

**GROSVENOR KIWISAVER SCHEME**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

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## **GROSVENOR KIWISAVER SCHEME**

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**FOR THE YEAR ENDED 31 MARCH 2016**

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# GROSVENOR KIWISAVER SCHEME

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2016

Notes	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	Trans-			Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME
							SRI Growth	Tasman Small Companies	International Share							
	301,028	1,109,579	737,434	718,934	4,165	365,423	36,086	3,025	4,375	150,576	180,938	25,893	27,276	59,483	1,490,254	5,214,769
	509,747	799,961	149,623	-	30,971	477,390	66,623	63,388	16,078	41,211	524,859	264,426	-	45,348	15,048	3,004,673
	37,678	231,690	84,223	6,311	5,080	111,550	7,276	8,618	6,433	13,153	109,754	32,565	4	8,663	27,556	750,534
	3,926,518	10,218,358	4,327,350	(77,938)	174,695	5,249,068	882,410	252,805	80,574	455,075	1,182	152,908	13,635,523	1,074,100	(106,342)	40,530,387
	4,835,071	32,389,588	5,296,630	647,407	214,891	6,197,431	992,395	327,837	107,260	620,313	816,733	475,792	13,662,803	1,187,794	1,826,516	49,500,363
	1,690,608	3,473,653	1,146,297	148,184	84,657	1,799,319	183,693	54,504	92,536	46,558	337,008	107,971	990,138	196,583	374,649	10,726,358
6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	-	-	-	-	79,039	-	-	-	-	-	-	-	-	-	-	79,039
6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,690,608	3,473,653	1,146,297	148,184	79,039	1,799,319	183,693	54,504	92,536	46,558	337,008	107,971	990,138	196,583	374,649	10,805,397
	3,144,463	8,915,935	4,152,333	499,123	51,195	4,396,112	806,702	273,333	14,724	573,757	479,725	367,821	12,672,665	991,211	1,051,867	38,394,966
2(i)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	3,144,463	8,915,935	4,152,333	499,123	51,195	4,396,112	806,702	273,333	14,724	573,757	479,725	367,821	12,672,665	991,211	1,051,867	38,394,966
	3,144,463	8,915,935	4,152,333	499,123	51,195	4,396,112	806,702	273,333	14,724	573,757	479,725	367,821	12,672,665	991,211	1,051,867	38,394,966

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

# GROSVENOR KIWISAVER SCHEME

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2015

Notes	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	Trans-			Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME
							SRI Growth	Tasman Small Companies	International Share							
	297,464	1,115,379	742,356	846,399	3,426	326,298	44,034	2,825	4,147	13,601	67,996	8,144	10,252	15,637	514,023	4,013,981
	3,298,681	3,400,403	617,972	-	188,153	1,897,760	342,460	156,870	234,386	3,370	112,778	66,618	-	77,046	-	10,396,497
	210,007	363,682	92,484	1,718	(61,806)	158,807	27,320	12,646	11,973	2,712	33,553	8,290	293	8,609	7,894	898,182
	10,981,495	18,379,699	5,756,043	(59,617)	594,752	9,104,890	1,007,791	86,681	658,586	171,294	740,977	174,093	2,320,605	573,735	121,060	50,109,084
	14,787,647	23,259,163	6,708,855	788,500	744,525	11,486,755	1,421,605	259,022	909,092	190,977	955,304	257,145	2,331,150	675,027	642,977	65,417,744
	1,153,813	1,931,324	621,401	124,599	55,651	933,875	114,693	43,965	65,651	6,887	92,120	27,146	306,322	59,145	129,605	5,666,197
6	37,102	53,402	18,109	8,011	1,611	23,038	4,366	1,768	2,168	-	-	-	-	-	-	149,575
6	8,245	11,867	4,024	1,780	358	5,120	970	393	482	-	-	-	-	-	-	33,239
6	70,448	101,720	34,470	15,517	3,053	43,161	8,309	3,361	4,116	-	-	-	-	-	-	284,155
	1,269,608	2,098,313	678,004	149,907	60,673	1,005,194	126,338	49,487	72,417	6,887	92,120	27,146	306,322	59,145	129,605	6,333,166
	13,518,039	21,160,850	6,030,851	638,593	683,852	10,481,561	1,293,267	209,535	836,675	184,090	863,184	229,999	2,024,828	615,882	513,372	59,284,578
2(i)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	13,518,039	21,160,850	6,030,851	638,593	683,852	10,481,561	1,293,267	209,535	836,675	184,090	863,184	229,999	2,024,828	615,882	513,372	59,284,578
	13,518,039	21,160,850	6,030,851	638,593	683,852	10,481,561	1,293,267	209,535	836,675	184,090	863,184	229,999	2,024,828	615,882	513,372	59,284,578

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



**GROSVENOR KIWISAVER SCHEME**  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2016

Notes	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>																	
3	10,659,155	28,748,212	20,274,457	12,514,085	164,208	12,768,866	1,464,084	157,607	231,303	5,904,917	383,354	240,333	1,026,272	1,859,261	39,480,645	816,131	136,593,090
	27,762	84,115	55,880	33,257	316	34,313	1,488,510	216	318	15,227	57,373	13,614	4,863	17,589	103,374	-	474,040
5	130,415,361	286,695,662	93,463,387	6,028,488	7,085,024	148,354,110	15,710,524	4,836,987	7,083,508	12,064,078	29,709,679	10,588,775	88,727,520	17,589,178	4,011,306	-	863,863,817
	140,902,278	315,527,689	113,793,724	18,575,630	7,249,548	151,157,289	18,177,920	4,994,810	7,315,129	17,984,222	30,190,406	10,842,522	89,757,792	19,653,302	43,605,325	816,131	1,000,940,317
<b>LIABILITIES</b>																	
6	160,354	340,387	398,256	13,279	1,490,090	164,015	17,766	4,902	8,138	6,005	32,911	10,803	104,558	18,852	33,150	-	1,800,000
6	513,890	1,625,561	711,684	101,733	9,376	729,786	145,935	21,400	39,123	150,728	203,659	86,838	2,472,533	129,290	209,129	816,131	2,051,882
	694,246	1,964,948	1,029,940	114,612	1,512,840	894,701	163,701	26,302	47,261	156,734	236,590	97,641	2,577,091	148,242	242,279	816,131	7,191,079
	140,207,932	313,563,641	112,793,704	18,461,118	5,736,708	160,262,588	18,014,219	4,968,508	7,267,568	17,827,488	29,953,816	10,744,881	87,176,701	19,305,060	43,363,046	-	989,607,258
<b>AMOUNTS ATTRIBUTABLE FOR BENEFITS</b>																	
	126,115,571	280,756,187	101,462,780	18,108,059	4,920,330	134,567,870	13,219,425	4,545,422	6,457,478	7,117,150	21,354,443	6,668,241	74,696,842	14,840,111	40,154,636	-	854,984,545
	3,047,898	23,891,519	7,138,671	(145,864)	21,996,606	21,996,606	3,986,092	149,753	795,966	10,136,581	8,119,648	3,708,219	(92,806)	3,473,738	2,156,543	-	96,227,747
	3,144,463	8,915,935	4,152,333	499,123	51,195	4,988,112	888,702	273,333	34,724	573,757	479,725	37,821	12,672,665	991,211	1,051,867	-	38,594,966
	140,207,932	313,563,641	112,793,704	18,461,118	5,736,708	160,262,588	18,014,219	4,968,508	7,267,568	17,827,488	29,953,816	10,744,881	87,176,701	19,305,060	43,363,046	-	989,607,258

