

**SHARESIES KIWISAVER SCHEME
FINANCIAL STATEMENTS
31 MARCH 2024**

**SHARESIES KIWISAVER SCHEME
DIRECTORY
FOR THE PERIOD ENDED 31 MARCH 2024**

MANAGER

Sharesies Investment Management Limited

Registered office
Level 6
111 Customhouse Quay
Wellington 6011

Directors
Alison Gerry (*Chair*)
Jonathan Macdonald
Kirsty Mactaggart
Leighton Roberts
Brooke Roberts
Sonya Williams

SUPERVISOR AND CUSTODIAN

Trustees Executors Limited

Registered office
Level 9, Spark Central
42-52 Willis Street
Wellington 6011

AUDITOR

KPMG

Registered office
Level 6/44 Bowen Street
Wellington Central
Wellington 6011

SHARESIES KIWISAVER SCHEME
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS
FOR THE PERIOD ENDED 31 MARCH 2024

	Sharesies Pathfinder Ethical Growth Fund		Sharesies PIE Global Growth 2 Fund		Sharesies Smartshares Growth Fund		Sharesies Smartshares Balanced Fund	
	2024	2023	2024	2023	2024	2023	2024	2023
Notes	\$	\$	\$	\$	\$	\$	\$	\$
Income								
Interest income	4,337	-	10,319	-	9,564	-	3,761	-
Dividend income	7,045	-	18,229	-	17,938	-	6,924	-
Net gains/(losses) on financial assets at fair value through profit or loss	1,330,602	6,362	3,563,618	8,653	2,925,498	15	951,474	-
Total income/(loss)	1,341,984	6,362	3,592,166	8,653	2,953,001	15	962,159	-
Change in net assets before Membership activities	1,341,984	6,362	3,592,166	8,653	2,953,001	15	962,159	-
Membership activities								
Contributions								
Contributions	4 15,963,223	387,561	44,034,759	458,409	43,311,406	32,346	16,449,404	-
Portfolio investment entity (PIE) taxation rebate	326	-	73,680	6	25,943	17	9,063	-
Total contributions	15,963,549	387,561	44,108,439	458,415	43,337,349	32,363	16,458,467	-
Withdrawals								
Withdrawals	4 (933,606)	-	(2,971,511)	-	(1,275,771)	-	(1,132,951)	-
Portfolio investment entity (PIE) taxation expense	(33,416)	(221)	(52,109)	(247)	(17,007)	-	(5,160)	-
Total withdrawals	(967,022)	(221)	(3,023,620)	(247)	(1,292,778)	-	(1,138,111)	-
Transfers in/out								
Transfer in from other Sharesies KiwiSaver Funds	532,901	-	1,585,205	-	1,519,758	-	231,327	-
Transfer out to other Sharesies KiwiSaver Funds	(604,984)	-	(3,153,355)	-	(2,890,573)	-	(694,995)	-
Net transfers in/(out)	(72,084)	-	(1,568,150)	-	(1,370,815)	-	(463,668)	-
Net movement in assets during the year	16,266,428	393,702	43,108,835	466,820	43,626,757	32,378	15,818,848	-
Net assets attributable to Members at the start of the year	393,702	-	466,820	-	32,378	-	-	-
Net assets attributable to Members at the end of the year	16,660,130	393,702	43,575,655	466,820	43,659,135	32,378	15,818,848	-



SHARESIES KIWISAVER SCHEME
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS
FOR THE PERIOD ENDED 31 MARCH 2024

	Notes	Sharesies Smartshares Conservative Fund		Sharesies Milford Aggressive Fund		Sharesies Self Select Fund		Total Scheme	
		2024	2023	2024	2023	2024	2023	2024	2023
		\$	\$	\$	\$	\$	\$	\$	\$
Income									
Interest income		525	-	-	-	767	-	29,274	-
Dividend income		1,045	-	2,821	-	133,615	-	187,619	-
Net gains/(losses) on financial assets at fair value through profit or loss		76,316	-	(447,539)	-	155,029	-	8,554,998	15,029
Total income/(loss)		77,886	-	(444,718)	-	289,411	-	8,771,890	15,029
Change in net assets before Membership activities		77,886	-	(444,718)	-	289,411	-	8,771,890	15,029
Membership activities									
Contributions									
Contributions	4	3,026,853	-	12,770,554	-	10,228,716	-	145,784,916	878,316
Portfolio investment entity (PIE) taxation rebate		1,854	-	1,065	-	21,127	-	133,058	23
Total contributions		3,028,708	-	12,771,619	-	10,249,843	-	145,917,974	878,339
Withdrawals									
Withdrawals	4	(446,804)	-	(310,505)	-	(201,752)	-	(7,272,899)	-
Portfolio investment entity (PIE) taxation expense		(349)	-	(313)	-	(3,962)	-	(112,316)	(468)
Total withdrawals		(447,153)	-	(310,818)	-	(205,713)	-	(7,385,215)	(468)
Transfers in/out									
Transfer in from other Sharesies KiwiSaver Funds		314,637	-	2,233,445	-	2,106,775	-	8,524,048	-
Transfer out to other Sharesies KiwiSaver Funds		(478,915)	-	(29,715)	-	(850,944)	-	(8,703,481)	-
Net transfers in/(out)		(164,278)	-	2,203,731	-	1,255,831	-	(179,433)	-
Net movement in assets during the year		2,495,164	-	14,219,814	-	11,589,371	-	147,125,216	892,900
Net assets attributable to Members at the start of the year		-	-	-	-	-	-	892,900	-
Net assets attributable to Members at the end of the year		2,495,164	-	14,219,814	-	11,589,370	-	148,018,115	892,900

