funds are included in financing activities.

(c) There were no investing activities for the fund.

(d) Cash is considered to be cash on hand and current accounts in banks, net of bank overdrafts.

Notes to the Financial Statements

2. Material accounting policies (continued)

2.10 Income tax

The Funds qualify as Portfolio Investment Entities (PIE) for tax purposes. Under the PIE regime income is effectively taxed in the hands of the Unitholders and therefore the Funds have no income tax expense. Accordingly, no income tax expense is recognised in the Statements of Comprehensive Income. Income is disclosed gross of any resident and foreign withholding taxes deducted at source and the taxes are included in withholding taxes deducted in the Statements of Net Assets Attributable to Unitholders.

Under the PIE regime, the Manager attributes the taxable income of the Funds to Unitholders in accordance with the proportion of their interest in the Funds. The income attributed to each Unitholder is taxed at the Unitholder's "prescribed investor rate" (which is capped at 28%) on redemptions and paid quarterly each year.

Unitholder tax liabilities disclosed in the Statements of Changes in Net Assets Attributable to Unitholders consists of withdrawals to meet Unitholder tax liabilities (or contributions from Unitholder rebates) under the PIE regime.

2.11 Goods and services tax ("GST")

The Funds are not registered for GST. The Statements of Comprehensive Income and Statements of Cash Flows have been prepared so that all components are stated inclusive of GST. All items in the Statement of Financial Position are stated inclusive of GST.

2.12 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the Financial Statements. These changes did not have a material impact on the presentation of the Financial Statements.

3. Critical accounting estimates and judgements

The Manager of the Funds makes estimates and assumptions that affect the reported amounts of assets and liabilities. The resulting accounting estimates will, by definition, not always equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fair value of securities quoted in an active market

The fair value of securities traded in active markets are based on quoted market prices at the close of trading on the reporting date. In circumstances where the last price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Fair value of securities not quoted in an active market

The fair value for such securities not quoted in an active market may be determined by the Manager using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. Broker quotes as obtained from pricing sources may be indicative and not executable or binding. The Manager would exercise judgement on the quantity and quality of pricing sources used. Where no market data is available, the Manager may price positions using its own models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. The models for debt securities are based on net present value of estimated future cash flows, adjusted as appropriate for liquidity and credit and market risk factors.

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

The fair value of investments in other funds that are not quoted in active markets is determined by reference to the redemption price per unit of the underlying funds.

For certain other financial instruments, including amounts due from/to brokers, accounts payable and accrued expenses, the carrying amounts approximate fair value due to the immediate or short term nature of these financial instruments.

4. Commitments and contingent liabilities

There are no contingencies or commitments as at 31 March 2024 (31 March 2023: nil).

5. Related Parties

5.1 General

The Directors of the Manager may also be Unitholders of the Funds. All transactions occur at arm's length and are on normal terms.

Forsyth Barr Ltd, appointed by Forsyth Barr Investment Management Limited (the Manager) to provide finance and administration services, manage a pass through application account for each of the Funds. As at 31 March 2024, Forsyth Barr Limited held funds of \$0.00 on behalf of the NZ Equities Fund, \$0.00 on behalf of the Australian Equities Fund, \$0.00 on behalf of the Global Equities Fund, \$0.00 on behalf of the Listed Property Fund and \$479,430 on behalf of all other Funds. The balances are recorded as contributions receivable for the purchase of units in each respective Fund as at 31 March 2024 (2023: \$998 on behalf of the NZ Equities Fund, \$311 on behalf of the Australian Equities Fund, \$448 on behalf of the Global Equities Fund, \$282 on behalf of the Listed Property Fund and \$3,567 on behalf of all other Funds).

5.2 Related party fees

The Funds have incurred the following fees to the related parties.

\$		NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
For the year ended 31 March		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Forsyth Barr Investment Management Limited	Management fees	1,001,185	974,882	940,415	903,513	1,776,127	1,503,169	365,627	367,822	1,126,097	1,369,749
Forsyth Barr Investment Management Limited	Management fees rebate	-	-	-	-	(606,817)	(443,747)	-	-	-	-
		1,001,185	974,882	940,415	903,513	1,169,310	1,059,422	365,627	367,822	1,126,097	1,369,749

\$		Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund	
For the year ended 31 March		2024	2023	2024	2023	2024	2023	2024	2023
Forsyth Barr Investment Management Limited	Management fees	80,770	72,788	451,637	369,827	380,467	326,835	88,273	
Forsyth Barr Investment Management Limited	Management fees rebate	(50,803)	(52,554)	(359,477)	(287,314)	(329,175)	(274,671)	-	
		29,967	20,234	92,160	82,513	51,292	52,164	88,273	

Up till 30 November 2021, Forsyth Barr Limited provided investment management and administration services to the Funds under a service agreement between Forsyth Barr Investment Management Limited and Forsyth Barr Limited. From 30 November 2021, Octagon Asset Management Limited provided the investment management services to the Funds and Forsyth Barr Limited provided day-to-day administration services. Both entities are 100% owned subsidiaries of Forsyth Barr Group Limited.

From 11 December 2020 the management fee structure of the Funds changed so members pay an annual management fee calculated daily covering all management and administration charges, including the manager's fee, investment manager's fee and the supervisor fee. This management fee is paid to Forsyth Barr Investment Management Limited as the Manager. Prior to this a separate management fee and supervisor fee was charged. Both of these fees were paid to Forsyth Barr Investment Management Limited as the Manager.

Trustee Executors Limited is the Supervisor of the Fund. The Manager paid Supervisor fees to Trustee Executors on behalf of the Funds.

Notes to the Financial Statements

5. Related Parties (continued)

5.2 Related party fees (continued)

The Funds owed the following amounts to/(from) related parties at balance sheet date.

\$		NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Forsyth Barr Investment Management Limited	Management fees	89,334	81,873	87,176	77,837	167,828	138,947	31,689	29,105	98,289	99,296
Forsyth Barr Investment Management Limited	Management fees rebate	-	-	-	-	-	-	-	-	-	-
		89,334	81,873	87,176	77,837	167,828	138,947	31,689	29,105	98,289	99,296

\$		Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund	
As at 31 March		2024	2023	2024	2023	2024	2023	2024	2023
Forsyth Barr Investment Management Limited	Management fees	6,727	6,560	41,617	33,009	34,087	29,322	10,715	
Forsyth Barr Investment Management Limited	Management fees rebate	(2,842)	(3,954)	(29,899)	(24,522)	(28,260)	(24,452)	-	
		3,885	2,606	11,718	8,487	5,827	4,870	10,715	

Audit fees of \$85,010 including GST (2023: \$79,235 including GST) were paid by the Manager in accordance with the Trust Deed.