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

*Paul Foley*  
Paul Foley, Director  
15 June 2016

**GROSVENOR KIWISAVER SCHEME**  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2015

Notes	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>																	
3	8,819,074	30,608,374	18,080,105	10,973,014	89,364	8,441,034	964,412	65,645	110,137	2,152,209	324,395	128,922	800,200	1,390,928	40,183,364	697,643	123,905,860
	148,052	247,550	55,678	540	7,894	142,609	53,205	2,996	2,996	2,104	70,419	7,811	285	25,035	1,988	-	781,876
5	117,739,938	251,781,675	84,134,903	7,270,239	5,880,813	126,702,657	12,330,936	4,487,947	6,382,580	4,998,391	21,105,757	6,576,662	74,700,581	13,492,018	77,650	-	737,643,847
	126,707,064	262,637,939	102,279,726	18,243,793	5,978,071	135,286,300	13,349,723	4,569,202	6,475,713	7,152,704	21,800,571	6,713,958	75,560,066	14,507,981	40,263,002	697,643	862,331,583
<b>LIABILITIES</b>																	
6	172,977	342,776	106,779	12,703	1,040,000	179,312	92,519	4,547	7,227	3,574	85,953	12,358	71,926	22,283	30,584	697,643	1,840,000
6	418,516	1,538,636	710,667	123,031	3,508	239,118	37,329	19,233	18,238	3,280	14,175	27,868	299,799	10,282	20,864	-	4,897,894
	591,493	1,881,412	816,946	135,734	1,057,741	718,450	139,828	25,280	18,235	35,554	146,118	45,154	872,224	57,870	105,366	697,643	7,345,038
	126,115,571	280,756,187	101,462,780	18,108,059	4,920,330	134,567,870	13,219,425	4,545,422	6,457,478	7,117,150	21,354,443	6,668,241	74,696,842	14,840,111	40,154,636	-	854,984,545
<b>AMOUNTS ATTRIBUTABLE FOR BENEFITS</b>																	
	79,852,903	115,380,874	39,050,567	17,799,728	3,457,413	48,645,439	8,436,960	3,825,917	4,664,444	6,933,060	20,491,259	6,438,242	71,677,014	14,224,229	39,641,264	-	322,114,245
	32,744,679	144,214,463	56,381,362	(30,627)	779,065	75,440,870	2,489,198	509,970	956,359	6,933,060	20,491,259	6,438,242	71,677,014	14,224,229	39,641,264	-	473,585,722
	13,518,039	21,160,850	6,030,851	688,852	1,293,267	10,481,561	1,293,267	209,535	836,675	184,090	863,184	279,999	2,074,828	615,882	513,372	-	59,284,578
	126,115,571	280,756,187	101,462,780	18,108,059	4,920,330	134,567,870	13,219,425	4,545,422	6,457,478	7,117,150	21,354,443	6,668,241	74,696,842	14,840,111	40,154,636	-	854,984,545

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



**GROSVENOR KIWISAVER SCHEME**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS FOR THE YEAR ENDED 31 MARCH 2016**

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Issued Units	99,732,461	242,818,081	90,447,848	15,627,234	3,735,476	118,755,072	10,881,747	4,492,264	4,899,149	6,933,060	20,491,259	6,438,242	72,672,014	14,274,229	39,641,264	-	751,790,400
Retained Surplus	26,393,110	37,938,106	11,014,932	2,480,825	1,184,854	15,812,198	2,337,678	52,758	1,558,379	184,090	863,184	229,999	2,024,828	615,882	513,372	-	103,194,145
NET ASSETS ATTRIBUTABLE AT THE BEGINNING OF THE YEAR	126,115,571	280,756,187	101,462,780	18,108,059	4,920,330	134,567,270	13,219,425	4,545,022	6,457,478	7,117,150	21,354,443	6,668,241	74,696,842	16,840,111	40,154,636	-	854,984,545
Contributions from Members	23,760,174	54,913,556	23,977,973	3,251,303	1,551,426	34,923,265	4,943,329	773,034	1,214,482	15,975,044	9,851,932	4,804,683	12,019,593	4,869,520	8,064,308	-	186,441,926
Withdrawals by Members	(12,268,244)	(29,386,076)	(16,127,616)	(3,295,034)	(776,867)	(11,886,921)	(811,302)	(602,281)	(379,693)	(5,687,735)	(1,238,615)	(1,009,026)	(9,739,860)	(1,266,492)	(5,698,636)	-	(85,023,021)
Members net PIE tax withdrawals	(543,392)	(1,625,961)	(711,684)	(101,733)	(9,376)	(729,786)	(145,935)	(21,400)	(39,425)	(150,728)	(203,669)	(86,838)	(2,472,533)	(129,290)	(209,129)	-	(7,191,077)
Total comprehensive income for the year	3,144,463	8,915,935	4,132,333	499,123	51,195	4,398,112	808,702	273,333	14,724	573,237	479,225	362,821	12,672,665	991,211	1,051,867	-	38,394,966
NET ASSETS ATTRIBUTABLE FOR BENEFITS	140,207,932	313,563,641	112,753,794	18,461,118	5,736,798	160,262,588	18,014,219	4,968,298	7,267,568	17,827,488	29,893,616	10,744,881	87,176,701	19,306,060	43,283,046	-	989,807,258

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

**GROSVENOR KIWISAVER SCHEME**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS FOR THE YEAR ENDED 31 MARCH 2015**

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Issued Units	66,929,680	98,589,329	34,103,091	15,870,994	2,953,644	43,282,709	8,377,330	3,965,675	3,840,171	10,348,267	20,802,444	6,672,029	76,410,972	14,752,864	41,722,846	-	278,012,623
Retained Surplus	12,865,071	16,777,236	4,984,081	1,842,332	501,002	5,330,637	1,044,411	(156,777)	721,654	-	-	-	-	-	-	-	43,809,567
NET ASSETS ATTRIBUTABLE AT THE BEGINNING OF THE YEAR	79,794,751	115,366,565	39,087,172	17,713,326	3,454,646	48,613,346	9,421,741	3,808,898	4,561,825	-	-	-	-	-	-	-	321,822,190
Contributions from Members	41,930,926	161,221,453	65,481,171	3,299,406	1,516,149	82,202,642	3,294,079	1,190,385	1,236,315	10,348,267	20,802,444	6,672,029	76,410,972	14,752,864	41,722,846	-	518,645,773
Withdrawals by Members	(8,709,629)	(15,454,065)	(8,425,747)	(3,420,135)	(750,809)	(6,190,561)	(791,853)	(644,163)	(356,329)	(3,378,227)	(251,010)	(200,991)	(2,339,660)	(483,048)	(2,063,800)	-	(40,418,852)
Members net PIE tax withdrawals	(418,516)	(1,538,636)	(710,667)	(123,031)	(3,508)	(539,118)	(37,809)	(19,233)	(11,008)	(31,980)	(60,175)	(32,796)	(799,298)	(45,587)	(77,782)	-	(6,449,144)
Total comprehensive income for the year	13,510,039	21,160,850	6,096,851	638,539	683,852	10,481,561	1,293,267	209,535	895,675	184,090	863,184	229,999	2,024,828	615,882	513,372	-	59,284,578
NET ASSETS ATTRIBUTABLE FOR BENEFITS	126,115,571	280,756,187	101,462,780	18,108,059	4,920,330	134,567,270	13,219,425	4,545,022	6,457,478	7,117,150	21,354,443	6,668,241	74,696,842	16,840,111	40,154,636	-	854,984,545



**GROSVENOR KIWISAVER SCHEME**  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2016

Notes	High Growth	Balanced	Conservative	Enhanced Income	Gearred Growth	Balanced Growth	SRI Growth	Small Companies	Trans-Tasman	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>																			
	279,521	1,039,510	686,622	686,126	4,165	339,247	33,568	3,035	4,375	136,844	180,938	15,893	27,726	55,469	1,308,812	-	-	4,800,381	
	651,544	1,039,865	200,233	(9)	38,549	612,862	119,134	79,472	49,716	43,130	497,905	268,623	285	69,534	315,104	-	-	3,636,887	
	97,678	231,680	84,223	6,311	5,060	117,478,580	19,893,539	5,311,509	7,337,180	6,700,897	109,754	32,565	4	8,963	27,556	-	-	750,534	
	102,785,498	212,748,709	54,140,029	4,548,604	5,634,949	117,478,580	19,893,539	5,311,509	7,337,180	6,700,897	109,754	32,565	4	8,963	27,556	-	-	574,325,522	
	(11,571,537)	(23,478,446)	(59,155,166)	(3,384,792)	(6,667,133)	(134,329,941)	(23,669,345)	(5,307,243)	(7,977,524)	(13,373,215)	(37,311,585)	(6,331,720)	(2,121,713)	(18,383,505)	(11,219,417)	-	-	(660,131,099)	
	(1,675,997)	(3,423,634)	(910,317)	(148,007)	(181,789)	(1,772,838)	(178,794)	(54,148)	(91,625)	(42,420)	(377,122)	(103,584)	(958,506)	(192,108)	(372,083)	-	-	(30,413,173)	
8	(9,433,293)	(25,848,086)	(4,954,376)	1,788,233	(1,146,207)	(17,159,482)	(3,594,546)	(59,958)	(702,615)	(6,502,621)	(8,204,183)	(3,651,250)	(1,322,357)	(3,089,108)	(2,980,609)	-	-	(86,240,338)	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>																			
	23,740,174	54,913,556	23,977,973	3,251,603	1,551,426	34,623,265	4,943,329	773,434	1,214,482	15,975,044	9,851,932	4,804,683	12,019,593	4,869,520	8,064,308	-	(18,452,296)	186,441,926	
	(12,768,284)	(29,386,976)	(10,127,618)	(3,295,634)	490,000	(12,896,873)	(811,302)	(602,281)	(379,693)	(5,687,735)	(1,528,615)	(1,009,026)	(9,739,866)	(1,206,492)	(5,698,636)	-	-	(83,023,102)	
	(418,516)	(1,538,036)	(730,667)	(123,031)	(3,508)	(399,118)	(37,809)	(19,233)	(11,008)	(31,980)	(60,175)	(32,796)	(799,398)	(65,887)	(77,782)	-	-	450,000	
1	11,073,374	23,988,444	7,139,688	(167,162)	1,221,051	21,487,274	4,094,218	151,920	823,781	10,255,329	8,263,142	3,762,861	1,480,429	3,557,441	2,287,890	-	-	(4,449,144)	
	1,840,081	(1,860,162)	2,185,312	1,541,071	74,844	4,327,832	499,672	91,962	121,166	3,752,708	58,959	111,611	158,072	468,333	(692,719)	-	-	12,597,230	
	8,819,074	30,868,374	18,089,145	10,973,014	89,364	8,441,034	964,412	65,645	110,137	2,152,209	324,395	128,922	868,200	1,390,928	40,183,364	-	-	123,906,860	
3	10,459,155	28,748,212	20,274,457	15,514,085	164,208	12,788,865	1,464,084	157,607	231,303	5,904,917	383,354	240,533	1,026,272	1,859,261	39,490,645	-	-	136,509,990	