The accompanying notes form an integral part of these financial statements



**SHARESIES KIWISAVER SCHEME
STATEMENTS OF NET ASSETS
AS AT 31 MARCH 2024**

	Sharesies Pathfinder Ethical Growth Fund		Sharesies PIE Global Growth 2 Fund		Sharesies Smartshares Growth Fund		Sharesies Smartshares Balanced Fund	
	2024	2023	2024	2023	2024	2023	2024	2023
Notes	\$	\$	\$	\$	\$	\$	\$	\$
Assets								
Cash and cash equivalents	148,597	-	172,810	-	397,492	-	76,911	-
Financial assets at fair value through profit or loss	5 16,628,329	393,923	43,221,665	467,061	43,592,074	32,361	15,808,789	-
Other receivables	63,752	-	327,829	-	57,335	-	6,269	-
Tax receivable on behalf of Members	267	-	68,454	6	25,031	17	8,582	-
Total Assets	16,840,945	393,923	43,790,757	467,068	44,071,932	32,378	15,900,550	-
Current Liabilities								
Unallocated contributions	(97,022)	-	(27,001)	-	(262,623)	-	(28,045)	-
Unsettled trades	-	-	(11,249)	-	-	-	-	-
Withdrawals payable	(51,576)	-	(134,560)	-	(134,869)	-	(48,866)	-
Tax payable on behalf of Members	(32,219)	(221)	(42,293)	(247)	(15,306)	-	(4,792)	-
Total liabilities	(180,816)	(221)	(215,102)	(247)	(412,798)	-	(81,703)	-
Net assets attributable to Members	16,660,130	393,702	43,575,655	466,820	43,659,135	32,378	15,818,847	-



**SHARESIES KIWISAVER SCHEME
STATEMENTS OF NET ASSETS
AS AT 31 MARCH 2024**

	Sharesies Smartshares Conservative Fund		Sharesies Milford Aggressive Fund		Sharesies Self Select Fund		Total Scheme	
	2024	2023	2024	2023	2024	2023	2024	2023
Notes	\$	\$	\$	\$	\$	\$	\$	\$
Assets								
Cash and cash equivalents	189,997	-	1,034,546	-	283,925	-	2,304,277	-
Financial assets at fair value through profit or loss	2,472,753	-	14,129,633	-	11,553,094	-	147,406,337	893,345
Other receivables	20,931	-	89,429	-	19,114	-	584,658	-
Tax receivable on behalf of Members	1,636	-	1,065	-	21,124	-	126,160	23
Total Assets	2,685,317	-	15,254,672	-	11,877,257	-	150,421,432	893,368
Current Liabilities								
Unallocated contributions	(182,291)	-	(990,611)	-	(58,915)	-	(1,646,509)	-
Unsettled trades	-	-	-	-	(189,254)	-	(200,502)	-
Withdrawals payable	(7,705)	-	(43,934)	-	(35,756)	-	(457,266)	-
Tax payable on behalf of Members	(157)	-	(313)	-	(3,962)	-	(99,040)	(468)
Total liabilities	(190,154)	-	(1,034,858)	-	(287,887)	-	(2,403,318)	(468)
Net assets attributable to Members	2,495,164	-	14,219,814	-	11,589,370	-	148,018,114	892,900

The accompanying notes form an integral part of these financial statements

Signed

Alison Gerry
Director

DocuSigned by:
A.R. Gerry
09CB69CF6BD7422...

Leighton Roberts
Director

DocuSigned by:
L. Roberts
378A656117D149E...

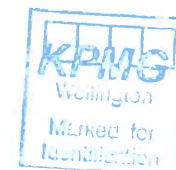
Date

30 July 2024



**SHARESIES KIWISAVER SCHEME
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2024**

	Sharesies Pathfinder Ethical Growth Fund		Sharesies PIE Global Growth 2 Fund		Sharesies Smartshares Growth Fund		Sharesies Smartshares Balanced Fund	
	2024	2023	2024	2023	2024	2023	2024	2023
Notes	\$	\$	\$	\$	\$	\$	\$	\$
Cash inflow/(outflow) from operating activities								
Interest income	4,337	-	10,319	-	9,564	-	3,761	-
Dividends and distributions received	7,045	-	18,229	-	17,938	-	6,924	-
Payments for purchase of financial assets	(15,974,606)	(387,340)	(44,063,307)	(458,167)	(43,338,909)	(32,363)	(16,460,089)	-
Proceeds from sale of financial assets	933,606	-	2,971,511	-	1,275,771	-	1,132,951	-
Net cash outflow from operating activities	(15,029,617)	(387,340)	(41,063,248)	(458,167)	(42,035,635)	(32,363)	(15,316,453)	-
Cash inflow/(outflow) from financing activities								
Contributions	15,963,223	387,561	44,034,759	458,409	43,311,406	32,346	16,449,404	-
Net PIE tax received/(paid) on behalf of Members	(1,138)	(221)	(4,590)	(241)	(790)	17	113	-
Unallocated contributions	97,022	-	27,001	-	262,623	-	28,045	-
Unsettled trades	-	-	11,249	-	-	-	-	-
Withdrawals	(880,892)	-	(2,832,360)	-	(1,409,851)	-	(1,084,198)	-
Net cash inflow from financing activities	15,178,214	387,340	41,236,058	458,167	42,163,389	32,363	15,393,364	-
Net increase in cash and cash equivalents	148,597	-	172,810	-	127,754	-	76,911	-
Opening cash and cash equivalents at the start of the year	-	-	-	-	-	-	-	-
Closing cash and cash equivalents at the end of the year	148,597	-	172,810	-	127,754	-	76,911	-