5.3 Investments by the Funds in related parties

\$		NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Income Fund		96,511	214,278	174,884	543,633	-	-	1,210,798	1,185,211	2,618,143	2,060,490
Balanced Fund		5,350,758	3,608,972	6,293,104	4,615,773	10,609,988	7,904,648	1,381,227	1,360,834	11,267,759	7,378,378
Growth Fund		6,507,774	4,399,126	7,177,217	5,557,171	11,684,553	9,477,970	1,734,987	1,363,319	4,473,432	2,815,735

\$		Enhanced Cash Fund	
As at 31 March		2024	2023
Income Fund		68,515	
Balanced Fund		4,273,479	
Growth Fund		718,145	

5.4 Income/(losses) earned by the Funds from their investments in related parties

\$		NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Income Fund		1,994	(32,328)	47,030	6,623	-	-	33,588	(216,580)	132,653	(5,546)
Balanced Fund		136,786	(63,066)	912,332	59,430	2,100,042	260,208	25,393	(265,366)	525,618	(88,457)
Growth Fund		142,450	(77,005)	1,024,880	73,794	2,344,201	355,989	40,952	(232,751)	207,342	(10,486)

\$		Enhanced Cash Fund	
As at 31 March		2024	2023
Income Fund		3,516	
Balanced Fund		175,681	
Growth Fund		31,680	

Effective 7 June 2023, upon its date of establishment, the Enhanced Cash Fund obtained New Zealand fixed interest securities and New Zealand transferable certificates of deposits in lieu of cash for contributions totalling \$24,319,821 at par value of NZD1 per unit. This in specie event included interfund purchases made by the Balanced Fund and the Growth Fund into the Enhanced Cash Fund, totalling \$3,037,798 and \$526,465 respectively. The residual contribution of \$20,755,558 into the Enhanced Cash Fund was made by the Summer KiwiSaver Scheme.

Notes to the Financial Statements

5. Related Parties (continued)

5.5 Related Products

The Summer KiwiSaver Scheme (also managed by the Manager) holds units in the following Funds:

\$ As at 31 March	NZ Equities Fund 2024		Australian Equities Fund 2024		Global Equities Fund 2024		Listed Property Fund 2024		New Zealand Fixed Interest Fund 2024	
	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$
Opening Balance	10,780,275	43,053,184	29,467,772	46,671,057	56,024,058	79,940,728	6,971,223	15,496,332	23,230,669	42,565,555
Contributions	2,172,891	8,507,380	2,666,866	4,350,000	4,304,317	6,705,372	1,516,423	57,295	6,536,269	12,094,625
Withdrawals	(339,374)	(1,307,224)	(2,313,099)	(3,863,783)	(6,230,682)	(9,696,561)	(1,415,033)	(5,865)	(1,993,567)	(3,685,379)
Change in fair value	-	949,825	-	8,042,395	-	19,593,203	-	1,721	-	2,572,259
Closing balance	12,613,792	51,203,166	29,821,539	55,199,669	54,097,693	96,542,742	7,072,613	15,549,483	27,773,371	53,547,060

\$ As at 31 March	Income Fund 2024		Balanced Fund 2024		Growth Fund 2024		Enhanced Cash Fund 2024	
	Units	\$	Units	\$	Units	\$	Units	\$
Opening Balance	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	32,990,644	28,560,559
Withdrawals	-	-	-	-	-	-	(13,750,809)	(13,893,202)
Change in fair value	-	-	-	-	-	-	-	5,495,991
Closing balance	-	-	-	-	-	-	19,239,835	20,163,348

\$ As at 31 March	NZ Equities Fund 2023		Australian Equities Fund 2023		Global Equities Fund 2023		Listed Property Fund 2023		New Zealand Fixed Interest Fund 2023	
	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$
Opening Balance	11,355,007	46,041,146	30,278,394	47,682,414	13,269,284	20,373,658	6,631,839	17,581,006	27,867,509	51,306,871
Contributions	1,358,550	5,193,235	4,426,162	6,705,000	51,913,465	69,484,948	1,417,482	3,307,000	5,716,074	10,408,000
Withdrawals	(1,933,282)	(7,430,000)	(5,236,784)	(8,133,000)	(9,158,691)	(12,472,758)	(1,078,098)	(2,425,000)	(10,352,914)	(18,684,242)
Change in fair value	-	(751,197)	-	416,643	-	2,554,880	-	(2,966,674)	-	(465,074)
Closing balance	10,780,275	43,053,184	29,467,772	46,671,057	56,024,058	79,940,728	6,971,223	15,496,332	23,230,669	42,565,555

\$ As at 31 March	Income Fund 2023		Balanced Fund 2023		Growth Fund 2023	
	Units	\$	Units	\$	Units	\$
Opening Balance	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-
Change in fair value	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

Notes to the Financial Statements

5. Related Parties (continued)

5.5 Related Products (continued)

Tempo Funds (also managed by the Manger) holds units in the following Funds:

\$ As at 31 March	NZ Equities Fund 2024		Australian Equities Fund 2024		Global Equities Fund 2024		Listed Property Fund 2024		New Zealand Fixed Interest Fund 2024	
	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$
Opening Balance	-	-	-	-	-	-	-	-	-	-
Contributions	61,682	241,410	102,009	171,070	-	-	25,680	57,295	153,122	286,064
Withdrawals	(6,202)	(24,346)	(10,308)	(16,821)	-	-	(2,582)	(5,865)	(13,917)	(25,810)
Change in fair value	-	7,874	-	15,490	-	-	-	1,721	-	8,133
Closing balance	55,480	224,938	91,701	169,739	-	-	23,098	53,151	139,205	268,387

\$ As at 31 March	Income Fund 2024		Balanced Fund 2024		Growth Fund 2024		Enhanced Cash Fund 2024	
	Units	\$	Units	\$	Units	\$	Units	\$
Opening Balance	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	155,281	159,492
Withdrawals	-	-	-	-	-	-	(29,273)	(30,288)
Change in fair value	-	-	-	-	-	-	-	2,852
Closing balance	-	-	-	-	-	-	126,008	132,056

\$ As at 31 March	NZ Equities Fund 2023		Australian Equities Fund 2023		Global Equities Fund 2023		Listed Property Fund 2023		New Zealand Fixed Interest Fund 2023	
	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$
Opening Balance	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-
Change in fair value	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-	-

\$ As at 31 March	Income Fund 2023		Balanced Fund 2023		Growth Fund 2023	
	Units	\$	Units	\$	Units	\$
Opening Balance	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-
Change in fair value	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

