

**NZFUNDS**

# NZ Funds Managed Superannuation Service



Annual Report for the year ended 31 March 2020

30 JULY 2020

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## ANNUAL REPORT

Prepared as at 30 July 2020 for the year ended 31 March 2020

### DETAILS OF THE SCHEME

#### NAME

NZ Funds Managed Superannuation Service

#### TYPE

Superannuation scheme

#### MANAGER

New Zealand Funds Management Limited (NZ Funds)

#### SUPERVISOR

The New Zealand Guardian Trust Company Limited

#### PRODUCT DISCLOSURE STATEMENT

The latest Product Disclosure Statement (PDS) dated 11 November 2019 is open for applications.

#### QUARTERLY FUND UPDATES

The latest quarterly fund updates for each of the five funds (Strategies) in the Scheme for the quarter ended 30 June 2020 were made publicly available on 28 July 2020.

#### FINANCIAL STATEMENTS & AUDITOR'S REPORT

The Scheme's latest financial statements for the accounting period 1 April 2019 to 31 March 2020 and auditor's report were lodged with the Registrar on 20 July 2020.

## INFORMATION ON CONTRIBUTIONS & SCHEME PARTICIPANTS

### MEMBERSHIP

The table below provides a summary of the numerical changes in the membership of the Scheme during the year ended 31 March 2020.

	NUMBER OF MEMBERS	MEMBERS' ACCUMULATION
Contributing members as at 1 April 2019	162	
Non-contributing members as at 1 April 2019	75	
<b>Total number of members as at 1 April 2019</b>	<b>237</b>	<b>\$29,984,601</b>
<b>NEW SCHEME MEMBERS DURING THE YEAR BY REASON OF:</b>		
Transfers from other schemes	173	
Other new members	20	
<b>Total new members during the year</b>	<b>193</b>	
<b>SCHEME MEMBERS WHO CEASED TO BE MEMBERS DURING THE YEAR BY REASON OF:</b>		
Retirement	6	
Death	1	
Transfers to other schemes	-	
Other reasons	-	
<b>Total number who ceased to be members during the year</b>	<b>7</b>	
<b>Total number of members as at 31 March 2020</b>	<b>423</b>	<b>\$59,280,960</b>
Contributing members as at 31 March 2020	251	
Non-contributing members as at 31 March 2020	172	

### CONTRIBUTIONS

The table below shows the total amount of each type of contribution received by the Scheme during the year ended 31 March 2020 and the number of members credited with each type of contribution.

CONTRIBUTIONS TYPE	NUMBER OF MEMBERS	TOTAL AMOUNT
Member contributions	251	\$37,951,925
Employer or other sponsor contributions	12	\$38,522
Member voluntary additional contributions	50	\$ 265,908

## CHANGES RELATING TO THE SCHEME

This section provides information on the material changes which occurred to the Scheme during the year ended 31 March 2020.

### GOVERNING DOCUMENT

There were no material changes to the Scheme's trust deed during the year ended 31 March 2020.

On 8 October 2019, a supplemental deed was entered into by the Supervisor and the Manager establishing the Growth Strategy – British Pounds.

### TERMS OF THE OFFER OF INTERESTS IN THE SCHEME

On 1 April 2019, changes to the fees payable by the Strategies were implemented, including the introduction of a new base fee to replace existing management and administration fees charged by NZ Funds, and the introduction of performance based-fees in certain related underlying funds.

On 11 November 2019, the Growth Strategy – British Pounds was added as an investment option and the estimated annual fund charges for the Strategies were reviewed and updated.

### STATEMENT OF INVESTMENT POLICY AND OBJECTIVES (SIPO)

On 11 November 2019, the SIPO was updated to:

- include the Growth Strategy – British Pounds;
- include target asset allocations for the Strategies; and
- reflect additional exclusions under NZ Funds' Responsible Investment Policy.

### RELATED PARTY TRANSACTIONS

The nature of the related party transactions for the Scheme changed during the year due to the introduction of performance-based fees in certain related underlying funds which are considered related party transactions. For more information on performance-based fees, see the Product Disclosure Statement.

All related party transactions during the year ended 31 March 2020 were conducted on arm's-length terms.