**SHARESIES KIWISAVER SCHEME
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2024**

	Sharesies Smartshares Conservative Fund		Sharesies Milford Aggressive Fund		Sharesies Self Select Fund		Total Scheme	
	2024	2023	2024	2023	2024	2023	2024	2023
Notes	\$	\$	\$	\$	\$	\$	\$	\$
Cash inflow/(outflow) from operating activities								
Interest income	525	-	-	-	767	-	29,274	-
Dividends and distributions received	1,045	-	2,821	-	133,615	-	187,619	-
Payments for purchase of financial assets	(3,028,424)	-	(12,773,375)	-	(10,363,099)	-	(146,001,808)	(877,870)
Proceeds from sale of financial assets	446,804	-	310,505	-	201,752	-	7,272,899	-
Net cash outflow from operating activities	(2,580,050)	-	(12,460,049)	-	(10,026,965)	-	(138,512,016)	(877,870)
Cash inflow/(outflow) from financing activities								
Contributions	4 3,026,853	-	12,770,554	-	10,228,716	-	145,784,916	878,316
Net PIE tax received/(paid) on behalf of Members	26	-	-	-	3	-	(6,377)	(446)
Unallocated contributions	182,291	-	990,611	-	58,915	-	1,646,509	-
Unsettled trades	-	-	-	-	189,254	-	11,249	-
Withdrawals	4 (439,125)	-	(266,571)	-	(165,998)	-	(7,078,995)	-
Net cash inflow from financing activities	2,770,046	-	13,494,594	-	10,310,890	-	140,357,302	877,870
Net increase in cash and cash equivalents	189,997	-	1,034,546	-	283,925	-	1,845,286	-
Opening cash and cash equivalents at the start of the year	-	-	-	-	-	-	-	-
Closing cash and cash equivalents at the end of the year	189,997	-	1,034,546	-	283,925	-	1,845,286	-

The accompanying notes form an integral part of these financial statements



Notes to the Financial Statements

1 GENERAL INFORMATION

These financial statements are for the Sharesies KiwiSaver Scheme (the 'Scheme') for the year ended 31 March 2024 (the reporting date), which comprises the following investment funds (each a 'Fund', together the 'Funds'):

- *Sharesies Pathfinder Ethical Growth Fund*
- *Sharesies PIE Global Growth 2 Fund*
- *Sharesies Smartshares Growth Fund*
- *Sharesies Smartshares Balanced Fund*
- *Sharesies Smartshares Conservative Fund*
- *Sharesies Milford Aggressive Fund*
- *Sharesies Self Select Fund*

Statutory base

The Scheme is a defined contribution superannuation scheme registered under the KiwiSaver Act 2006, which means that members contribute to the Scheme over time and benefits payable depend on the amount of contributions made and any returns on contributions received. The Scheme is registered under the Financial Markets Conduct Act 2013 as a KiwiSaver Scheme. The Scheme is a trust vehicle governed by a Trust Deed dated 09 December 2022.

The Scheme was registered on 14 December 2022 and commenced accepting members on 7 February 2023. The Scheme was established with the purpose of providing retirement benefits to members, with a focus on growing members confidence, connection and control. The current period and prior period are not comparable as the current period covers 01 April 2023 to 31 March 2024 and the prior period covers 14 December 2022 to 31 March 2023.

Sharesies Investment Management Limited is the Manager of the Scheme. It is responsible for the management and administration of the Scheme, including responsibility for the preparation and issue of the Scheme's financial statements.

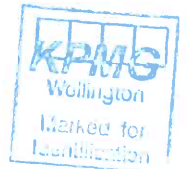
Trustees Executors Limited is the Supervisor of the Scheme and is licensed under the Financial Markets Supervisors Act 2011 to act as Supervisor of the Scheme. The assets of each Fund are the exclusive property of that Fund, and all liabilities incurred in relation to a Fund are exclusive liabilities of that Fund. Trustees Executors Limited is also the custodian of the Scheme's financial assets at fair value through profit or loss.

The financial statements of the Scheme for the year ended 31 March 2024 were authorised for issue in accordance with a resolution of the directors on 30 July 2024.

Investment objectives

The principal objective of the funds is described below:

- The objective of the Sharesies Pathfinder Ethical Growth Fund is to achieve medium to high returns via an ethical portfolio with a higher exposure to growth assets and a lower exposure to income assets. The underlying portfolio is actively managed and includes cash, fixed interest, Australasian equities, International equities, listed property and other assets. The Fund has medium volatility.