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

**GROSVENOR KIWISAVER SCHEME**  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2015

Notes	High Growth	Balanced	Conservative	Enhanced Income	Gearred Growth	Balanced Growth	SRI Growth	Small Companies	Trans-Tasman	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>																			
	237,464	1,115,379	742,356	845,859	3,426	338,298	44,034	2,825	4,147	13,601	67,996	8,144	9,967	15,637	512,035	-	-	4,011,188	
	3,393,243	3,385,856	598,075	-	194,431	1,867,605	359,227	156,611	234,535	1,266	42,359	58,807	52,011	92,011	10,346,086	-	-	3,939,988	
	210,007	363,682	92,484	1,718	-	158,807	27,320	12,648	11,973	2,732	33,533	8,290	293	6,609	7,894	-	-	468,399,886	
	72,890,342	164,745,795	53,181,904	37,535,960	2,689,117	66,425,658	11,933,096	684,029	1,409,270	3,377,980	5,511,359	2,174,504	53,103	6,904,927	39,448,976	-	-	(860,159,743)	
	(101,340,234)	(288,987,412)	(99,139,886)	(27,800,000)	(3,701,590)	(136,704,336)	(14,192,804)	(1,377,590)	(2,676,325)	(8,402,371)	(25,813,221)	(6,370,131)	(72,432,079)	(13,815,468)	(39,405,366)	-	-	(50,426,468)	
	(1,163,394)	(1,852,481)	(594,011)	(188,516)	(92,877)	(882,110)	(118,777)	(45,432)	(66,961)	(5,019)	(69,085)	(20,730)	(233,396)	(64,668)	(93,021)	-	-	(5,426,468)	
8	(26,312,576)	(121,229,181)	(45,119,078)	10,445,021	(907,493)	(69,806,078)	(1,947,994)	(566,991)	(883,361)	(4,312,831)	(20,227,039)	(6,342,116)	(72,603,112)	(12,879,888)	464,318	-	-	(372,727,219)	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>																			
	41,930,926	161,221,453	65,481,171	3,299,406	1,536,149	82,202,642	3,294,079	1,190,385	1,326,315	10,343,267	20,802,444	6,672,039	76,410,972	14,732,864	41,722,846	-	(13,541,175)	518,645,773	
	(8,709,629)	(15,454,065)	(8,425,747)	(750,869)	(3,420,135)	(6,190,861)	(751,853)	(644,163)	(356,329)	(3,378,227)	(251,010)	(200,991)	(2,939,660)	(483,048)	(2,003,800)	-	-	(40,818,853)	
	(58,152)	(14,289)	36,605	(86,502)	(2,767)	(32,093)	(15,219)	(17,019)	(2,619)	-	-	-	-	-	-	-	-	700,000	
1	33,163,145	145,735,089	57,092,029	(207,231)	982,573	75,979,888	2,527,607	529,203	967,367	6,965,040	20,551,434	6,471,038	73,471,312	14,256,816	39,719,046	-	-	478,417,981	
	6,850,569	24,523,918	11,272,951	10,237,790	75,080	6,173,910	579,103	(37,698)	84,006	2,152,209	324,395	128,922	868,200	1,390,928	40,183,364	-	-	105,690,772	
	1,968,505	6,084,456	6,116,194	735,224	14,284	2,267,124	383,309	303,343	26,131	-	-	-	-	-	-	-	-	18,215,088	
3	8,819,074	30,608,374	18,089,145	10,973,014	89,364	8,441,034	964,412	65,645	110,137	2,152,209	324,395	128,922	868,200	1,390,928	40,183,364	-	-	125,905,880	



**1 GENERAL INFORMATION**

These financial statements are for the Grosvenor KiwiSaver Scheme (the "Scheme") for the year ended 31 March 2016 (the "reporting date").

The Scheme is established and domiciled in New Zealand. The main purpose of the Scheme is to provide retirement benefits, directly or indirectly, to beneficiaries who are natural persons.

The Scheme was established under a Trust Deed dated 31 October 2006 as a registered superannuation scheme and subsequently converted to a KiwiSaver Scheme on 21 June 2007. The Scheme is currently governed by an amended and consolidated Trust Deed dated 1 July 2014.

The Manager of the Scheme is Grosvenor Investment Management Limited (the "Manager") and the Trustee is Public Trust (the "Trustee"). The Manager became an FMC Reporting Entity on 8 May 2015. Under section 57(2) of the Financial Reporting Act 2013, the Scheme is deemed to be an FMC reporting entity under Financial Markets Conduct Act 2013.

These financial statements were adopted by the Directors of the Manager, Grosvenor Investment Management Limited on 15 June 2016.

The Scheme is comprised of various investment Funds (the "Funds"). Notwithstanding the division of the Scheme into Funds, the Scheme comprises a single trust fund with the value of the Members' interests in the Scheme determined by reference to the value of the units they hold in the Funds.

The Funds as at 31 March 2016 and 31 March 2015 were as follows:

High Growth Fund	Balanced Growth Fund	Asset Class Growth Fund
Balanced Fund	Socially Responsible Investment Growth Fund	Asset Class Conservative Fund
Conservative Fund	Trans-Tasman Small Companies Share Fund	Options Fund
Enhanced Income Fund	International Share Fund	Socially Responsible Investment Balanced Fund
Gearred Growth Fund	Default Saver Fund	Capital Guaranteed Fund

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

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

During the year ended 31 March 2016, the majority of the Funds sold their direct investments in equity and fixed interest securities and started investing in managed investment funds which provide indirect exposure to these assets classes. Thereafter, any interest or dividends earned indirectly by the Funds would be disclosed as net gains on financial instruments at fair value through profit or loss in the Statement of Comprehensive Income

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of preparation**

The financial statements of the Scheme have been prepared in accordance with the Trust Deed governing the Scheme, the KiwiSaver Act 2006, the Financial Markets Conduct Act 2013, the Financial Reporting Act 2013, and Generally Accepted Accounting Practice ("GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"). International Financial Reporting Standards as appropriate for profit oriented entities. The financial statements of the scheme have been prepared in accordance with Tier 1 for profit reporting requirements outlined in the external reporting Board's "Accounting Standards Framework" (XRB-A1)

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

**(b) Basis of measurement**

The financial statements have been prepared on a historical cost basis, except for investments in financial assets, which have been measured at fair value.

All figures presented have been rounded to the nearest dollar.

**(c) Income**

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

*Interest income*

Income is recognised using the effective interest rate method.

*Dividend and distribution income*

Income is recognised when the right to receive the payment is established.

*Net realised and unrealised gains or losses on financial instruments at fair value through profit or loss*

Gains or losses on financial assets held for trading are calculated as the difference between the fair value at sale, or at reporting date, and the fair value recorded at the date of the last valuation. This difference includes both realised and unrealised gains and losses, but does not include interest or dividend revenue.



**GROSVENOR KIWISAVER SCHEME  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2016**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

Financial assets and financial liabilities at fair value through profit and loss are measured initially at fair value including transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Subsequent to initial recognition, all financial instruments at fair value through profit and loss are measured at fair value with changes in their fair value recognised in profit and loss within the Statement of Comprehensive Income, resulting in transaction costs being reflected in the movement in fair value for the period.

For financial assets and financial liabilities that are actively traded in organised financial markets, fair value is determined by reference to exchange quoted market bid prices at the close of business on the reporting date

Financial assets and financial liabilities in unlisted unit trusts are recorded at the redemption value per unit as reported by the managers of such trusts.

**(e) Forward foreign exchange contracts**

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

**(f) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in the Statement of Financial Position.

Payments and receipts relating to the purchase and sale of financial instruments are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Scheme's main income generating activity

**(g) Receivables**

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

An allowance for doubtful debts is made when collection of an amount is no longer probable. Amounts are generally received within 90 days of being recorded as receivable.

**(h) Payables**

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

**(i) Taxation**

**Portfolio Investment Entity ("PIE") Tax**

The Scheme qualifies as, and has elected to be a PIE under the Income Tax Act 2007.

Under the PIE regime income is effectively taxed in the hands of the Members and therefore the Scheme has no tax expense or deferred tax assets or deferred tax liabilities.

The Scheme, as a PIE, pays no income tax on the taxable income of the Scheme and all taxable income and tax credits are attributable to Members in proportion to the units they hold on the days when taxable income and credits arise.

