

# DEVON FUNDS.

## ANNUAL REPORT

For the year ended 31 March 2021

## DEVON FUNDS

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### Details of the Scheme

#### Name of the Scheme

DEVON INVESTMENT FUNDS SCHEME (**Scheme**)

The Scheme comprises the following six retail Funds as at 31 March 2021:

- Devon Alpha Fund
- Devon Australian Fund
- Devon Diversified Income Fund
- Devon Dividend Yield Fund
- Devon Sustainability Fund
- Devon Trans-Tasman Fund

(each a **Fund** and together the **Funds** or **Devon Funds**)

#### Type of Scheme

The Scheme is a registered Managed Investment Scheme (MIS) which is an “other” managed fund i.e. a managed fund that is not a KiwiSaver scheme, workplace savings scheme or superannuation scheme.

#### Manager

Devon Funds Management Limited (**Devon**)

#### Supervisor

The New Zealand Guardian Trust Company Limited

## Product Disclosure Statement

The current Product Disclosure Statement for the Devon Funds is dated 28 August 2020 and is open for applications.

## Fund Updates

The latest Fund Updates for each of the Devon Funds are for the quarter ended 30 June 2021 and were made publicly available on 28 July 2021. Copies of these can be found on the offer register [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose).

## Financial Statements and Auditor's report

The financial statements and auditor's report for the Scheme for year ending 31 March 2021 (the **Accounting Period**) have been lodged with the Registrar of Financial Service Providers. A copy of these can be accessed on the scheme register [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

*The auditor's report did not contain any materially adverse findings nor was it qualified or modified in any respect.*

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## Information on contributions and scheme participants

There were seven retail managed investment products on issue during the Accounting Period.

The table below sets out the number of units on issue in each Fund at the start and at the end of the Accounting Period.

Fund	Units on issue	
	as at 1 April 2020	as at 31 March 2021
Devon Alpha Fund	57,792,799	56,033,193
Devon Australian Fund	9,755,110	8,826,432
Devon Diversified Income Fund	4,492,652	4,260,526
Devon Dividend Yield Fund	18,664,583	15,807,321
Devon Global Themes Fund	9,096,273	0
Devon Sustainability Fund	0	3,201,610
Devon Trans-Tasman Fund	20,382,298	15,286,245

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## Changes relating to the scheme

During the Accounting Period the following material changes have been made to the Scheme, the Product Disclosure Statement (PDS), Statement of Investment Policy and Objectives (SIPO), and Other Material Information (OMI).

- The directors of Devon Funds Management Limited made the decision to wind up the Devon Global Themes Fund. The Fund was closed on 31 July 2020.
- The Scheme introduced one new retail offering, being the Devon Sustainability Fund, effective 1 September 2020.
- Section 5 'What are the fees?', of the PDS was updated with a buy/sell spread section that is detailed further in the OMI.
- Section 6 'What taxes will you pay?', of the PDS was updated to reflect the changes to Portfolio Investment Entity (PIE) tax resulting from the Taxation (KiwiSaver, Student Loans, and Remedial Matters) Act 2020 that came into force March 2020.
- The number of securities ranges were removed from the PDS and SIPO for the Devon Australian Fund, Devon Dividend Yield Fund, and Devon Trans-Tasman Fund.

To see the updated details, current copies of these can be found on the offer register (PDS and OMI) and the scheme register (SIPO) [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

No related party transactions were entered into during the Accounting Period that were not on arm's length terms.

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## Other information for particular types of managed funds

The table below sets out the unit prices for the Funds at the start and at the end of the Accounting Period.

Fund	Unit price (\$)	
	as at 1 April 2020	as at 31 March 2021
Devon Alpha Fund	1.5671	1.9833
Devon Australian Fund	1.1065	1.5227
Devon Diversified Income Fund	1.4611	1.5530
Devon Dividend Yield Fund	1.4638	1.8870
Devon Global Themes Fund	2.4936	Not Applicable
Devon Sustainability Fund	Not Applicable	3.3370
Devon Trans-Tasman Fund	3.4371	4.4534

## Changes to persons involved in the scheme

### Manager

Devon Funds Management Limited was the manager during the Accounting Period.

### Directors and Key Personnel

During the accounting period:

Dani Gardner resigned as director, effective 2 April 2020.

Nick Dravitzki resigned as Portfolio Manager, effective 8 June 2020.

Victoria Harris was appointed as Portfolio Manager, effective 1 January 2021.

### Supervisor

The New Zealand Guardian Trust Company Limited was the supervisor throughout the Accounting Period.