Investment objectives (continued)

- The objective of the Sharesies PIE Global Growth 2 Fund is to generate capital growth which outperforms the market index by investing predominantly in listed international large companies. The underlying portfolio is actively managed and includes international equities. The Fund has medium to high volatility.
- The objective of the Sharesies Smartshares Growth Fund is to maximise long term returns by investing 80% in growth assets, such as shares and property, with a small diverse allocation to income assets. The Fund keeps fees low by passively tracking market indexes. The underlying portfolio includes cash, fixed interest, Australasian equities, International equities, listed property and other assets. The Fund has medium to high volatility.
- The objective of the Sharesies Smartshares Balanced Fund is to achieve a balance between stability of returns and growth of their investment over the long term by providing exposure to a diverse mix of growth and income assets. The Fund keeps fees low by passively tracking market indexes. The underlying portfolio includes cash, fixed interest, Australasian equities, International equities, listed property and other assets. The Fund has medium volatility.
- The objective of the Sharesies Smartshares Conservative Fund is to achieve a conservative investment option that aims to provide more stable returns over the short to medium term. The Fund keeps fees low by passively tracking market indexes. The underlying portfolio includes cash, fixed interest, Australasian equities, International equities, listed property and other assets. The Fund has medium volatility.
- The objective of the Sharesies Milford Aggressive Fund is to maximise capital growth over the minimum recommended investment timeframe. The underlying portfolio primarily includes international equities, with a moderate allocation to Australasian equities.
- The objective of the Sharesies Self Select Fund is to provide members with the flexibility to self select investments to suit their own risk profile, investment objectives and investment beliefs. Members are responsible for selecting their own investments and developing their own investment strategies.

Funding arrangements

Funding in the form of contributions is received primarily from three sources: Members of the Scheme; Employers of Members of the Scheme; and the Government (in accordance with the provisions of the KiwiSaver Act 2006). Members may contribute to the Scheme at varying designated additional contributions in excess of any salary or wage linked contributions. As of 31 March 2024, employer contribution rates are either 3% or greater of each relevant Member's gross salary or wages. Employer contributions to KiwiSaver are subject to Employer Superannuation Contribution Tax. The Crown will also contribute \$0.50 for every \$1.00 of member contributions annually up to a maximum of \$521.43 for qualifying members.

2 BASIS OF ACCOUNTING

(a) Basis of preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and on the assumption that the Scheme is a going concern. The Scheme is a Tier 1 entity and, as such, the financial statements comply with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS"), and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The financial statements also comply with International Financial Reporting Standards ("IFRS").

The financial statements have been prepared in accordance with the Trust Deed governing the Scheme, the KiwiSaver Act 2006 and the Financial Markets Conduct Act 2013.

For the purposes of complying with NZ GAAP, the Scheme is a for-profit entity. The financial statements are being presented on a segregated fund basis in accordance with the requirements of the Financial Markets Conduct Act 2013. The financial statements have been prepared on an accruals basis. The measurement base adopted is historical cost modified by the revaluation of financial assets at fair value through profit or loss, other than where described in the notes below. All amounts are expressed in New Zealand dollars (the "presentation currency") which is the currency of the primary economic environment in which the Scheme operates (the "functional currency").



Basis of preparation (continued)

The financial statements are for the year ended 31 March 2024. Given that this is the second year of operations, the prior period is not comparable to the current period as the prior period is from the date of establishment (14 December 2022) to 31 March 2023 and the current period is for the year beginning 01 April 2023 to 31 March 2024.

The preparation of financial statements can require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Any areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to these financial statements, are disclosed in Note 3.

Changes in accounting policies and disclosures

The accounting policies adopted have been applied consistently throughout the period.

Standards or interpretations issued but not yet effective

In May 2024 the External Reporting Board issued Presentation and Disclosure in Financial Statements (NZ IFRS 18). The objective of the standard is to set out the requirements for presentation and disclosures in financial statements. The new standard establishes new requirements for presentation within the statements of profit or loss by introducing new subcategories. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information on the face of the primary statements and supporting notes. The Scheme has not early adopted NZ IFRS 18 and is still assessing the impact the amendments will have on current practice.

There are no other standards or amendments that have been issued but are not yet effective that are expected to have a significant impact on the Scheme. The Scheme has not adopted, and currently does not anticipate adopting, any standards prior to their effective date.

(b) Financial instruments

(i) Classification

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 Schemes business model for managing the financial assets, and (b) the contractual cash flow characteristics of the financial asset.

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 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 Scheme is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. All investments are measured at fair value through profit or loss.

Financial assets at amortised cost

Financial assets at amortised cost which includes cash and cash equivalents and other receivables, and is measured using the effective interest rate method.



Liabilities

Financial liabilities at amortised cost

Financial liabilities measured at amortised cost are measured using the effective interest rate method and comprise unallocated contributions, unsettled trades and withdrawals payable.

(ii) Recognition, measurement and derecognition

Financial assets at fair value through profit or loss

Purchases and sales of investments are recognised on the trade date, the date on which the Funds commit to purchase or sell the investment.

Subsequent to initial recognition, all financial assets are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the Statement of Changes in Net Assets when they arise.

Financial assets at fair value through profit or loss are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all 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 Statement of Changes to Net Assets in the period the item is derecognised.

(iii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value of financial instruments traded in active markets (such as trading securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Scheme is the current bid price. The Manager has determined that bid price is the most appropriate measure for fair value.

The fair value of units held by the Fund in managed investment funds is determined by reference to published bid prices at the close of business on the reporting date being the redemption price established by the relevant underlying investment manager.

(c) Contributions

Contributions are accounted for on an accruals basis. Contributions are initially recognised at fair value when the Manager has confirmed the validity of a Member's application details and instructions. Each Member contributes to the Scheme in accordance with the KiwiSaver Act, the trust deed and at a rate determined by the Member.