The Scheme deducts tax from each Member's allocation using each Members' Notified Prescribed Investor Rate, or if a rate has not been notified, at the default Prescribed Investor Rate ("PIR") of 28%. The Scheme then pays the tax to Inland Revenue on behalf of each Member. PIE tax liabilities are due for payment on the last day of the month following the end of each tax year or on the last day of the month following the withdrawal of Member's interests in the Scheme.

**Goods and Services Tax ("GST")**

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

**(j) Member funds**

Units issued by the Funds provide the members with the right to require redemption for cash at the value proportionate to the member's share in each Fund's net asset value (provided they meet the eligibility requirements under the Kiwisaver Act 2006 or any other enactment). The units are classified as puttable instruments and are classified as equity.





2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Currency

*Functional and presentation currency*

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

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at reporting date exchange rates, of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss within the Statement of Comprehensive Income.

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

(l) Member Activity

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

(m) Accrued benefits

Amounts available for benefits is the Scheme's present obligation to pay benefits to Members and has been calculated as the difference between the carrying value of the assets and the carrying value of the liabilities in the Scheme.

(n) Contributions and withdrawals

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

(o) Use of estimates and judgements

The preparation of financial statements necessarily requires estimation and judgements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined in the relevant notes.

Judgement has been applied in selecting the accounting policy to designate financial assets at fair value through profit or loss upon initial recognition. This policy has a significant impact on the amounts disclosed in the financial statements. It is possible to determine the fair values of all financial assets as market prices are readily available. Therefore there are no material assumptions or major sources of estimation uncertainty that have a significant risk of causing material adjustments to the carrying amounts of assets at year end. However as with all investments their value is subject to variation due to market and exchange rate fluctuations. Judgement has also been applied in the categorisation of its financial assets and liabilities at fair value through profit or loss in accordance with the fair value hierarchy outlined in NZ IFRS 13 Fair Value Measurement.

Details of significant estimates and related assumptions are provided in the relevant notes to the financial statements.

*New and revised standards that are effective for these financial statements*

There are no new and revised standards that are effective for these financial statements.

*New NZ IFRS standards and interpretations issued but not yet adopted*

The following new standards are considered relevant to the financial statements, has been issued but is not yet effective, and which the Scheme has not early adopted.

NZ IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9 will change the classification of financial assets effective from 1 January 2018. The standard is not expected to have significant impact on the measurement basis of the financial assets since all of the Scheme's financial assets are measured at fair value through profit or loss.

NZ IFRS 15 Revenues from Contracts with Customers

IFRS 15 will introduce a change in the recognition of income from contracts with customers effective from 1 January 2018. The standard is not expected to have any impact on the recognition of income of the Scheme as income is derived from investment in securities, not from contracts with customers.



**GROSVENOR KIWISAVER SCHEME**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>2016</b>																	
Cash at Bank	567,597	1,271,881	512,806	326,954	164,208	667,746	191,710	157,607	231,303	396,360	320,175	218,261	1,036,272	306,484	588,406	816,131	7,733,001
Cash Equivalents	9,891,558	27,476,331	19,761,651	12,187,131	-	12,101,120	1,272,374	-	-	5,508,557	63,179	22,272	-	1,552,777	36,932,239	-	128,769,189
<b>Total Cash and cash equivalents</b>	<b>10,459,155</b>	<b>28,748,212</b>	<b>20,274,457</b>	<b>12,514,085</b>	<b>164,208</b>	<b>12,768,866</b>	<b>1,464,084</b>	<b>157,607</b>	<b>231,303</b>	<b>5,904,917</b>	<b>383,354</b>	<b>240,533</b>	<b>1,036,272</b>	<b>1,852,261</b>	<b>39,490,645</b>	<b>816,131</b>	<b>136,503,090</b>
<b>2015</b>																	
Cash at Bank	1,237,085	3,094,911	978,211	869,013	89,364	1,700,383	172,587	65,645	110,137	88,427	217,582	106,521	817,684	203,224	347,823	-	9,598,597
Cash Equivalents	7,581,889	37,613,463	17,110,924	10,604,001	-	6,740,651	791,825	-	-	2,063,782	106,813	22,401	50,516	1,187,704	39,835,541	697,643	114,307,263
<b>Total Cash and cash equivalents</b>	<b>8,818,974</b>	<b>30,688,374</b>	<b>18,089,135</b>	<b>10,973,014</b>	<b>89,364</b>	<b>8,441,034</b>	<b>964,412</b>	<b>65,645</b>	<b>110,137</b>	<b>2,152,209</b>	<b>324,395</b>	<b>128,922</b>	<b>868,200</b>	<b>1,390,928</b>	<b>40,183,364</b>	<b>697,643</b>	<b>123,905,860</b>

The Funds invest their cash at bank in "on call" deposits at floating interest rates with New Zealand banks registered with the Reserve Bank of New Zealand. Cash Equivalents represent units held in the Grosvenor Investment Series Enhanced Cash Portfolio which invests in short term interest bearing securities which have a credit rating of AAA to A- or in the case of the Asset Class Funds, represents cash held at bank that is supervised by an independent custodian - Aggis.

**4 Membership activity**  
 The Membership activity of the Scheme is presented on the face of the Financial Statements in regard to the activity in each Fund that comprises the Scheme. This by its nature will include activity between Funds. The Membership activity of the Scheme in regard to individual Member activity is presented below.

	2016	2015
	TOTAL SCHEME	TOTAL SCHEME
	\$	\$
<b>CONTRIBUTIONS</b>		
Member contributions at section 64 contribution rate	72,237,474	43,068,775
Employer contributions	44,091,003	26,696,225
Crown contributions (section 226) and fee subsidies	22,719,039	15,230,931 <sup>(1)</sup>
Transfers of Members' accumulations into scheme from other Kiwisaver schemes	21,577,596	408,256,051 <sup>(1)</sup>
Transfers of Members' accumulations into scheme from registered superannuation schemes	2,654,623	11,226,347
Transfers of Members' accumulations into scheme from Australian superannuation schemes	4,046,719	3,699,828
Lump sum contributions	19,115,473	10,367,616 <sup>(1)</sup>
<b>TOTAL CONTRIBUTIONS</b>	<b>186,441,927</b>	<b>518,645,773</b>
<b>WITHDRAWALS</b>		
First home purchase withdrawals	10,540,700	2,973,300
Mortgage diversion withdrawals	11,574	9,538
Kiwisaver end payment date withdrawals	16,583,036	9,129,457
Withdrawals on death	1,254,338	462,998
Serious illness withdrawals	705,856	332,932
Withdrawals or transfers on permanent emigration	105,845	123,503
Significant financial hardship withdrawals	3,120,566	1,295,908
Transfers of Members' accumulations out of scheme into other Kiwisaver schemes	46,682,689	23,566,601
Transfers of Members' accumulations out of scheme into Australian superannuation schemes	221,200	53,433
Amounts required to be paid under other enactments	368,934	324,964
Administration fees	3,355,859	2,126,603
<b>TOTAL WITHDRAWALS</b>	<b>83,023,102</b>	<b>40,418,832</b>

<sup>(1)</sup> The comparative figures have been amended to reflect a partial reclassification of Transfers from Member's accumulations into scheme from other Kiwisaver schemes which had been disclosed as Crown contributions (section 226) and fee subsidies and Lump sum contributions. During the year ended 31 March 2016, Members made a total of \$18,453,494 switches between Funds within the Scheme (2015: \$13,541,175). This is not reflected in the contributions and withdrawal amounts above.



GROSVENOR KIWISAVER SCHEME  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2016