## OTHER INFORMATION FOR PARTICULAR TYPES OF MANAGED FUNDS

### WITHDRAWALS

During the year ended 31 March 2020, the following withdrawals were made from the Scheme:

	NUMBER OF MEMBERS
Retirement withdrawal	50
Transition to retirement	-
UK normal minimum pension age	-
Death	1
Significant financial hardship	-
Serious illness	-
Transfers to other superannuation schemes	-
Transfers to overseas retirement schemes	-
Release under other enactments	-

### UNIT PRICES

	(\$ AS AT 1 APRIL 2019	(\$ AS AT 31 MARCH 2020
Income Strategy	1.07	1.05
Inflation Strategy	1.09	1.05
Growth Strategy	1.13	1.03
Income Strategy - British Pounds	1.10	1.15
Growth Strategy - British Pounds	n/a	0.90

### SUPERVISOR'S STATEMENT

The New Zealand Guardian Trust Company Limited, as supervisor of the NZ Funds Managed Superannuation Service (Scheme), confirms that for the year ended 31 March 2020 all the contributions required to be made to the Scheme in accordance with the terms of the governing document have been made.

### MANAGER'S STATEMENT

New Zealand Funds Management Limited, as manager of the Scheme, confirms that for the year ended 31 March 2020:

- all the benefits required to be paid from the Scheme in accordance with the terms of the governing document and the superannuation scheme rules have been paid; and
- the market value of the Scheme property at 31 March 2020 equalled or exceeded the total value of benefits that would have been payable had all members of the Scheme ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at 31 March 2020.

## CHANGES TO PERSONS INVOLVED IN THE SCHEME

There were no changes to the Manager, the Supervisor, or the auditor of the Scheme during the year ended 31 March 2020.

The following changes occurred to key personnel of the Manager during the year:

- On 28 June 2019, David van Schaardenburg ceased to be Head of NZ Funds Private Wealth and was removed as key personnel under the Manager's MIS manager licence.
- On 13 November 2019, Stephan Clark (formerly NZ Funds' Head of Risk) was appointed as Chief Client Officer of the Manager.
- On 18 November 2019, Geoff Motion was appointed Chief Operating Officer – Clients and added as key personnel under the Manager's MIS manager licence.
- On 3 February 2020, Rebecca Cottrell was appointed Chief Advisory Officer of the Manager and added as key personnel under the Manager's MIS manager licence. Rebecca was subsequently appointed as Chief Operating Officer of the Manager on 17 April 2020, replacing Phil Doak who ceased as Chief Operating Officer on 7 February 2020.

There were no changes to the directors of the Manager or the Supervisor during the year.

## HOW TO FIND FURTHER INFORMATION

The Scheme's trust deed, SIPO and financial statements are available on the scheme register on the Disclose website at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

The PDS, quarterly fund updates, and other material information for the Scheme is available on the offer register on the Disclose website at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

Information relating to the Scheme and the funds (such as the current PDS, quarterly fund updates, annual report and SIPO) is also available on our website at [www.nzfunds.co.nz](https://www.nzfunds.co.nz).

You may request a copy of the above information from us, free of charge, at the contact details opposite.

## CONTACT DETAILS & COMPLAINTS

### Manager

Attention: Head of Client Services  
New Zealand Funds Management Limited  
Level 16  
21 Queen Street  
Private Bag 92163  
Auckland 1142  
T. 09 377 2277 or 0508 733 337  
E. [info@nzfunds.co.nz](mailto:info@nzfunds.co.nz)

### Supervisor

Attention: NZ Funds Relationship Manager  
The New Zealand Guardian Trust Company Limited  
Level 14  
191 Queen Street  
PO Box 274  
Auckland 1140  
T. 09 909 5100  
E. [ct-auckland@nzgt.co.nz](mailto:ct-auckland@nzgt.co.nz)

### COMPLAINTS

In the first instance, please contact the Manager using the contact details above. Complaints about an investment can also be made direct to the Supervisor or to Financial Services Complaints Limited (FSCL), the Manager's and the Supervisor's approved dispute resolution scheme.

### Dispute Resolution Scheme

Attention: Early Assistance Officer  
Financial Services Complaints Limited  
PO Box 5967  
Wellington 6145  
T. 04 472 3725 or 0800 347 257  
E. [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)  
W. [www.fscl.org.nz](http://www.fscl.org.nz)

FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

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# NZFUNDS

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