(d) Withdrawals

Withdrawals are accounted for on an accruals basis and are recognised when the Manager has confirmed that a Member meets the conditions required for withdrawal eligibility. Withdrawals are paid on or after a Member's qualifying date for retirement. Early withdrawals are permitted for a first home purchase, significant financial hardship, serious illness, permanent emigration, life shortening congenital conditions and death.

(e) Unallocated contributions

Unallocated contributions arise when contributions have been received but have not yet been allocated to Members' accounts at balance date.

(f) Net gain/(loss) on financial instruments at fair value through profit or loss

Net gain/(loss) on financial instruments at fair value through profit or loss comprise gains, less losses related to investment assets. This includes all realised and unrealised fair value changes.



(g) Cash and cash equivalents

These balances represent Member monies held that are awaiting unitisation and transfer into a Fund and monies resulting from de-unitisation and are awaiting transfer to Members. Cash and cash equivalents are subject to an insignificant risk of changes in value and are held short-term for the purpose of investment into unit trusts.

(h) Taxation

The Funds are Portfolio Investment Entities (PIEs). Under the PIE regime, income is effectively taxed in the hands of the members and therefore the Funds have no tax expense. Accordingly, no income tax expense is recognised in the Statement of Changes in Net Assets.

Under the PIE regime, the Manager attributes the taxable income of the Funds to Members in accordance with the proportion of their overall interest in the Funds. The income attributed to each Member is taxed at the Member's 'prescribed investor rate' which is capped at 28%. The Manager accounts for tax on behalf of Members and undertakes any necessary adjustments to the Member's interests in the Funds to reflect that the Scheme pays tax at varying rates on behalf of Members.

Member's funds have been adjusted to reflect the impact of tax on the value of unit holdings.

The tax attributable to members is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Positions taken in attributing taxable income to Members, with respect to situations in which applicable tax regulations are subject to interpretation, are evaluated by the Manager as required.

(i) Goods and services tax (GST)

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

(j) Statement of cash flows

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

- (a) 'Operating activities' include all transactions and other events that are not financing activities; and
- (b) 'Financing activities' are those activities that result in changes in the size and composition of Member's funds.
- (c) The Scheme undertook no investing activities during the reporting period.

(k) Related parties

A party is related to the Scheme if:

- (a) directly or indirectly through one of its intermediaries, it controls, is controlled by, or is under common control with, the Scheme;
- (b) it is a parent, a subsidiary or fellow subsidiary or a party, defined in (a) above;
- (c) it has an interest in or relationship with the Scheme that gives it significant influence over the Scheme;
- (d) the Scheme has an interest in or relationship with the party that gives it significant influence over the party;
- (e) they are a member of the Manager's key management personnel.



3 MATERIAL ACCOUNTING POLICIES

Significant Assumptions, Estimates and Judgements

In applying the Scheme's accounting policies, management evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Scheme. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available. Actual results may differ from the judgements, estimates and assumptions.

At 31 March 2024, Cash and cash equivalents included an amount of \$457,266 (2023: nil) maintained at the total Scheme level relating to monies from de-unitisation that is awaiting transfer to Members. The Manager has estimated the allocation of this cash balance to the Funds. At 31 March 2024, the amounts allocated to Sharesies Pathfinder Ethical Global Fund, Sharesies PIE Global Growth 2 Fund, Sharesies Smartshares Growth Fund, Sharesies Smartshares Balanced Fund, Sharesies Smartshares Conservative Fund, Sharesies Milford Aggressive Fund and Sharesies Self Select Fund were \$51,576 (2023: nil), \$134,560 (2023: nil), \$134,869 (2023: nil), \$48,866 (2023: nil), \$7,705 (2023: nil), \$43,934 (2023: nil) and \$35,756 (2023: nil). These cash and cash equivalent amounts represent a financial liability to Members at year-end as Withdrawals Payable.

Fair value estimation of investments

The valuation models employed use observable data, to the extent practicable. However, areas such as credit risk, volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

There are no other areas involving a higher degree of judgement or complexity, or areas where assumption and estimates are significant to the financial statements.



4 Membership activity

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

	Total Scheme	
	2024	2023
	\$	\$
Contributions		
Member contributions	5,129,884	7,800
Employer contributions	2,778,730	4,762
Crown contributions	230,026	-
Transfers in from other KiwiSaver schemes	136,028,567	865,754
Transfers in from trans-tasman superannuation schemes	1,501,634	-
Transfers in from other superannuation schemes	116,074	-
Total contributions	145,784,916	878,316
Withdrawals		
Eligible member withdrawals	1,365,601	-
Transfers out to other KiwiSaver schemes	5,864,754	-
Other withdrawals	42,545	-
Total withdrawals	7,272,899	-

5 FINANCIAL RISK MANAGEMENT

Financial instruments

Financial instruments recognised in the Statement of Net Assets consists of investments in underlying managed funds. The Self Select KiwiSaver Fund consists of investments in listed equities and ETFs.

Classification and fair values

The Scheme has carried out a fair value assessment of its financial assets and liabilities at 31 March 2024 in accordance with NZ IFRS 9. Under NZ IFRS 9, financial instruments are classified as either measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

Based on the Scheme's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, the Manager has determined that investment assets of the Scheme are measured at fair value through profit or loss. Other financial assets and liabilities, such as cash and cash equivalents, other receivables, unallocated contributions, unsettled trades and withdrawals payable, are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.