5 Financial assets at fair value through profit or loss

	High Growth	Balanced	Conservative	Enhanced Income	G geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small	International Share	Default Swaps	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	TOTAL SCHEME
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>2016</b>																
<i>At fair value through profit or loss:</i>																
NZ Fixed Interest	7,041,002	40,436,200	31,909,358	6,038,488	-	15,318,527	960,448	-	-	3,358,711	-	-	-	2,452,077	430,014	107,924,825
International Fixed Interest	7,445,031	71,450,428	32,415,235	-	17,425,967	17,279,163	925,757	-	-	5,120,161	4,579,287	7,193,069	-	4,537,900	438,939	151,541,774
NZ Shares	16,736,568	26,676,526	5,603,579	-	901,734	1,994,032	1,994,032	2,489,911	-	597,403	3,931,101	475,583	-	1,581,714	537,184	78,804,498
International Shares	72,455,123	107,199,437	14,809,878	-	4,516,390	69,771,539	9,335,856	-	7,083,508	2,242,658	13,168,425	1,587,502	-	6,231,373	2,119,046	310,810,735
Australian Shares	13,860,187	24,505,706	5,101,215	-	898,335	16,965,246	1,841,334	-	-	564,277	6,682,145	820,943	-	1,498,842	486,123	75,581,419
Property Related Shares	12,877,450	16,427,365	3,624,122	-	758,565	11,593,678	1,653,057	-	-	180,868	1,338,721	511,278	-	997,272	-	49,972,416
Alternative (Options)	-	-	-	-	-	-	-	-	-	-	-	-	88,727,520	-	-	88,727,520
<b>Total financial assets held at fair value through profit or loss</b>	<b>130,415,361</b>	<b>286,695,662</b>	<b>93,463,387</b>	<b>6,038,488</b>	<b>7,085,024</b>	<b>148,354,110</b>	<b>16,710,524</b>	<b>4,836,387</b>	<b>7,083,508</b>	<b>12,064,078</b>	<b>29,709,679</b>	<b>10,586,375</b>	<b>88,727,520</b>	<b>17,585,178</b>	<b>4,011,306</b>	<b>863,363,187</b>
<b>2015</b>																
<i>At fair value through profit or loss:</i>																
NZ Fixed Interest	5,663,608	35,712,596	29,176,623	7,270,239	-	15,548,880	595,797	-	-	1,282,083	-	-	-	2,001,492	-	97,251,318
International Fixed Interest	6,991,340	64,116,385	29,346,213	-	16,237,936	12,767,197	2,930,934	-	-	2,194,827	3,207,108	4,561,151	-	3,463,195	-	130,843,867
NZ Shares	13,153,720	20,918,772	4,585,333	-	731,952	2,998,934	2,998,934	1,265,569	-	237,884	2,869,147	270,949	-	1,163,165	-	60,903,622
International Shares	67,224,024	97,463,403	13,500,061	-	3,770,875	60,769,072	4,913,773	-	6,362,580	952,084	9,288,673	963,858	-	5,609,767	77,650	270,255,830
Australian Shares	13,089,537	20,654,393	4,557,105	-	707,798	12,458,283	3,044,879	3,124,375	-	237,504	4,729,246	478,857	-	1,210,036	-	64,988,013
Property Related Shares	11,617,709	12,916,126	3,119,568	-	670,188	8,921,289	1,111,941	98,003	-	93,999	1,001,583	305,847	-	44,363	-	38,900,616
Alternative (Options)	-	-	-	-	-	-	-	-	-	-	-	-	74,700,581	-	-	74,700,581
<b>Total financial assets held at fair value through profit or loss</b>	<b>117,735,938</b>	<b>251,781,675</b>	<b>84,134,903</b>	<b>7,270,239</b>	<b>5,880,813</b>	<b>126,702,657</b>	<b>12,332,036</b>	<b>4,487,947</b>	<b>6,362,580</b>	<b>4,998,391</b>	<b>21,105,757</b>	<b>6,576,662</b>	<b>74,700,581</b>	<b>13,492,018</b>	<b>77,650</b>	<b>737,643,847</b>

Investments greater than 5% of Net Assets attributable for benefits

	High Growth	Balanced	Conservative	Enhanced Income	G geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small	International Share	Default Swaps	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
<b>2016</b>															
ANZ Floating Rate Note 18/11/2016				5.4%											
ASB Floating Rate Note 05/12/2016				8.2%											
DFA Australian Core Equity Trust											22.3%	7.6%			
DFA Emerging Markets Trust											9.0%	41.7%			
DFA Five Year Diversified Fixed Interest Trust - NZD Hedged											9.5%	5.8%			
DFA Global Bond Trust - NZD Hedged											22.1%	7.4%			
DFA Global Core Equity Trust - NZD Hedged											12.9%				
DFA Global Core Equity Trust - Unhedged				5.4%									101.8%		
HSBC Floating Rate Note 10/12/2018															
Nikko AM Wholesale Option Fund															
NZ Core Equity Trust				9.3%							13.1%				
Robobank Nederland NZ FRN 02/05/2016															
Vanguard Int'l Shares Index Fund (NZD Hed)										7.6%					
Grosvenor WS New Zealand Shares Portfolio	11.9%	8.5%			15.7%	10.8%	5.1%	50.1%						23.5%	
Grosvenor WS Global Fixed Interest Portfolio	5.3%	22.8%	28.7%		67.4%	37.3%			83.2%	28.7%					
Grosvenor WS Global Index Plus Shares Portfolio	43.9%	29.2%	11.2%		11.3%	8.3%			14.2%						
Grosvenor WS Global Direct Shares Portfolio	7.7%				10.6%	10.6%		47.2%							
Grosvenor WS Australian Shares Portfolio	9.9%	7.8%			15.7%	7.2%	9.2%								
Grosvenor WS Property Portfolio	9.2%	5.2%			13.4%	7.6%	7.1%							5.2%	
Grosvenor WS Enhanced Cash Portfolio	8.8%			66.0%		9.6%	5.3%			30.9%				8.0%	
Grosvenor WS New Zealand Fixed Interest Portfolio	7.1%	12.9%	28.3%			7.6%	10.2%			18.6%				12.7%	
Grosvenor WS Australian Socially Responsible Share Portfolio	5.0%					9.6%	11.1%							7.8%	
Grosvenor WS Australian Socially Responsible Portfolio							11.3%							8.2%	
Grosvenor WS Global Socially Responsible Shares Portfolio							51.8%							33.8%	



GROSVENOR KIWISAVER SCHEME  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2016

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

	2015	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed
		%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
ANZ Floating Rate Note 18/11/2016					5.6%											
ASB Floating Rate Note 05/12/2016					8.3%											
DFA Australian Core Equity Trust												22.1%	7.1%			
DFA Emerging Markets Trust												8.7%				
DFA Five Year Diversified Fixed Interest Trust – NZD Hedged												9.4%	42.8%			
DFA Global Bond Trust – NZD Hedged												5.6%	25.6%			
DFA Global Core Equity Trust – Unhedged												21.8%	7.2%			
DFA Global Core Equity Trust – Unhedged												13.1%				
Dimensional Australian Small Company Trust									40.1%							
Grosvenor Investment Series NZ Fixed Interest Portfolio		10.4%	12.7%	28.8%		14.9%	11.6%				18.0%				13.5%	
Grosvenor Investment Series NZ Shares Portfolio		9.2%	7.5%		5.6%	13.6%	6.6%									
Grosvenor Investment Series Property Portfolio																
HSBC Floating Rate Note 10/12/2015																
NZ Core Equity Trust																
Rabobank Nederland NZ FRN 02/05/2016					9.5%											
Rabobank Nederland NZ FRN 24/08/2015					6.7%											
UBS World Socially Responsible UCITS ETF								15.6%							15.6%	
Vanguard Emerging Markets Share Index Fund			11.3%	14.2%			5.9%			5.0%	15.2%					
Vanguard Intl Credit Sec Index Fund (AUD Hgd)			11.3%	14.3%			6.8%				15.2%					
Vanguard Intl Fixed Interest Index Fund (AUD Hgd)		16.0%	10.4%			23.7%	13.5%	5.4%		29.2%	7.4%				23.0%	
Vanguard Intl Shares Index Fund		24.2%	15.7%	5.9%		34.1%	20.4%			44.8%	6.0%					
Vanguard Intl Shares Index Fund (NZD Hgd)		6.0%	9.8%	16.9%	58.6%		5.0%	6.0%	28.6%		29.0%				8.0%	99.2%
Grosvenor Investment Series Enhanced Cash Portfolio														100.0%		
Nikko AM Wholesale Option Fund																

6 Related Parties

(a) Responsible Entities

Grosvenor Investment Management Limited is the Manager of Grosvenor Kiwisaver Scheme. The Manager is a wholly owned subsidiary of Grosvenor Financial Services Group Limited. Trustee Services are provided by Public Trust.

None of these related parties holds or held units in the Scheme.

Under the terms of the Trust Deed the Manager is entitled to receive management fees and the Trustee is entitled to receive a fee for its services. All fees are deducted from Members' accounts or from the assets of each of the Funds.

(b) Details of Key Management Personnel

Directors

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

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

Alan Seung Tong Yeo	Appointed 29 April 1999
David Ian Beattie (alternate to Allan Yeo)	Appointed 7 September 2009
Milton John Jennings	Appointed 7 November 2013 (resigned 16 May 2016)
Paul Gerard Foley	Appointed 30 April 2013
Murray Alexander McCaw	Appointed 21 May 2014 (resigned 15 May 2016)
Claire Francis McGowan	Appointed 16 May 2016
John Ross Selby	

The total value of the Directors interests in the Scheme at the reporting date is \$1,032,831 (2015: \$863,209)

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

Key management personnel transactions

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

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

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

(c) Manager and Trustee Fees and Other Transactions

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

The fees rates for the Funds are as follows:

	2016	2015	2016	2015
High Growth Fund	1.77% p.a.	1.77% p.a.	International Share Fund	1.32% p.a.
Balanced Fund	1.17% p.a.	1.17% p.a.	Capital Guaranteed Fund	0.90% p.a.
Conservative Fund	1.07% p.a.	1.07% p.a.	Default Saver Fund	0.38% p.a.
Enhanced Income Fund	0.82% p.a.	0.82% p.a.	Asset Class Conservative Fund	1.19% p.a.
Geared Growth Fund	1.27% p.a.	1.27% p.a.	Asset Class Growth Fund	1.30% p.a.
Balanced Growth Fund	1.22% p.a.	1.22% p.a.	Socially Responsible Investment Balanced Fund	1.17% p.a.
Socially Responsible Investment Growth Fund	1.17% p.a.	1.17% p.a.	Options Fund	1.15% p.a.
Trans-Tasman Small Companies Share Fund	1.17% p.a.	1.17% p.a.		