Notes to the Financial Statements

6. Financial assets and liabilities held at fair value through profit or loss

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets measured at fair value through profit or loss										
Listed equities	89,895,698	80,243,903	87,582,233	75,120,576	33,880,246	31,866,458	31,623,532	28,707,375	-	-
Listed trusts	1,247,129	1,385,168	95,982	-	-	-	264,762	398,782	-	-
Fixed interest securities	-	-	-	-	-	-	-	-	140,245,188	143,674,703
Equity options	334	1,873	-	-	-	-	630	3,529	-	-
Forward foreign exchange contracts	-	-	-	319,297	500,718	154,911	5,551	9,296	-	-
Unlisted trusts	-	-	-	-	113,065,222	89,829,654	-	-	-	-
Total financial assets at fair value through profit or loss	91,143,161	81,630,944	87,678,215	75,439,873	147,446,186	121,851,023	31,894,475	29,118,982	140,245,188	143,674,703

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial liabilities measured at fair value through profit or loss										
Forward foreign exchange contracts	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-
Total financial liabilities at fair value through profit or loss	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets measured at fair value through profit or loss								
Listed equities	4,277,444	5,676,840	-	-	-	-	-	-
Listed trusts	-	-	-	4,886,159	-	2,038,956	-	-
Equity options	60	338	-	-	-	-	-	-
Fixed interest securities	-	-	-	1,035,794	-	350,141	15,313,599	-
Transferable certificate of deposits	-	-	-	1,979,899	-	-	16,637,694	-
Forward foreign exchange contracts	-	5,052	-	-	-	-	-	-
Unlisted trusts	6,478,723	4,003,612	45,842,636	24,868,605	34,824,185	23,613,321	-	-
Total financial assets at fair value through profit or loss	10,756,227	9,685,842	45,842,636	32,770,457	34,824,185	26,002,418	31,951,293	-

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023
Financial liabilities measured at fair value through profit or loss								
Forward foreign exchange contracts	6,393	-	-	-	-	-	-	-
Total financial liabilities at fair value through profit or loss	6,393	-	-	-	-	-	-	-

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the year end date. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker or pricing service, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Funds use a variety of methods and makes assumptions that are based on market conditions existing at each year end date. Valuation techniques used for non-standard financial instruments such as over the counter derivatives include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, options pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs.

For instruments for which there is no active market, the Funds may use internally developed models which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which markets were or have been inactive during the year. Some of the inputs to these models may not be market observable and therefore estimated based on assumptions.

The Funds are required to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2 - Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices)
- (iii) Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Notes to the Financial Statements

6. Financial assets and liabilities held at fair value through profit or loss (continued)

The determination of what constitutes 'observable' requires significant judgement by the Manager. The Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market. The following table analyses within the fair value hierarchy the Funds' financial assets and liabilities (by class) measured at fair value at 31 March 2024:

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets at fair value through profit or loss										
Level 1 Assets										
<i>Financial assets measured at fair value through profit or loss</i>										
Listed equities	89,895,698	80,243,903	87,582,233	75,120,576	33,880,246	31,866,458	31,623,532	28,707,375	-	-
Listed trusts	1,247,129	1,385,168	95,982	-	-	-	264,762	398,782	-	-
Total Level 1 Assets	91,142,827	81,629,071	87,678,215	75,120,576	33,880,246	31,866,458	31,888,294	29,106,157	-	-
Level 2 Assets										
<i>Financial assets measured at fair value through profit or loss</i>										
Fixed interest securities	-	-	-	-	-	-	-	-	140,245,188	143,674,703
Equity options	334	1,873	-	-	-	-	630	3,529	-	-
Forward foreign exchange contracts	-	-	-	319,297	500,718	154,911	5,551	9,296	-	-
Unlisted trusts	-	-	-	-	113,065,222	89,829,654	-	-	-	-
Total Level 2 Assets	334	1,873	-	319,297	113,565,940	89,984,565	6,181	12,825	140,245,188	143,674,703
Total financial assets at fair value through profit or loss	91,143,161	81,630,944	87,678,215	75,439,873	147,446,186	121,851,023	31,894,475	29,118,982	140,245,188	143,674,703

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial liabilities at fair value through profit or loss										
Level 2 Liabilities										
<i>Financial liabilities measured at fair value through profit or loss</i>										
Forward foreign exchange contracts	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-
Total Level 2 Liabilities	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-
Total financial liabilities at fair value through profit or loss	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets at fair value through profit or loss								
Level 1 Assets								
<i>Financial assets measured at fair value through profit or loss</i>								
Listed equities	4,277,444	5,676,840	-	-	-	-	-	-
Listed trusts	-	-	-	4,886,159	-	2,038,956	-	-
Total Level 1 Assets	4,277,444	5,676,840	-	4,886,159	-	2,038,956	-	-
Level 2 Assets								
<i>Financial assets measured at fair value through profit or loss</i>								
Fixed interest securities	-	-	-	1,035,794	-	350,141	15,313,599	-
Transferable certificate of deposits	-	-	-	1,979,899	-	-	16,637,694	-
Equity options	60	338	-	-	-	-	-	-
Forward foreign exchange contracts	-	5,052	-	-	-	-	-	-
Unlisted trusts	6,478,723	4,003,612	45,842,636	24,868,605	34,824,185	23,613,321	-	-
Total Level 2 Assets	6,478,783	4,009,002	45,842,636	27,884,298	34,824,185	23,963,462	31,951,293	-
Total financial assets at fair value through profit or loss	10,756,227	9,685,842	45,842,636	32,770,457	34,824,185	26,002,418	31,951,293	-

There are no level 3 financial instruments. There have been no transfers between levels in the year ended 31 March 2024 (31 March 2023: nil).

Notes to the Financial Statements

7. Financial instruments by category

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets at fair value through profit or loss										
Financial assets measured at fair value through profit or loss	91,143,161	81,630,944	87,678,215	75,439,873	147,446,186	121,851,023	31,894,475	29,118,982	140,245,188	143,674,703
Total financial assets at fair value through the profit or loss	91,143,161	81,630,944	87,678,215	75,439,873	147,446,186	121,851,023	31,894,475	29,118,982	140,245,188	143,674,703
Financial assets at amortised cost										
Cash and cash equivalents	702,308	1,484,034	2,686,302	2,572,057	1,942,423	2,145,785	989,691	426,799	9,930,828	5,740,496
Outstanding settlements receivable	182,006	405,550	590,252	616,555	52,929	46,823	-	82,671	1,435,279	573,323
Related party receivables	-	-	-	-	-	-	-	-	-	-
Contributions receivable	15,055	1,181	9,723	706	532,023	2,381	2,577	568	111,155	48,935
Other receivables	393,417	435,933	412,420	389,884	20,581	16,660	6,492	24,270	1,448,646	1,166,405
Total financial assets at amortised cost	1,292,786	2,326,698	3,698,697	3,579,202	2,547,956	2,211,649	998,760	534,308	12,925,908	7,529,159
Total financial assets	92,435,947	83,957,642	91,376,912	79,019,075	149,994,142	124,062,672	32,893,235	29,653,290	153,171,096	151,203,862
\$										
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial liabilities at fair value through profit or loss										
Financial liabilities measured at fair value through profit or loss	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-
Total financial liabilities at fair value through the profit or loss	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-
Financial liabilities at amortised cost										
Outstanding settlements payable	204,070	172,448	-	153,858	-	-	55,596	-	164,756	-
Related party payables	89,334	81,873	87,176	77,837	167,828	138,947	31,689	29,105	98,289	940,000
Withdrawals payable	76,502	152	29,209	69	403,802	326,871	8,148	52	111,014	99,296
Other payable	-	-	-	-	-	-	-	-	-	61,428
Total financial liabilities at amortised cost	369,906	254,473	116,385	231,764	571,630	465,818	95,433	29,157	374,059	1,100,724
Total financial liabilities	369,906	254,473	361,869	231,764	2,594,993	1,258,465	99,048	29,607	374,059	1,100,724