5.1 Financial risk factors

The Scheme is subject to a number of financial risks which arise as a result of its activities, including: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Scheme's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Scheme's financial performance.

a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As at 31 March 2024 the Scheme does not hold financial instruments denominated in currencies other than the New Zealand dollar, the functional currency. Therefore, there is no direct exposure to currency risk.

Currency risk has been considered on the basis of the Scheme's direct investments and not on a look through basis for investments held indirectly through unit trusts. Each Fund in the Scheme is indirectly affected by the impact of foreign currency changes on the earnings of their investments in unlisted unit trusts. This forms part of the price risk sensitivity below.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As at 31 March 2024, the majority of the Scheme's financial assets are non-interest bearing. As a result, the Scheme is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates, with financial assets impacted by this risk being cash and cash equivalents and interest income earned on amounts held. These amounts are held short-term while pending investment asset purchases. Therefore, direct exposure to interest rate risk is immaterial.

Interest rate risk has been considered on the basis of the Scheme's direct investments and not on a look through basis for investments held indirectly through unit trusts. Consequently the Scheme is exposed indirectly to interest rate risk where the Scheme has significant investments in unit trusts which have exposure to interest bearing financial instruments. This forms part of the price risk sensitivity below.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Scheme's investments are susceptible to market price risk arising from uncertainties about future values of the investments which will directly affect net investment income.

The Scheme invests in underlying managed funds (for the year ended 31 March 2024, these were Pathfinder Ethical Growth Fund, PIE Global Growth 2 Fund, Smartshares Growth Fund, Smartshares Balanced Fund, Smartshares Conservative Fund and Sharesies Milford Aggressive Fund). It therefore has indirect risk exposure in relation to the underlying investments within each fund. The risks are managed by the investment managers and the impact on the Scheme is restricted to movements in the unit pricing, outlined within the price sensitivity analysis below.

The managers of the underlying funds moderate this risk through careful asset selection and diversification of investments, daily monitoring of the positions and adherence to their investment policies. Price risks are managed by ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits.

As the Self Select KiwiSaver Fund consists of investments in listed equities and ETFs, all changes in market conditions will directly affect investment returns. The overall market exposure for each Fund is equivalent to the carrying value of the financial assets at fair value included in each Fund's balance sheet.

The table below shows the sensitivity analysis to a change in market price with all other variables held constant. As at 31 March 2024, a variable of 10% is considered appropriate for market price risk sensitivity analysis based on historical price movements. This impact would be recognised on the Statement of Changes in Net Assets.



Price risk (continued)

	Sharesies Pathfinder Ethical Growth Fund		Sharesies PIE Global Growth 2 Fund		Sharesies Smartshares Growth Fund		Sharesies Smartshares Balanced Fund	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
Impact of a -10% change in prices	(1,662,833)	(39,392)	(4,322,166)	(46,706)	(4,359,207)	(3,236)	(1,580,879)	-
Impact of a +10% change in prices	1,662,833	39,392	4,322,166	46,706	4,359,207	3,236	1,580,879	-

	Sharesies Smartshares Conservative Fund		Sharesies Milford Aggressive Fund		Sharesies Self Select Fund	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Impact of a -10% change in prices	(247,275)	-	(1,412,963)	-	(1,155,309)	-
Impact of a +10% change in prices	247,275	-	1,412,963	-	1,155,309	-

Members' Funds would be impacted by the same amount less the PIE tax adjustment that would be attributed to members.

b) Credit risk

Credit risk represents the risk that the counterparty to the financial instrument will fail to perform contractual obligations, either in whole or in part, and cause the Fund subject to those contractual obligations to incur a financial loss. The Funds are exposed to counterparty credit risk on cash and cash equivalents. None of these assets are impaired or past due (2023: nil). The Funds' exposure to credit risk on cash and cash equivalents arises from default of the counterparty, with the maximum risk exposure at reporting date equal to the carrying amount disclosed in the Statements of Net Assets. The Funds' cash balances are held with financial institutions with a credit rating of AA- or stronger (as measured by Standard & Poor's) (2023: nil).

All transactions in investment assets are settled for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of investment assets sold against payment received and payment for purchases against investment assets received occur at the same time. The trade will fail if either party fails to meet its obligation.

Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no expected credit loss allowance has been recorded as at 31 March 2024.

Credit risk disclosures have been considered on the basis of the Funds' direct investments and not on a look through basis for investments held indirectly through unit trusts. Consequently the Funds are exposed indirectly to credit rate risk. This forms part of the price risk sensitivity above.

c) Liquidity risk

Liquidity risk is the risk that the Funds will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments. Liquidity risk is managed by holding liquid investments to enable the Funds to meet liabilities as they fall due and withdrawals when requested.

Monies received from member contributions may be used to offset withdrawals and the Manager may in certain circumstances suspend withdrawals from the Funds and/or various funds represented by the Manager in which the Funds invests. The Funds' investment policies do not state a minimum required level of investment in liquid investments, the investment into underlying instruments is performed by the investment managers of the underlying funds according to their investment policies and objectives, including with respect to liquidity.



d) **Capital risk management**

Net assets available to pay withdrawals are considered to be the Funds' capital for the purposes of capital management notwithstanding net assets available to pay withdrawals is classified as a liability for accounting. The Funds do not have any externally imposed capital requirements. The Funds' objectives when managing capital is to safeguard their ability to continue as a going concern in order to provide returns to their members and maximise the Funds' members' values as well as ensuring their net assets available to pay withdrawals are sufficient to meet all present and future obligations. In order to meet their objectives for capital management, the Funds' management monitors the performance of each Fund on a regular basis.