The fee comprises fees payable to the Manager for providing investment management and administration services, the fee payable to the Trustee for providing trustee services, and reimburses the Manager's and the Trustee's regular costs, expenses and liabilities incurred in running the Scheme including audit fees.



**GROSVENOR KIWISAVER SCHEME  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2016**

**6 Related Parties (continued)**

The manager paid the following fees to Grant Thornton from its annual management fee:

	2016	2015
Statutory Audit	\$ 31,625	\$ 31,625
Other services - review of prospectus	2,961	2,875
<b>Total</b>	<b>34,586</b>	<b>34,500</b>

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

**Default Saver Fund – Expenses:**

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

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

**Gearing Fee:**

1.1% p.a. of the geared component of the Geared Growth Fund.

There is a Loan Facility agreement in place between the Trustee of the Geared Growth Fund ("GGF") and the Trustee of the Income Securities Portfolio of the Grosvenor Investment Series Unit Trust ("ISPT") to provide a facility of up to \$2m to the GGF from the ISPT upon the terms and subject to the conditions set out in the agreement. As at reporting date, \$1,490,000 was outstanding under this facility (2015: \$1,040,000). The interest paid for 2016 was \$79,039 (2015: \$54,559).

**Foreign Exchange Facilitation Fee:**

Up to 0.50% p.a. (2015: 0.50% p.a.) of any net foreign exchange transactions undertaken by a Fund payable to the Manager. This fee does not apply to the Default Saver Fund.

**Withdrawal / Account Closure Fee:**

An account closure fee of \$30 (2015: \$30) is charged when a Member closes their Scheme account, and is deducted from the Members' accounts. This fee is not charged to Members where all their money is fully invested in the Default Saver Fund since they joined the Scheme.

**Member Fee:**

On 1 July 2014 the Member fee was renamed the Standard Member Fee, and was reduced to \$3.00 per month. Members who have all their money fully invested in the Default Saver Fund since they joined the Scheme will pay no Member fee unless the balance of their Member account is greater than \$10,001, where a fee of \$2.50 per month will apply.

During the year, Member and Withdrawal/Account Closure fees of \$3,355,859 were deducted from Member accounts and paid to the Manager by cancelling units in Members' accounts (2015: \$2,126,603). At reporting date, Member and Withdrawal/Account Closure fees payable were \$277,784 (2015: \$279,644).

The management and administration fees paid to the Manager for each Fund is disclosed in the Statement of Comprehensive Income. The amount of management and administration fees payable at reporting date is disclosed in the Statement of Financial Position as payables. The fees paid to the Trustee by the Scheme during the year are disclosed in the Statement of Comprehensive Income.

**(d) Investment in Funds Managed by Related Parties**

The Scheme invested in the following portfolios in the Grosvenor Investment Series which are also managed by Grosvenor Investment Management Limited.

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	TOTAL SCHEME
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2016																
Grosvenor WS Enhanced Cash Portfolio	9,891,558	27,476,331	19,761,651	12,187,131	-	12,101,120	1,272,374	-	-	5,508,557	-	-	-	1,552,777	38,932,739	128,683,738
Grosvenor WS Global Direct Shares Portfolio	10,836,588	15,583,214	2,196,408	-	650,789	10,033,207	-	-	1,034,858	-	-	-	-	-	268,480	40,623,154
Grosvenor WS Global Fixed Interest Portfolio	7,445,031	71,460,427	32,415,255	-	-	17,425,867	925,257	-	-	5,120,161	-	-	-	4,537,901	438,939	139,769,439
Grosvenor WS Global Index Plus Shares Portfolio	61,618,533	91,616,221	12,613,479	-	3,865,600	59,738,331	-	-	6,048,650	-	-	-	-	-	1,850,566	227,331,371
Grosvenor WS New Zealand Fixed Interest Portfolio	7,041,002	40,426,199	31,909,377	-	901,734	15,318,526	860,448	-	-	3,359,711	-	-	-	2,452,077	450,014	101,896,355
Grosvenor WS New Zealand Shares Portfolio	16,736,568	26,676,525	5,603,582	-	768,565	11,593,278	1,653,096	2,489,910	-	157,403	-	-	-	537,184	70,822,069	48,122,420
Grosvenor WS Property Portfolio	12,877,449	16,427,865	3,624,126	-	898,335	16,965,236	-	2,347,074	-	564,277	-	-	-	997,272	48,728,156	64,728,156
Grosvenor WS Australian Shares Portfolio	13,860,187	24,505,705	5,101,218	-	-	-	1,984,031	-	-	-	-	-	-	1,581,714	3,375,745	3,375,745
Grosvenor WS New Zealand Socially Responsible Portfolio	-	-	-	-	-	-	9,335,849	-	-	-	-	-	-	6,521,373	15,857,222	15,857,222
Grosvenor WS Global Socially Responsible Shares Portfolio	-	-	-	-	-	-	1,641,333	-	-	-	-	-	-	1,498,841	-	3,340,174
Grosvenor WS Australian Socially Responsible Share Portfolio	-	-	-	-	-	-	17,982,887	-	-	-	-	-	-	15,141,955	42,943,846	894,750,243
<b>Total</b>	<b>140,305,916</b>	<b>314,171,988</b>	<b>113,225,097</b>	<b>12,187,131</b>	<b>7,085,023</b>	<b>160,455,228</b>	<b>17,982,887</b>	<b>4,836,984</b>	<b>7,083,508</b>	<b>15,329,978</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,141,955</b>	<b>42,943,846</b>	<b>894,750,243</b>
2015																
Grosvenor Investment Series Enhanced Cash Portfolio	7,555,501	27,414,495	17,050,966	10,568,065	-	6,717,756	789,093	-	-	2,057,875	-	-	50,339	1,183,713	39,695,426	113,083,229
Grosvenor Investment Series NZ Fixed Interest Portfolio	5,663,608	35,712,596	29,176,623	-	-	15,548,879	595,797	-	-	1,282,083	-	-	-	2,001,492	-	89,981,079
Grosvenor Investment Series NZ Shares Portfolio	13,153,720	20,918,772	4,585,333	-	731,952	12,767,197	-	-	-	237,884	-	-	-	-	-	52,384,857
Grosvenor Investment Series Property Portfolio	11,617,709	12,916,126	3,119,568	-	670,188	8,921,289	-	-	-	95,999	-	-	-	-	-	37,338,879
<b>Total</b>	<b>37,980,539</b>	<b>96,961,989</b>	<b>53,932,490</b>	<b>10,568,065</b>	<b>1,402,140</b>	<b>43,955,221</b>	<b>1,384,891</b>	<b>-</b>	<b>-</b>	<b>3,672,841</b>	<b>-</b>	<b>-</b>	<b>50,339</b>	<b>3,185,205</b>	<b>39,695,426</b>	<b>292,798,041</b>

All fees and expense reimbursements charged through the unit price of the Grosvenor Investment Series are fully rebated to the Grosvenor KiwiSaver Scheme. Further details on the Grosvenor Investment Series can be found at <http://www.business.govt.nz/companies/aspp/ul/pages/companies/othersearch> (for the financial statements) or by calling the Manager on 04 8944 300 for the investment statement.



**GROSVENOR KIWISAVER SCHEME  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2016**

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

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

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

**(a) Credit risk**

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

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

Concentrations of credit risk are minimised in the Funds primarily by:

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

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

The credit risk exposure disclosures had been previously prepared on a look through basis where a Fund invested in a management investment fund. As at reporting date the credit risk exposure has been prepared on the basis of the Fund's direct investments only and not on a look through basis for investments held indirectly through other managed investment funds. The change in disclosure methodology is to align the Scheme's disclosures with industry practice. The 2015 comparatives have been amended to ensure comparability. Where the Funds invest into managed investment funds ("underlying funds") managed by the Manager, the investment strategies of these underlying funds aim to achieve an appropriate diversification of investments to manage their credit risk.

The Manager does not consider there to be significant credit risk in relation to accounts receivable or cash equivalents. Accounts receivable are made up of unsettled sales of financial assets or income receivable, all of which have settled subsequent to the reporting date. Cash Equivalents represent units held in the Grosvenor Investment Series Enhanced Cash Portfolio which invests in short term interest bearing securities which have a credit rating of AAA to A- or in the case of the Asset Class Funds it represents cash held at bank with this being supervised by an independent custodian - Aeglis.