Notes to the Financial Statements

7. Financial instruments by category (continued)

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund
As at 31 March	2024	2023	2024	2023	2024	2023	2024
Financial assets at fair value through profit or loss							
Financial assets measured at fair value through profit or loss	10,756,227	9,685,842	45,842,636	32,770,457	34,824,185	26,002,418	31,951,293
Total financial assets at fair value through the profit or loss	10,756,227	9,685,842	45,842,636	32,770,457	34,824,185	26,002,418	31,951,293
Financial assets at amortised cost							
Cash and cash equivalents	207,587	610,047	384,252	1,006,068	403,878	1,674,733	3,540,238
Outstanding settlements receivable	62,380	1,826	4,284	117,297	1,569	1,676	-
Related party receivables	2,842	3,954	29,899	24,522	28,260	24,452	-
Contributions receivable	25,100	60	198,021	39,385	94,355	4,126	498,182
Other receivables	24,738	25,284	165	8,516	173	793	325,973
Total financial assets at amortised cost	322,647	641,171	616,621	1,195,788	528,235	1,705,780	4,364,393
Total financial assets	11,078,874	10,327,013	46,459,257	33,966,245	35,352,420	27,708,198	36,315,686
\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund
As at 31 March	2024	2023	2024	2023	2024	2023	2024
Financial liabilities at fair value through profit or loss							
Financial liabilities measured at fair value through profit or loss	6,393	-	-	-	-	-	-
Total financial liabilities at fair value through the profit or loss	6,393	-	-	-	-	-	-
Financial liabilities at amortised cost							
Distributions payable	29,292	24,453	-	-	-	-	-
Outstanding settlements payable	-	27,152	-	-	-	-	403,245
Related party payables	6,727	6,560	41,617	33,009	34,087	29,322	10,715
Withdrawals payable	20,051	29,980	119,451	22,080	1,703	39,991	-
Total financial liabilities at amortised cost	56,070	88,145	161,068	55,089	35,790	69,313	413,960
Total financial liabilities	62,463	88,145	161,068	55,089	35,790	69,313	413,960

Notes to the Financial Statements

8. Reconciliation of operating (loss)/profit to net cash outflow from operating activities

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
For the year ended 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Operating profit/(loss)	1,634,732	(1,567,233)	13,191,568	665,949	29,196,349	1,729,877	996,941	(5,769,823)	7,663,358	(2,262,627)
Adjustments for non-cash items										
Net loss/(gain) on financial instruments held at fair value through profit or loss	260,786	3,705,722	(8,180,452)	3,096,605	(25,901,145)	(8,482,503)	(260,359)	6,461,254	(10,680,254)	493,883
Net foreign currency gains or losses on cash and cash equivalents	409	(1,469)	14,495	21,053	191,696	(739,740)	(13,286)	13,745	-	-
Net dividends reinvested as units	(578,344)	(371,822)	(40,781)	(119,788)	-	-	(340,723)	(82,807)	-	-
	(317,149)	3,332,431	(8,206,738)	2,997,870	(25,709,449)	(9,222,243)	(614,368)	6,392,192	(10,680,254)	493,883
Movements in working capital items										
Decrease/(Increase) in trade and other receivables	42,516	93,375	(22,536)	(24,336)	(3,921)	70,377	17,778	1,270	(297,340)	410,352
Increase/(decrease) in trade and other payables	6,883	(6,793)	8,976	1,427	28,881	76,528	2,537	(4,811)	(1,029)	(53,213)
(Increase)/decrease in net cost of investments	(8,938,914)	3,573,304	(3,897,421)	(328,649)	1,532,348	8,754,002	(2,032,931)	(1,328,305)	12,487,689	74,857,147
	(8,889,515)	3,659,886	(3,910,981)	(351,558)	1,557,308	8,900,907	(2,012,616)	(1,331,846)	12,189,320	75,214,286
	(9,206,664)	6,992,317	(12,117,719)	2,646,312	(24,152,141)	(321,336)	(2,626,984)	5,060,346	1,509,066	75,708,169
Net cash (outflow)/inflow from operating activities	(7,571,932)	5,425,084	1,073,849	3,312,261	5,044,208	1,408,541	(1,630,043)	(709,477)	9,172,424	73,445,542

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund
For the year ended 31 March	2024	2023	2024	2023	2024	2023	2024
Operating profit/(loss)	613,908	(380,404)	4,144,310	(705,734)	3,889,390	(576,156)	1,443,097
Adjustments for non-cash items							
Net (gain)/loss on financial instruments held at fair value through profit or loss	(449,384)	521,091	(4,103,255)	(1,076,213)	(3,784,972)	(1,269,149)	(164,811)
Net foreign currency losses or gains on cash and cash equivalents	(100)	554	-	(2,325)	-	(441)	-
Interest income on in-specie purchases and sales of debt securities	-	-	(19,783)	-	(3,825)	-	81,207
Net dividends reinvested as units	(76,503)	(9,613)	(155,235)	-	(58,045)	-	-
	(525,987)	512,032	(4,278,273)	(1,078,538)	(3,846,842)	(1,269,590)	(83,604)
Movements in working capital items							
Decrease/(increase) in trade and other receivables	1,658	4,483	2,974	41,797	(3,188)	37,607	(325,973)
Increase in trade and other payables	235	940	8,608	2,876	4,765	3,831	14,390
Increase in net cost of investments	(625,715)	(1,829,942)	(8,680,892)	(3,009,533)	(4,974,818)	(1,277,012)	(7,148,298)
	(623,822)	(1,824,519)	(8,669,310)	(2,964,860)	(4,973,241)	(1,235,574)	(7,459,881)
	(1,149,809)	(1,312,487)	(12,947,583)	(4,043,398)	(8,820,083)	(2,505,164)	(7,543,485)
Net cash outflow from operating activities	(535,901)	(1,692,891)	(8,803,273)	(4,749,132)	(4,930,693)	(3,081,320)	(6,100,388)

Notes to the Financial Statements

9. Financial risk management

The Trust Deed for the Funds requires the Manager to invest the assets of the Funds in accordance with the investment guidelines, as agreed with the Supervisor from time to time, in order to manage risk. The Funds activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk). The Funds overall risk management programme seeks to maximise the return derived for the level of risk to which the Funds are exposed and seeks to minimise potential adverse effects on the Funds financial performance. The Funds may use derivative financial instruments to moderate certain risk exposures.