5.2 Fair value estimation

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1 inputs are quoted price in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The following table provides an analysis of financial instruments that are measured at fair value subsequent to initial recognition, grouped into levels 1 to 3 based on the degree to which the fair value is observable. The Scheme's holdings in managed investment funds are valued at the price quoted by the manager of those funds.

	Sharesies Pathfinder Ethical Growth Fund		Sharesies PIE Global Growth 2 Fund		Sharesies Smartshares Growth Fund		Sharesies Smartshares Balanced Fund	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Financial assets at fair value through profit or loss</i>								
Level 1								
Listed equities	-	-	-	-	-	-	-	-
Level 2								
Unlisted unit trusts	16,692,081	393,923	43,549,494	467,061	43,649,409	32,361	15,815,057	-
	Sharesies Smartshares Conservative Fund		Sharesies Milford Aggressive Fund		Sharesies Self Select Fund			
	2024	2023	2024	2023	2024	2023		
	\$	\$	\$	\$	\$	\$		
<i>Financial assets at fair value through profit or loss</i>								
Level 1								
Listed equities	-	-	-	-	11,572,208	-		
Level 2								
Unlisted unit trusts	2,493,684	-	14,219,061	-	-	-		



6 RECONCILIATION OF OPERATING CASH FLOWS

Reconciliation from the change in net assets before membership activities to the net cash flows from operating activities

	Sharesies Pathfinder Ethical Growth Fund		Sharesies PIE Global Growth 2 Fund		Sharesies Smartshares Growth Fund		Sharesies Smartshares Balanced Fund	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
Change in net assets before membership activities	1,341,984	6,362	3,592,166	8,653	2,953,001	15	962,159	-
Adjustments for non-cash items								
Net (gains)/losses on financial assets at fair value through profit or loss	(1,330,602)	(6,362)	(3,563,618)	(8,653)	(2,925,498)	(15)	(951,474)	-
Changes in working capital items								
Increase in financial assets at fair value through profit or loss	(15,020,652)	(387,119)	(41,146,747)	(457,926)	(42,100,349)	(32,379)	(15,341,614)	-
Increase in tax receivable	267	-	68,448	6	25,015	17	8,582	-
Increase in tax payable	(31,998)	(221)	(42,045)	(247)	(15,306)	-	(4,792)	-
Increase in interest income	4,337	-	10,319	-	9,564	-	3,761	-
Increase in dividends and distributions received	7,045	-	18,229	-	17,938	-	6,924	-
Net cash flows from operating activities	(15,029,617)	(387,340)	(41,063,248)	(458,167)	(42,035,635)	(32,363)	(15,316,453)	-



RECONCILIATION OF OPERATING CASH FLOWS (CONTINUED)

Reconciliation from the change in net assets before membership activities to the net cash flows from operating activities

	Sharesies Smartshares Conservative Fund		Sharesies Milford Aggressive Fund		Sharesies Self Select Fund	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Change in net assets before membership activities	77,886	-	(444,718)	-	289,411	-
Adjustments for non-cash items						
Net (gains)/losses on financial assets at fair value through profit or loss	(76,316)	-	447,539	-	(155,029)	-
Changes in working capital items						
Increase in financial assets at fair value through profit or loss	(2,584,670)	-	(12,466,444)	-	(10,312,892)	-
Increase in tax receivable	1,636	-	1,065	-	21,124	-
Increase in tax payable	(157)	-	(313)	-	(3,962)	-
Increase in interest income	525	-	-	-	767	-
Increase in dividends and distributions received	1,045	-	2,821	-	133,615	-
Net cash flows from operating activities	(2,580,050)	-	(12,460,049)	-	(10,026,965)	-



7 RELATED PARTIES

- a) The Manager of the Scheme is Sharesies Investment Management Limited. The Supervisor and Custodian of the Scheme is Trustees Executors Limited. In its capacity as supervisor and custodian, Trustees Executors Limited receives fees from the Manager for these services. The auditor of the Scheme and the Scheme's registry is KPMG.

Audit, custodial and supervisory fees of the Scheme are paid for by the Manager on behalf of the Scheme. The Manager has paid and/or accrued for the following amounts on behalf of the Scheme for the year ended 31 March 2024;

Fees relating to the audit of the Scheme (GST inclusive):

	2024	2023
	\$	\$
Audit fees paid to KPMG	40,250	20,500
Total fees	40,250	20,500

Fees relating to the operation of the Scheme:

Supervisory fees	13,017	322
Custodial fees	118,929	19
Total fees	131,946	341

- b) The Manager earns managed funds referral revenue from investment managers for customers accessing funds via the Scheme. An offsetting expense is incurred by the Manager for the management of those funds. The total revenue earned by the Manager for the year ended 31 March 2024 was \$531,000 (2023: \$1,000). The total expense incurred by the Manager for the year ended 31 March 2024 was \$471,000 (2023: \$3,000).