Maximum credit risk exposures are:

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME
2016																	
Cash at bank	567,597	1,271,881	512,806	326,954	164,208	667,746	191,710	157,607	231,303	396,360	320,175	218,261	1,026,272	306,484	558,406	816,131	7,733,901
Financial assets at fair value through profit or loss	-	-	-	5,227,337	-	-	-	-	-	-	-	-	-	-	-	-	5,227,337
<b>Total credit risk exposures</b>	<b>567,597</b>	<b>1,271,881</b>	<b>512,806</b>	<b>5,554,291</b>	<b>164,208</b>	<b>667,746</b>	<b>191,710</b>	<b>157,607</b>	<b>231,303</b>	<b>396,360</b>	<b>320,175</b>	<b>218,261</b>	<b>1,026,272</b>	<b>306,484</b>	<b>558,406</b>	<b>816,131</b>	<b>12,961,238</b>
2015																	
Cash at bank	1,237,085	3,094,911	978,211	369,013	89,364	1,700,383	172,587	65,645	110,137	88,427	217,582	106,521	817,684	203,224	347,823	697,643	10,286,240
Financial assets at fair value through profit or loss	-	-	-	7,270,239	-	-	-	-	-	-	-	-	-	-	-	-	7,270,239
<b>Total credit risk exposures</b>	<b>1,237,085</b>	<b>3,094,911</b>	<b>978,211</b>	<b>7,639,252</b>	<b>89,364</b>	<b>1,700,383</b>	<b>172,587</b>	<b>65,645</b>	<b>110,137</b>	<b>88,427</b>	<b>217,582</b>	<b>106,521</b>	<b>817,684</b>	<b>203,224</b>	<b>347,823</b>	<b>697,643</b>	<b>17,566,479</b>

The table below shows the credit quality by class of asset for debt instruments and cash at bank using Standard and Poor's rating categories.

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	Scheme/ Application	TOTAL SCHEME
2016																	
AAA to A- Not Rated	567,597	1,271,881	512,806	5,547,998	164,208	667,746	191,710	157,607	231,303	396,360	320,175	218,261	1,026,272	306,484	558,406	816,131	12,954,945
Total	567,597	1,271,881	512,806	5,554,291	164,208	667,746	191,710	157,607	231,303	396,360	320,175	218,261	1,026,272	306,484	558,406	816,131	12,961,238
2015																	
AAA to A- Not Rated	1,237,085	3,094,911	978,211	7,630,772	89,364	1,700,383	172,587	65,645	110,137	88,427	217,582	106,521	817,684	203,224	347,823	697,643	17,557,999
Total	1,237,085	3,094,911	978,211	7,639,252	89,364	1,700,383	172,587	65,645	110,137	88,427	217,582	106,521	817,684	203,224	347,823	697,643	17,566,480



GROSVENOR KIWISAVER SCHEME  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2016

7 Financial risk management (continued)

(b) Market price risk

Market price risk is the risk that the value of the Scheme's Funds will fluctuate as a result of changes in market prices. This risk is managed by ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits.

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

(c) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. Certain Funds have direct and/or exposure to foreign currency risk implicit in the value of portfolio securities denominated in a foreign currency, and transactional exposure arising from planned purchases or sales of securities.

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

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

2016

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed
Hedging															
International Shares	60%	60%	60%	n/a	60%	60%	60%	n/a	60%	60%	60%	60%	n/a	60%	0%
Australian Shares	20%	20%	20%	n/a	20%	20%	20%	20%	n/a	20%	20%	20%	n/a	20%	0%
International Property and Fixed Interest	100%	100%	100%	n/a	100%	100%	100%	n/a	100%	100%	100%	100%	n/a	100%	n/a

2015

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed
Hedging															
International Shares	45%	45%	45%	n/a	45%	45%	0.0%	n/a	45%	45%	50%	50%	n/a	0%	0%
Australian Shares	20%	20%	20%	20%	20%	20%	0%	20%	n/a	20%	0%	0%	n/a	0%	0%
International Property and Fixed Interest	100%	100%	100%	n/a	100%	100%	100%	100%	n/a	100%	100%	100%	n/a	100%	n/a

The direct investment held in foreign currency are shown below (to the extent that they are not fully hedged):

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed
2016															
International Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Australian Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015															
International Shares	67,224,024	97,463,403	13,350,061	-	3,770,875	60,769,072	4,913,773	-	6,362,580	952,094	9,298,673	963,858	-	5,609,767	77,650
Australian Shares	13,089,537	20,654,393	4,557,105	-	707,798	12,458,283	3,044,879	3,124,375	-	237,504	4,729,246	474,857	-	1,210,036	64,288,033
Total	80,313,561	118,117,796	17,907,166	-	4,478,673	73,227,355	7,958,652	3,124,375	6,362,580	1,189,598	14,027,919	1,438,715	-	6,819,803	77,650

Foreign currency risk sensitivity analysis

The analysis below shows the effect on profit or loss and equity that would result from reasonable changes in the foreign currency rate.

	High Growth	Balanced	Conservative	Enhanced Income	Geared Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed
2016															
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Carrying amount exposed to currency risk (net of hedges)	-	-	-	-	-	-	-	-	-	887,115	14,573,175	2,122,594	-	-	17,582,884
Foreign Currency Rate + 10%	-	-	-	-	-	-	-	-	-	(88,712)	(1,457,318)	(212,259)	-	-	(1,758,288)
Foreign Currency Rate - 10%	-	-	-	-	-	-	-	-	-	88,712	1,457,318	212,259	-	-	1,758,288
2015															
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Carrying amount exposed to currency risk (net of hedges)	47,444,843	70,128,386	10,988,218	-	2,640,220	43,389,616	7,958,652	2,499,500	3,499,419	713,655	9,378,583	956,786	-	6,819,803	77,650
Foreign Currency Rate + 10%	(4,744,484)	(7,012,839)	(1,098,822)	-	(264,022)	(4,338,962)	(795,865)	(249,950)	(349,942)	(71,365)	(937,858)	(95,679)	-	(681,980)	(7,765)
Foreign Currency Rate - 10%	4,744,484	7,012,839	1,098,822	-	264,022	4,338,962	795,865	249,950	349,942	71,365	937,858	95,679	-	681,980	7,765



**GROSVENOR KIWISAVER SCHEME**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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

The interest rate risk exposure disclosures had been previously prepared on a look through basis where a Fund invested in a management investment fund. As at reporting date the interest rate risk exposure has been prepared on the basis of the Fund's direct investments only and not on a look through basis for investments held indirectly through other managed investment funds. The change in disclosure methodology is to align the Scheme's disclosures with industry practice. The 2015 comparatives have been amended to ensure comparability.

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

	High Growth	Balanced	Conservative	Enhanced Income	Gearred Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	TOTAL SCHEME
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>2016</b>																
Financial assets at fair value through profit or loss	-	-	-	5,221,044	-	-	-	-	-	-	-	-	-	-	-	5,221,044
Amount exposed to interest rate risk	-	-	-	3,744	-	-	-	-	-	-	-	-	-	-	-	3,744
Interest rate - 1.00%	-	-	-	(7,487)	-	-	-	-	-	-	-	-	-	-	-	(7,487)
Interest rate + 2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2015</b>																
Financial assets at fair value through profit or loss	-	-	-	7,270,240	-	-	-	-	-	-	-	-	-	-	-	7,270,240
Amount exposed to interest rate risk	-	-	-	5,213	-	-	-	-	-	-	-	-	-	-	-	5,213
Interest rate - 0.50%	-	-	-	(10,426)	-	-	-	-	-	-	-	-	-	-	-	(10,426)
Interest rate + 2.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**(e) Other price risk**

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

**Other price risk sensitivity analysis**  
The analysis below shows the effect on profit or loss and equity that would result in reasonable changes in market fluctuations where a Fund has invested in managed investment funds or directly in equity securities. The 2015 comparatives have been amended to ensure comparability.

	High Growth	Balanced	Conservative	Enhanced Income	Gearred Growth	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	TOTAL SCHEME
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>2016</b>																
Financial assets at fair value through profit or loss	140,306,916	314,171,987	113,225,096	12,187,131	7,085,023	160,455,227	17,982,888	4,836,984	7,083,508	17,572,635	29,709,679	10,588,375	88,727,519	19,141,956	42,943,545	986,018,469
Amount exposed to market risk	(14,030,692)	(31,417,199)	(11,322,510)	(1,218,713)	(708,502)	(16,045,523)	(1,798,289)	(483,698)	(708,351)	(1,757,264)	(2,970,968)	(1,058,838)	(8,872,752)	(1,914,196)	(4,294,355)	(98,601,850)
Market -10%	14,030,692	31,417,199	11,322,510	1,218,713	708,502	16,045,523	1,798,289	483,698	708,351	1,757,264	2,970,968	1,058,838	8,872,752	1,914,196	4,294,355	98,601,850
Market +10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2015</b>																
Financial assets at fair value through profit or loss	125,061,886	278,184,598	100,804,125	10,612,482	5,871,737	133,055,784	12,941,554	4,344,362	6,350,588	7,028,536	21,212,570	6,599,063	74,751,097	14,558,798	39,835,541	841,212,722
Amount exposed to market risk	(12,506,189)	(27,818,460)	(10,080,412)	(1,061,248)	(587,174)	(13,305,578)	(1,294,155)	(434,436)	(635,059)	(702,854)	(2,121,257)	(659,906)	(7,475,110)	(1,455,880)	(3,983,554)	(84,121,272)
Market -10%	12,506,189	27,818,460	10,080,412	1,061,248	587,174	13,305,578	1,294,155	434,436	635,059	702,854	2,121,257	659,906	7,475,110	1,455,880	3,983,554	84,121,272
Market +10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-





**GROSVENOR KIWISAVER SCHEME**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**7 Financial risk management (continued)**

**(f) Liquidity and cash flow risk**

Liquidity risk is the risk that the Scheme will experience difficulty in either realising assets or raising sufficient funds to satisfy commitments associated with financial instruments. Cash flow risk is the risk that future cash flows derived from holding financial instruments will fluctuate. The risk management guidelines adopted by the Funds are designed to minimise liquidity and cash flow risk through ensuring that there is no significant exposure to illiquid or thinly traded financial instruments, applying limits to ensure there is no concentration of liquidity risk to a particular counterparty or market. Based on the maturity profiles and, where applicable, the existence of secondary markets, all financial assets are realisable within 6 months of balance date and all financial liabilities are payable within 6 months of reporting date.