All securities investments present a risk of loss of capital. The Funds of the Scheme hold various financial instruments such as listed equities, listed trusts, unlisted trusts and fixed interest securities where the maximum loss of capital is limited to the fair value of those positions. The maximum loss of capital on forward foreign exchange contracts is limited to the notional amount of currency that is contracted to be delivered under each contract.

The Funds are exposed directly and indirectly to price risks through their holdings of equity and trusts. The underlying trusts investments have underlying securities comprising primarily domestic, international equity instruments, derivatives and fixed interest securities.

The Funds use different methods to measure and manage the various types of risk to which it is exposed. These methods are explained below.

(a) Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of counterparties to honour fully the terms and conditions of a contract with the Funds. The maximum credit risk of financial instruments is considered to be the carrying amount on the Statements of Financial Position. There is a risk of non-recovery. Financial instruments that subject the Funds to credit risk consist primarily of cash equivalents, debt securities, transferable certificate of deposits, settlements receivables, contributions receivables and other receivables including amounts receivable for unsettled investment trades. All transactions in listed securities are settled/paid for upon delivery using approved brokers.

The Supervisor regularly reviews and approves an investment strategy that is implemented by the Manager. In accordance with the Funds policy, the Manager monitors the Fund's credit positions on a daily basis. The Funds Oversight Committee reviews it on a monthly basis.

The investment strategy incorporates an appropriate diversification of investments so that the Funds have no significant concentration of credit risk. An analysis of debt securities by rating is set out in the table below.

At balance date, the Australian Equities Fund, Global Equities Fund, Listed Property Fund, Income Fund, Balanced Fund and Growth Fund held forward currency contracts with one counterparty (Westpac). No open forward currency contracts were held by any other funds as at 31 March 2024.

With respect to forward currency contracts, the Funds credit risk is managed by limiting the counterparties to a group of international banks and the Funds do not expect to incur any losses as a result of non-performance by these counterparties.

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Cash and cash equivalents by rating category										
AA	702,308	1,484,034	2,686,302	2,572,057	1,942,423	2,145,785	989,691	426,799	9,930,828	5,740,496
	702,308	1,484,034	2,686,302	2,572,057	1,942,423	2,145,785	989,691	426,799	9,930,828	5,740,496
Fixed interest portfolio by rating category										
AAA	-	-	-	-	-	-	-	-	90,156,695	59,220,551
AA+/AA/AA-	-	-	-	-	-	-	-	-	21,107,647	35,269,955
A+/A/ A-	-	-	-	-	-	-	-	-	2,098,993	5,773,183
BBB+/BBB/BBB-	-	-	-	-	-	-	-	-	12,311,818	22,420,672
BB+	-	-	-	-	-	-	-	-	3,897,391	4,565,048
Unrated	-	-	-	-	-	-	-	-	10,672,644	16,425,294
	-	-	-	-	-	-	-	-	140,245,188	143,674,703

	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund
As at 31 March	2024	2023	2024	2023	2024	2023	2024
Cash and cash equivalents by rating category							
AA	207,587	610,047	384,252	1,006,068	403,878	1,674,733	3,540,238
	207,587	610,047	384,252	1,006,068	403,878	1,674,733	3,540,238
Fixed interest portfolio by rating category							
AAA	-	-	-	-	-	-	2,517,651
AA+/AA/AA-	-	-	-	294,132	-	89,131	2,504,458
A+/A/ A-	-	-	-	-	-	112,588	1,458,737
BBB+/BBB/BBB-	-	-	-	643,165	-	148,422	4,889,026
Unrated	-	-	-	98,497	-	-	3,943,727
	-	-	-	1,035,794	-	350,141	15,313,599
Transferable certificate of deposits							
A+/A/ A-	-	-	-	493,538	-	-	5,321,925
AA+/AA/AA-	-	-	-	-	-	-	5,225,812
BBB+/BBB/BBB-	-	-	-	494,006	-	-	6,089,957
Unrated	-	-	-	992,355	-	-	-
	-	-	-	1,979,899	-	-	16,637,694

The Funds measure credit risk and expected credit losses using the probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. At 31 March 2024 and 31 March 2023, all amounts of cash and non-exchange traded debt securities are held with counterparties with credit ratings per the table above. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. There is no risk of default relating to contributions receivable by the Funds as this receivable has arisen only due to timing between the date of receipt of the funds and when the units are allocated and the receipts processed. The Funds invest cash with banks registered in New Zealand. Management considers the probability of default for the cash and non-exchange traded debt securities to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As such, no loss allowance has been recognised on 12-month expected credit losses as any such impairment would be insignificant to the Funds.

With respect to forward currency contracts, the Funds credit risk is managed by limiting the counterparties to a group of international banks and the Funds do not expect to incur any losses as a result of non-performance by these counterparties.

Notes to the Financial Statements

9. Financial risk management (continued)

(b) Liquidity risk

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

Liquidity management is designed to ensure that the Funds have the ability to generate sufficient cash in a timely manner to meet their financial commitments and normal level of redemptions. The Funds have a benchmark liquidity level which is monitored and maintained given normal investment conditions. Liquidity risk is managed by investing the majority of their assets in investments that are traded in an active market and can be readily disposed to enable them to meet liabilities as they fall due and unit redemptions when requested. In the event of abnormal levels of redemptions, timing of payment may be dependent on the ability of the Funds to realise their underlying investments on a timely basis. The Funds may periodically invest in derivative contracts traded over the counter or in unrated fixed interest securities, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to liquidate their investments in these investments at an amount close to their fair value to meet their liquidity requirements, or be able to respond to specific events such as deterioration in the creditworthiness of any particular issue. At 31 March 2024 and 31 March 2023, the Funds held no investments that are considered illiquid.

The Funds also have the ability in extraordinary situations to impose discretionary redemption restrictions, which include the ability to suspend redemptions or withhold varying amounts of any redemption requested. It is the intention of the Funds to exercise this ability only in instances where the payment of redemptions would put the remaining Unitholders in a disadvantageous position, or if the Funds are unable to liquidate their investments that would allow the Funds to pay redemptions as they fall due. The Funds have not withheld redemptions during the period (31 March 2023: nil).