- c) Holdings in the Funds by Directors and key management personnel of the Manager:

	Sharesies Pathfinder Ethical Growth Fund		Sharesies PIE Global Growth 2 Fund		Sharesies Smartshares Growth Fund		Sharesies Smartshares Balanced Fund	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
Holdings	348,913	186,576	205,869	236,733	868,573	-	-	-

	Sharesies Smartshares Conservative Fund		Sharesies Milford Aggressive Fund		Sharesies Self Select Fund	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Holdings	-	-	109,461	-	19,038	-

8 CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 March 2024 (2023: nil).



9 CAPITAL COMMITMENTS

There were no capital commitments as at 31 March 2024 (2023: nil).

10 EVENTS AFTER BALANCE DATE

There have been no significant events that have occurred between balance date and the date of the signing of these financial statements.





Independent Auditor's Report

To the members of

- Sharesies Pathfinder Ethical Growth Fund
- Sharesies PIE Global Growth 2 Fund
- Sharesies Smartshares Growth Fund
- Sharesies Smartshares Balanced Fund
- Sharesies Smartshares Conservative Fund
- Sharesies Milford Aggressive Fund
- Sharesies Self Select Fund

(Collectively referred to as the "Funds")

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of the Funds on pages 3 to 22 present fairly, in all material respects:

- i. the Funds' financial position as at 31 March 2024 and their financial performance and cash flows for the year ended on that date;

in accordance with New Zealand Equivalents to International Financial Reporting Standards issued by the New Zealand Accounting Standards Board and International Financial Reporting Standards issued by the International Accounting Standards Board.

We have audited the accompanying financial statements which comprise:

- the statement of net assets as at 31 March 2024;
- the statements of changes in net assets attributable to members and cash flows for the year then ended; and
- notes, including material accounting policy information.

Basis for opinion

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

We are independent of the 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)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

Our firm has also provided other services to Sharesies Investment Management Limited (the "Manager") in relation to statutory financial statement audit, net tangible assets agreed-upon-procedures and registry assurance. Subject to certain restrictions, partners and employees of our firm may also deal with the Funds on normal terms within the ordinary course of trading activities of the business of the Funds. These matters have not



impaired our independence as auditor of the Funds. The firm has no other relationship with, or interest in, the Funds.

Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole. The materiality for the financial statements as a whole was set at 1% of total assets of the Funds. We chose the benchmark because, in our view, this is a key measure of the Funds' financial performance.

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 in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the members as a body may better understand the process by which we arrived at our audit opinion. Our procedures were undertaken in the context of and solely for the purpose of our statutory audit opinion on the financial statements as a whole and we do not express discrete opinions on separate elements of the financial statements.

The key audit matter **How the matter was addressed in our audit**

Valuation and existence of investments for the Sharesies Pathfinder Ethical Growth Fund, Sharesies PIE Global Growth 2 Fund, Sharesies Smartshares Growth Fund, Sharesies Smartshares Balanced Fund, Sharesies Smartshares Conservative Fund, Sharesies Milford Aggressive Fund, and Sharesies Self Select Fund

Refer to Note 3 Summary of Material Accounting Policies and Note 5 Financial Instruments by Category (for existence and valuation) to the financial statements.

The Funds' portfolio of investments makes up the majority of the Funds' total assets. Due to the nature of these investments, we do not consider there to be a high risk of significant misstatement, nor is the accounting for them subject to a significant level of judgement. However, due to their size compared to materiality in the context of the Fund financial statements as a whole, they are considered to be the areas which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

Our audit procedures included:

- documenting and understanding the processes in place to record investment transactions and to value the portfolio. This included evaluating the control environment in place at the custodian and reading a report issued by an independent auditor on the design and operation of those controls;
- agreeing the valuation of investments to confirmations received from the respective investment managers;
- agreeing the valuation of listed equities to market data; and
- agreeing investment holdings to confirmations received from the custodian.

Existence and Accuracy of Member Contributions for the Sharesies Pathfinder Ethical Growth Fund, Sharesies PIE Global Growth 2 Fund, Sharesies Smartshares Growth Fund, Sharesies Smartshares



The key audit matter

How the matter was addressed in our audit

Balanced Fund, Sharesies Smartshares Conservative Fund, Sharesies Milford Aggressive Fund, and Sharesies Self Select Fund

Refer to Note 4 Membership Activities to the financial statements.

The Funds' received material contributions from members during the period, recorded within the statement of changes in net assets attributable to members. Due to the nature of the contributions, we do not consider there to be a high risk of significant misstatement, nor is the accounting for them subject to a significant level of judgement. However, due to the volume of contributions during the period and their size, compared to materiality in the context of the Fund financial statements as a whole, they are considered to be an area which had a significant effect on our overall audit strategy and allocation of resources in planning and completing our audit.

Our audit procedures included:

- documenting and understanding the processes in place to record member contributions;
- in conjunction with our internal IT specialists, testing the design and implementation, and operating effectiveness of the automated control associated with member contributions being actioned in line with member instructions; and
- vouching a sample of Fund contributions to member instructions and cash received in the bank statements.

Other information

The Manager, on behalf of the Funds, is responsible for the other information included in the entity's financial statements. Other information includes the Directory. Our opinion on the financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Use of this independent auditor's report

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



Responsibilities of the Manager for the financial statements

The Manager, on behalf of the Funds, is responsible for:

- the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand (being New Zealand Equivalents to International Financial Reporting Standards) and International Financial Reporting Standards issued by the New Zealand Accounting Standards Board;
- implementing necessary internal control to enable the preparation of a set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objective is:

- 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 independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 these financial statements is located at the External Reporting Board (XRB) website at:

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

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Brent Manning

For and on behalf of

KPMG
Wellington

30 July 2024