**(g) Estimation of fair values**

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

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

The fair value of the Scheme's financial assets at fair value through profit or loss are classified as follows:

	High Growth	Balanced	Conservative	Enhanced Income	Gearing	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	TOTAL SCHEME
<b>2016</b>																
Level 1				6,022,195												6,022,195
Level 2	130,415,361	286,695,662	93,463,387	6,293	7,085,024	148,354,110	16,710,524	4,836,987	7,083,508	12,064,078	29,709,679	10,588,375	88,727,520	17,589,178	4,011,306	857,340,992
<b>Total</b>	<b>130,415,361</b>	<b>286,695,662</b>	<b>93,463,387</b>	<b>6,028,488</b>	<b>7,085,024</b>	<b>148,354,110</b>	<b>16,710,524</b>	<b>4,836,987</b>	<b>7,083,508</b>	<b>12,064,078</b>	<b>29,709,679</b>	<b>10,588,375</b>	<b>88,727,520</b>	<b>17,589,178</b>	<b>4,011,306</b>	<b>863,363,187</b>
<b>2015</b>																
Level 1	26,262,056	39,857,272	7,261,478	7,261,758	1,448,832	24,497,812	11,010,526	2,664,281	1,260,779	236,600	-	-	-	8,027,331	77,650	129,866,975
Level 2	91,477,282	211,924,403	76,873,425	8,481	4,431,981	102,204,845	1,321,510	1,823,666	5,101,801	4,761,791	21,105,757	6,576,662	74,700,581	5,464,687	-	607,776,872
<b>Total</b>	<b>117,739,938</b>	<b>251,781,675</b>	<b>84,134,903</b>	<b>7,270,239</b>	<b>5,880,813</b>	<b>126,702,657</b>	<b>12,332,036</b>	<b>4,487,947</b>	<b>6,362,580</b>	<b>4,998,391</b>	<b>21,105,757</b>	<b>6,576,662</b>	<b>74,700,581</b>	<b>13,492,018</b>	<b>77,650</b>	<b>757,643,847</b>

**Measurement of fair value of financial instruments classified as Level 2**

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

**Managed Investment Funds**

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

There were no transfers between Level 1 and Level 2 in 2016 or 2015, and there were no financial instruments classified as Level 3.

**8 Reconciliation of net profit attributable to Members to net cash flows from operating activities**

	High Growth	Balanced	Conservative	Enhanced Income	Gearing	Balanced Growth	SRI Growth	Trans-Tasman Small Companies	International Share	Default Saver	Asset Class Growth	Asset Class Conservative	Options	SRI Balanced	Capital Guaranteed	TOTAL SCHEME
<b>2016</b>																
<b>Net profit attributable to Members</b>	3,144,463	8,915,935	4,152,333	499,123	51,195	4,398,112	808,702	273,333	14,724	573,757	479,725	367,821	12,672,665	991,211	1,051,867	38,394,966
<b>Changes in assets &amp; liabilities</b>																
Change in financial assets held at fair value through profit or loss	(12,675,423)	(34,913,987)	(9,328,484)	1,241,751	(1,204,211)	(21,651,453)	(4,378,488)	(349,040)	(720,928)	(7,065,687)	(8,603,922)	(4,011,713)	(14,026,939)	(4,097,160)	(3,933,656)	(125,719,340)
Change in income receivable	120,290	165,435	(202)	(32,817)	7,578	108,296	49,993	15,394	2,678	(13,123)	(26,954)	(5,803)	285	20,172	(101,366)	307,836
Change in investment receivables	14,611	49,819	235,980	176	1,908	26,481	4,899	355	911	4,138	9,886	4,387	31,632	4,475	2,566	392,224
Change in fees payables	(37,234)	(63,808)	(14,003)	(2,677)	(40,878)	(40,878)	(79,652)	(1,706)	-	(1,706)	(62,918)	(5,942)	-	(7,806)	-	(316,624)
<b>Net cash flows from operating activities</b>	<b>(9,433,293)</b>	<b>(25,848,606)</b>	<b>(4,954,376)</b>	<b>1,708,233</b>	<b>(1,146,207)</b>	<b>(17,159,442)</b>	<b>(3,594,546)</b>	<b>(59,958)</b>	<b>(702,615)</b>	<b>(6,502,621)</b>	<b>(8,204,183)</b>	<b>(3,651,250)</b>	<b>(1,322,357)</b>	<b>(3,089,108)</b>	<b>(2,980,609)</b>	<b>(86,940,938)</b>
<b>2015</b>																
<b>Net profit attributable to Members</b>	13,518,039	21,160,850	6,030,851	638,593	683,852	10,481,561	1,293,267	209,535	836,675	184,090	865,184	229,999	2,024,828	615,882	513,372	59,284,578
<b>Changes in assets &amp; liabilities</b>																
Change in financial assets held at fair value through profit or loss	(42,530,252)	(145,037,261)	(51,485,656)	9,795,578	(1,730,563)	(81,338,856)	(3,331,161)	(789,726)	(1,942,989)	(4,998,391)	(21,105,757)	(6,576,662)	(74,700,581)	(13,492,018)	(77,650)	(439,341,945)
Change in income receivable	94,562	(14,547)	(19,897)	(540)	6,278	(30,155)	16,767	(259)	149	(2,104)	(70,419)	(7,811)	(285)	(25,035)	(1,988)	(55,284)
Change in investment receivables	2,790,211	2,670,251	137,337	1,087,988	1,087,988	1,087,988	63,634	9,494	217,348	1,868	23,035	6,416	72,926	14,477	30,584	7,288,203
Change in fees payables	106,212	245,832	83,993	11,390	9,603	123,084	9,561	4,055	5,456	1,706	62,918	5,942	-	7,806	-	708,492
Change in investment payables	(291,348)	(254,306)	(40,309)	(14,000)	(14,000)	(125,700)	28	-	-	-	-	-	-	-	-	(651,263)
<b>Net cash flows from operating activities</b>	<b>(26,312,576)</b>	<b>(121,229,181)</b>	<b>(45,119,078)</b>	<b>10,445,021</b>	<b>(907,493)</b>	<b>(69,806,078)</b>	<b>(1,547,904)</b>	<b>(566,901)</b>	<b>(883,361)</b>	<b>(4,812,831)</b>	<b>(20,227,039)</b>	<b>(6,342,116)</b>	<b>(72,603,112)</b>	<b>(12,878,888)</b>	<b>(464,318)</b>	<b>(372,737,219)</b>



**GROSVENOR KIWISAVER SCHEME  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2016**

**9 Contingent assets and liabilities and commitments**

There are no outstanding contingent assets or liabilities or commitments at the reporting date (2015: Nil).

**10 Capital Management**

The Scheme's capital is represented by redeemable units with no par value and is reflected in the Statement of Financial Position as Net Assets Attributable for Benefits. In accordance with the risk management policies outlined in Note 7, the Scheme invests contributions received in appropriate investments whilst maintaining sufficient liquidity to meet any withdrawal requests. Compliance with investment management mandate limits is monitored by the Manager with oversight from the Trustee. There have been no breaches of these mandate limits during the year (2015: None).

**11 Events occurring after reporting date**

No significant events have occurred since the reporting date which would impact on the financial position of the Scheme or on the financial performance and cash flows of the Scheme for the year ended on that date (2015: None).



# Independent Auditor's Report

**Audit**

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**To the Members of Grosvenor KiwiSaver Scheme**

We have audited the accompanying financial statements on pages 1 to 16 of Grosvenor KiwiSaver Scheme which comprise the statement of financial position as at 31 March 2016, and the statement of comprehensive income, statement of changes in net assets attributable to members and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Manager's responsibility for the financial statements**

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

#### Opinion

In our opinion, the accompanying financial statements on pages 1 to 16 present fairly, in all material respects, the financial position of Grosvenor KiwiSaver Scheme as at 31 March 2016 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards.

#### **Restriction on use of our report**

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



Grant Thornton New Zealand Audit Partnership  
Wellington, New Zealand  
15 June 2016