Supervisor fees payable, other payables and outstanding settlements are due for settlement within three months of balance date.

The required cash outflow to settle the forward exchange contracts which are in a loss position at balance date as disclosed in Note 6 will be the fair value as at 31 March 2024 and 31 March 2023, if it was settled on that date. It is expected that the actual future undiscounted cash flows will be different, given that the instruments are carried at fair value. All the open currency contracts which are in a loss position at 31 March 2024, matured within 3 months (31 March 2023: 3 months) after balance date.

(c) Currency risk

The Funds hold both monetary and non-monetary assets denominated in currencies other than the New Zealand dollar. Foreign currency risk arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. The foreign currency exposure relating to non-monetary assets and liabilities is a component of market price risk not foreign currency risk. However, management monitors the exposure on all foreign currency denominated assets and liabilities.

Currency risk management is undertaken by the Funds Manager within the guidelines agreed by the Supervisor. The Funds enter into forward foreign exchange contracts both to economically hedge the foreign currency risk implicit in the value of the portfolio securities denominated in foreign currency and to secure a particular exchange rate for a planned purchase or sale of securities. The terms and conditions of these contracts rarely exceeds one year. As the nature of these contracts is to manage the international investment activities of the Funds, they are accounted for at fair value at balance date in a manner consistent with the valuation of the underlying securities. The fair value of derivatives are shown in Note 6 and included within the investments amount on the Statements of Financial Position.

The New Zealand Fixed Interest Fund is not exposed to currency risk as it invests in New Zealand dollar denominated securities. Indirect foreign exchange exposure form part of the price risk in note 9(e) below.

Foreign currency denominated assets and liabilities held by the Funds are detailed in the table below. The Funds holds foreign exchange contracts at the reporting date. Fair values are disclosed in note 6. All amounts presented are in New Zealand dollar equivalents.

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Australian Dollar (AUD)	4	4	58,572,120	54,795,125	6,110	5,800	1,144,846	1,440,050	-	-
Euro (EUR)	-	-	-	-	(8,435,869)	(5,600,060)	-	-	-	-
United States Dollar (USD)	-	-	110,039	156,012	8,018,939	23,799,881	-	-	-	-
Great British Pound (GBP)	-	-	-	-	13,781	12,806	-	-	-	-
Hong Kong Dollar (HKD)	-	-	-	-	772	736	-	-	-	-
Japanese Yen (JPY)	-	-	-	-	(2,328,505)	(2,916,268)	-	-	-	-
Swiss Frank (CHF)	-	-	-	-	1,700,706	906,361	-	-	-	-
	4	4	58,682,159	54,951,137	(1,024,066)	16,209,256	1,144,846	1,440,050	-	-

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023
Australian Dollar (AUD)	1,450,518	1,091,478	-	-	-	-	-	-
	1,450,518	1,091,478	-	-	-	-	-	-

Notes to the Financial Statements

9. Financial risk management (continued)

(c) Currency risk (continued)

The following table summarises the sensitivity of the Funds investments to changes in foreign exchange movements at 31 March. The analysis is based on the assumptions that the relevant foreign exchange rate increased/decreased by 10% to the New Zealand dollar. This represents management's best estimate of a reasonable shift in the foreign exchange rates, having regard to historical volatility of those rates. This increase or decrease in net profit and Net Assets Attributable to Unitholders that the Funds arises mainly from a change in the fair value of the international dollar investments that are classified as financial assets at fair value through profit or loss.

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Exchange rates increased by 10%										
Australia (AUD)	-	-	(5,324,738)	(4,981,375)	(555)	(527)	(104,077)	(130,914)	-	-
Euro (EUR)	-	-	-	-	766,897	509,096	-	-	-	-
United States of America (USD)	-	-	(10,004)	(14,183)	(728,994)	(2,163,626)	-	-	-	-
United Kingdom (GBP)	-	-	-	-	(1,253)	(1,164)	-	-	-	-
Hong Kong (HKD)	-	-	-	-	(70)	(67)	-	-	-	-
Japanese Yen (JPY)	-	-	-	-	211,682	265,115	-	-	-	-
Switzerland (CHF)	-	-	-	-	(154,610)	(82,396)	-	-	-	-
Total impact of 10% increase in exchange rates	-	-	(5,334,742)	(4,995,558)	93,097	(1,473,569)	(104,077)	(130,914)	-	-

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund
As at 31 March	2024	2023	2024	2023	2024	2023	2024
Exchange rates increased by 10%							
Australia (AUD)	(131,865)	(99,225)	-	-	-	-	-
Total impact of 10% increase in exchange rates	(131,865)	(99,225)	-	-	-	-	-

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Exchange rates decreased by 10%										
Australia (AUD)	-	-	6,508,013	6,088,347	679	644	127,205	160,006	-	-
Euro (EUR)	-	-	-	-	(937,319)	(622,229)	-	-	-	-
United States of America (USD)	-	-	12,227	17,335	890,993	2,644,431	-	-	-	-
United Kingdom (GBP)	-	-	-	-	1,531	1,423	-	-	-	-
Hong Kong (HKD)	-	-	-	-	86	82	-	-	-	-
Japanese Yen (JPY)	-	-	-	-	(258,723)	(324,030)	-	-	-	-
Switzerland (CHF)	-	-	-	-	188,967	100,707	-	-	-	-
Total impact of 10% decrease in exchange rates	-	-	6,520,240	6,105,682	(113,786)	1,801,028	127,205	160,006	-	-

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund
As at 31 March	2024	2023	2024	2023	2024	2023	2024
Exchange rates decreased by 10%							
Australia (AUD)	161,169	121,275	-	-	-	-	-
Total impact of 10% decrease in exchange rates	161,169	121,275	-	-	-	-	-

Notes to the Financial Statements

9. Financial risk management (continued)

(d) Cashflow and fair value interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows. The Funds may hold investments in interest earning financial instruments that expose the Funds to fair value interest rate risk. The Funds may also hold cash and cash equivalents that expose the Funds to cash flow interest rate risk. The interest rate risk arising from these investments is managed by the Manager.