The Board of The New Zealand Guardian Trust Company Limited at 31 March 2021 comprised:

- Robin Flannagan
- James Douglas
- Bryan Connor

Bryan Connor was appointed as a director of The New Zealand Guardian Trust Company Limited on 31 August 2020.

### Administration Manager and Securities Registrar

MMC Limited was the administration manager and securities registrar for the Scheme throughout the Accounting Period.

### Custodian

During the Accounting Period, BNP Paribas Fund Services Australasia Pty Limited acted as the custodian to the Scheme.

### Auditor

PwC was the auditor to the Scheme throughout the Accounting Period

## How to find further information

Further information relating to the Scheme and the Funds including the Trust Deed, SIPO and financial statements is available on the offer register and the scheme register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose). A copy of information on the offer register or scheme register is available on request to the Registrar of Financial Service Providers. Information about the Funds and Devon, such as Fund Updates, Monthly Reports and the latest unit prices, can be found on the Devon website [www.devonfunds.co.nz](http://www.devonfunds.co.nz). You can obtain a copy of these documents, free of charge, from us using the contact details below.

See below how to obtain the latest information on the Funds.

Information	How to obtain
Fund Updates	Copies of the latest Devon Fund Updates are available on <a href="http://www.devonfunds.co.nz">www.devonfunds.co.nz</a> , on the offer register (OFR10754) at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> or on request from us.
Product Disclose Statement (PDS)	A copy of the current Devon Funds PDS is available on <a href="http://www.devonfunds.co.nz">www.devonfunds.co.nz</a> , on the offer register (OFR10754) at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> or on request from us.
Statement of Investment Policy and Objectives (SIPO)	A copy of the latest SIPO for the Devon Funds is available on the scheme register (SCH10753) at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> or on request from us.
Other Material Information (OMI)	A copy of the latest Devon Funds OMI is available on the offer register (OFR10754) at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> or on request from us.
Unit Prices	The latest unit prices are available on our website <a href="http://www.devonfunds.co.nz">www.devonfunds.co.nz</a> or on request from us.
Trust Deed	A copy of the Trust Deed is available on the scheme register (SCH10753) at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> .
Financial Statements	A copy of the latest Financial Statements is available on the scheme register (SCH10753) at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> .

## Contact details and complaints

If you have any queries or complaints about the Scheme, you can contact Devon, in the first instance, or The New Zealand Guardian Trust Company using the details provided below

### Manager

#### Devon Funds Management Limited

PO Box 105609

Auckland City 1143

Telephone: 0800 944 049

Email: [compliance@devonfunds.co.nz](mailto:compliance@devonfunds.co.nz)

Please direct queries or complaints  
to Niall Hartigan

### Supervisor

#### The New Zealand Guardian Trust Company Limited

PO Box 274 Shortland Street

Auckland 1140

Telephone: +64 9 909 501

Email: [ct-auckland@nzgt.co.nz](mailto:ct-auckland@nzgt.co.nz)

You may also contact the securities registrar using the following details:

#### MMC Limited

Level 25, QBE Centre, 125 Queen Street

Auckland City 1010

PO Box 106 039

Auckland City

Auckland 1143

Telephone: 09 309 8926

Devon is a member of the Insurance & Financial Services Ombudsman Scheme (**IFSO**), an approved independent dispute resolution scheme for the purposes of the Financial Service Providers (Registration and Dispute Resolution) Act 2008. If you are not satisfied with the response received from Devon, you may refer the matter (free of charge), directly to the IFSO using the following details:

#### Insurance & Financial Services Ombudsman Scheme

PO Box 10-845, Wellington 6143

Telephone: 0800 888 202

Email: [info@ifso.nz](mailto:info@ifso.nz)

Further information about referring a complaint to IFSO can be found at [www.ifso.nz](http://www.ifso.nz).

Alternatively, you can contact:

**Financial Services Complaints Limited**

Level 4, 101 Lambton Quay, Wellington 6011

PO Box 5967, Wellington 6145

Telephone: 0800 347 257

Email: [info@fscl.org.nz](mailto:info@fscl.org.nz) or [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)

Financial Services Complaints Limited (**FSCL**) is an independent dispute resolution scheme approved under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

The New Zealand Guardian Trust Company Limited is a member of FSCL.

Further information about referring a complaint to FSCL can be found at [www.fscl.org.nz](http://www.fscl.org.nz). There is no cost to you in referring a complaint to FSCL.

If you have any questions please contact us on +64 9 925 3990  
or visit our website [www.devonfunds.co.nz](http://www.devonfunds.co.nz)