The table below summarises the sensitivity of the Funds' investments to changes in interest rate movements at 31 March. The analysis is based on the assumptions that the relevant interest rate increased/decreased by 1% (31 March 2023: 1%), with all other variables held constant. This represents management's best estimate of a reasonable shift in the interest rates, having regard to historical volatility of those rates. At 31 March 2024, had the interest rate increased or decreased by 1% with all other variables held constant, the increase or decrease in operating profit and Net Assets Attributable to Unitholders would amount to approximately:

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Increased by 1%	7,023	14,840	26,863	25,721	19,424	21,458	9,897	4,268	(6,368,619)	(5,501,613)
Decreased by 1%	(7,023)	(14,840)	(26,863)	(25,721)	(19,424)	(21,458)	(9,897)	(4,268)	7,006,400	5,855,304

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund
As at 31 March	2024	2023	2024	2023	2024	2023	2024
Increased by 1%	2,076	6,100	3,843	1,214	4,039	(325,136)	(107,159)
Decreased by 1%	(2,076)	(6,100)	(3,843)	(1,136)	(4,039)	325,136	109,608

In addition to the Funds' direct exposure to interest rate changes on the fair value of financial asset and liabilities and on the cash flows of cash and cash equivalents shown above, the Funds may be indirectly affected by the impact of interest rate changes on the earnings of their investments in listed and unlisted trusts, which forms part of the price risk sensitivity in note 9(e) below. Therefore, the above sensitivity analysis may not fully indicate the total effect on the Scheme's net assets attributable to members of future movements in interest rates.

(e) Price risk

The Funds are exposed to price risk from investments in listed equities, listed trusts and unlisted trusts. This arises from investments held by the Funds for which prices in the future are uncertain. Where non-monetary financial instruments, i.e. equities - are denominated in currencies other than the New Zealand dollar (NZD), the price initially expressed in foreign currency and then converted into NZD will also fluctuate because of change in foreign exchange rates.

Price risk is managed through diversification and selection of securities and other financial instruments within specified limits and in accordance with mandates and overall investment strategy.

The majority of the Funds' equity investments are publicly traded. The overall market position is monitored on a daily basis by the Funds' Manager. Compliance with the Funds' investment policies are reported to the Board of the Manager on a quarterly basis.

The Funds also manage their exposure to price risk by analysing the investment portfolio by industrial sector. The Funds' policy is to concentrate the investment portfolio in sectors where management believe the Funds can maximise the returns derived for the level of risk to which the Funds are exposed.

The table below summarises the sensitivity of the Funds' net assets attributable to Unitholders to equity securities price movements, including the effect of movements in foreign currency exchange rates on equity, options and debt securities prices, as at 31 March. A variable of 10% for NZ Equities Fund, Australian Equities Fund, Global Equities Fund, Listed Property Fund, Income Fund, Balanced Fund and Growth Fund represents managements best estimate of a reasonable shifts in prices (2023: 10% for NZ Equities Fund, Australian Equities Fund, Global Equities Fund, Listed Property Fund, Income Fund, Balanced Fund and Growth Fund and 5% for New Zealand Fixed Interest Fund). Debt securities held by the New Zealand Fixed Interest Fund and the Enhanced Cash Fund are directly exposed to interest rate risk and credit risk, which are disclosed in note 9 (a) and note 9 (d).

\$	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Volatility Estimate	10%	10%	10%	10%	10%	10%	10%	10%	-	5%
Increase in %	9,114,316	8,163,094	8,767,822	7,512,058	14,694,547	12,169,611	3,188,892	2,910,969	-	65,288
Decrease in %	(9,114,316)	(8,163,094)	(8,767,822)	(7,512,058)	(14,694,547)	(12,169,611)	(3,188,892)	(2,910,969)	-	(65,288)

\$	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund
As at 31 March	2024	2023	2024	2023	2024	2023	2024
Volatility Estimate	10%	10%	10%	10%	10%	10%	-
Increase in %	1,075,617	968,045	4,584,264	2,975,476	3,482,419	2,565,228	-
Decrease in %	(1,075,617)	(968,045)	(4,584,264)	(2,975,476)	(3,482,419)	(2,565,228)	-

(f) Capital management risk

The Funds capital is represented by net assets attributable to Unitholders. The amount of net assets attributable to Unitholders can change significantly on a daily basis as the Funds are subject to daily subscriptions at the discretion of Unitholders. The Funds objectives when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for Unitholders and benefit other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Funds. The Funds do this by investing in a diversified portfolio of equity and debt securities both in NZ and globally. The Funds may also use derivatives and short sales to increase exposure in certain investments. Investment decisions are guided by the mandate included in the Statement of Investment Policies and Objectives (SIPO) and Product Disclosure Statement.

The Funds strive to invest the subscriptions of Unitholder funds in investments that meet the Funds objectives while maintaining sufficient liquidity to meet Unitholder redemptions.

The Funds do not have any externally imposed capital requirements. Units may be redeemed on any business day by giving written notice in accordance with the Trust Deed, SIPO and Product Disclosure Statement. The Manager may, in the interests of all Unitholders in the Funds, restrict, suspend or alter withdrawals in certain circumstances.

Notes to the Financial Statements

9. Financial risk management (continued)

(g) Offsetting and amounts subject to master netting arrangements and similar agreements

As at 31 March 2024, the Funds were subject to an International Swaps and Derivatives Association (ISDA) arrangement with Westpac. According to the terms of the ISDA arrangement all the derivatives are settled net.

The following tables present the Funds' financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instrument.

\$ As at 31 March	NZ Equities Fund		Australian Equities Fund		Global Equities Fund		Listed Property Fund		New Zealand Fixed Interest Fund	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets subject to offsetting, enforceable master netting arrangements										
Gross amounts of recognised financial assets	-	-	-	319,297	500,718	154,911	5,551	9,296	-	-
Gross amounts of recognised financial liabilities set-off in the statement of financial position	-	-	-	-	-	-	-	-	-	-
Net amounts of financial assets presented in the statement of financial position	-	-	-	319,297	500,718	154,911	5,551	9,296	-	-
<i>Related amounts not set-off in the statement of financial position</i>										
Financial instruments	-	-	-	(319,297)	(500,718)	(154,911)	(3,615)	(450)	-	-
Net amount	-	-	-	-	-	-	1,936	8,846	-	-
<i>Financial liabilities subject to offsetting, enforceable master netting arrangements</i>										
Gross amounts of recognised financial liabilities	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-
Gross amounts of recognised financial assets set-off in the statement of financial position	-	-	-	-	-	-	-	-	-	-
Net amounts of financial liabilities presented in the statement of financial position	-	-	245,484	-	2,023,363	792,647	3,615	450	-	-
<i>Related amounts not set-off in the statement of financial position</i>										
Financial instruments	-	-	-	(319,297)	(500,718)	(154,911)	(3,615)	(450)	-	-
Net amount	-	-	245,484	(319,297)	1,522,645	637,736	-	-	-	-

\$ As at 31 March	Income Fund		Balanced Fund		Growth Fund		Enhanced Cash Fund
	2024	2023	2024	2023	2024	2023	2024
Financial assets subject to offsetting, enforceable master netting arrangements							
Gross amounts of recognised financial assets	-	5,052	-	-	-	-	-
Gross amounts of recognised financial liabilities set-off in the statement of financial position	-	-	-	-	-	-	-
Net amounts of financial assets presented in the statement of financial position	-	5,052	-	-	-	-	-
<i>Related amounts not set-off in the statement of financial position</i>							
Financial instruments	-	-	-	-	-	-	-
Net amount	-	5,052	-	-	-	-	-
<i>Financial liabilities subject to offsetting, enforceable master netting arrangements</i>							
Gross amounts of recognised financial liabilities	6,393	-	-	-	-	-	-
Gross amounts of recognised financial assets set-off in the statement of financial position	-	-	-	-	-	-	-
Net amounts of financial liabilities presented in the statement of financial position	6,393	-	-	-	-	-	-
<i>Related amounts not set-off in the statement of financial position</i>							
Financial instruments	-	-	-	-	-	-	-
Net amount	6,393	-	-	-	-	-	-

(h) Fair values of financial assets and financial liabilities

All financial assets and liabilities not measured at fair value through profit or loss are carried at amortised cost and their carrying values are a reasonable approximation of fair value.

10. Commitments and contingent liabilities

There are no material commitments or material contingencies as at 31 March 2024 (31 March 2023:nil).

11. Events occurring after the balance sheet date

No significant events that have occurred since the reporting date which would have impacted the financial position of the Funds disclosed in the Statements of Financial Position as at 31 March 2024 or on the results and cash flows of the Funds for the reporting period ended on that date.

Independent Auditor's Report

To the Unitholders of Octagon Investment Funds

Opinion

We have audited the financial statements of Octagon Investment Funds, which refers to the following separate and independent funds: Octagon New Zealand Equities Fund; Octagon Australian Equities Fund; Octagon New Zealand Fixed Interest Fund; Octagon Global Equities Fund; Octagon Listed Property Fund; Octagon Income Fund; Octagon Balanced Fund; Octagon Growth Fund; Enhanced Cash Fund which comprise the statements of financial position as at 31 March 2024, and the statements of comprehensive income, statements of changes in net assets attributable to unitholders, and statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements, on pages 2 to 22, present fairly, in all material respects, the financial position of Octagon Investment Funds as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

Basis for opinion

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

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

Our firm carries out other assignments for the Manager and Octagon Investment Funds in the area of taxation advice in relation to PIE compliance. These services have not impaired our independence as auditor of Octagon Investment Funds. In addition to this, subject to certain restrictions, partners and employees of our firm may deal with Octagon Investment Funds on normal terms within the ordinary course of trading activities of the business of the Octagon Investment Funds. The firm has no other relationship with, or interest in, Octagon Investment 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.

Key audit matter	How our audit addressed the key audit matter																															
<p>Existence and valuation of financial assets at fair value through profit or loss</p> <p>As disclosed in Note 6, the Octagon Investment Funds' financial assets at fair value through profit or loss ("the investments") at 31 March 2024 are valued at:</p> <table> <tr> <th></th><th>\$000</th><th>% of total assets</th></tr> <tr> <td>Octagon New Zealand Equities Fund</td><td>\$91,143</td><td>98%</td></tr> <tr> <td>Octagon Australian Equities Fund</td><td>\$87,678</td><td>96%</td></tr> <tr> <td>Octagon Global Equities Fund</td><td>\$147,446</td><td>98%</td></tr> <tr> <td>Octagon Listed Property Fund</td><td>\$31,894</td><td>97%</td></tr> <tr> <td>Octagon New Zealand Fixed Interest Fund</td><td>\$140,245</td><td>92%</td></tr> <tr> <td>Octagon Income Fund</td><td>\$10,756</td><td>97%</td></tr> <tr> <td>Octagon Balanced Fund</td><td>\$45,842</td><td>99%</td></tr> <tr> <td>Octagon Growth Fund</td><td>\$34,824</td><td>99%</td></tr> <tr> <td>Enhanced Cash Fund</td><td>\$31,951</td><td>88%</td></tr> </table> <p>And represent a significant portion of total assets of each Fund (as shown above).</p> <p>At 31 March 2024, investments are in securities that are either listed on recognised international exchanges or for which there is an available secondary market.</p> <p>All investments are held by Trustees Executors Limited ("TEL" or the "Custodian") on behalf of the Octagon Investment Funds and administered by the Administrator.</p> <p>The investments at fair value through profit or loss are a key audit matter due to the quantum of the balance relative to total assets. This was an area of significant focus in our audit and an area where significant audit effort was directed.</p>		\$000	% of total assets	Octagon New Zealand Equities Fund	\$91,143	98%	Octagon Australian Equities Fund	\$87,678	96%	Octagon Global Equities Fund	\$147,446	98%	Octagon Listed Property Fund	\$31,894	97%	Octagon New Zealand Fixed Interest Fund	\$140,245	92%	Octagon Income Fund	\$10,756	97%	Octagon Balanced Fund	\$45,842	99%	Octagon Growth Fund	\$34,824	99%	Enhanced Cash Fund	\$31,951	88%	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> - Updating our understanding of the business processes employed by Octagon Investment Funds for accounting for and valuing their investment portfolio; - Obtaining a schedule of investments at market price as at 31 March 2024 and reconciling the schedule to general ledger; - Obtaining confirmation from the Custodian that Octagon Investment Funds was the recorded owner of all investment assets and of the total balance held in each security; - Obtaining the Independent Assurance Reports for both the administrator and custodian and assessing the appropriateness of their controls, the impact (if any) of any exceptions in control procedures reported and the relevant complementary client controls; and - For a sample of investments agreeing the price of investments held at 31 March 2024 to independent third party pricing sources. 	
	\$000	% of total assets																														
Octagon New Zealand Equities Fund	\$91,143	98%																														
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Enhanced Cash Fund	\$31,951	88%																														

Other information

The Board of Directors of the Manager is responsible on behalf of Octagon Investment Funds for the other information. The other information comprises the information in the Annual Report that accompanies the financial statements and the audit report.

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

Our responsibility is to read the other information identified above when it becomes available and consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information in the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors of the Manager and consider further appropriate actions.

Manager's responsibilities for the financial statements

The Board of Directors of the Manager are responsible on behalf of Octagon Investment Funds for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the Directors of the Manager 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 Board of Directors of the Manager are responsible on behalf of the Octagon Investment Funds for assessing Octagon Investment Funds' 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 Board of Directors of the Manager either intend to liquidate Octagon Investment 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 and 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 our responsibilities for the audit of the financial statements is located on the External Reporting Board's website at:

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

This description forms part of our auditor's report.

Restriction on use

This report is made solely to Octagon Investment Funds' Unitholders, as a body. Our audit has been undertaken so that we might state to Octagon Investment 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 Octagon Investment Funds' Unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

The signature of Deloitte Limited is written in a cursive, handwritten style.

Mike Hawken, Partner
for Deloitte Limited
Dunedin, New Zealand
24 July 2024