



Independent Auditor's Report

To the members of:

- Aon KS - ANZ Balanced Fund
- Aon KS - ANZ Cash Fund
- Aon KS - Milford Active Growth Wholesale Fund
- Aon KS - Russell LifePoints Target Date 2015 Fund
- Aon KS - Russell LifePoints Target Date 2025 Fund
- Aon KS - Russell LifePoints Target Date 2035 Fund
- Aon KS - Russell LifePoints Target Date 2045 Fund
- Aon KS - Russell LifePoints Target Date 2055 Fund
- Aon KS - Russell LifePoints Balanced Fund
- Aon KS - Russell LifePoints Conservative Fund
- Aon KS - Russell LifePoints Growth Fund
- Aon KS - Russell LifePoints Moderate Fund
- Aon KS - Nikko Balanced Fund
- Aon KS - Nikko Cash Fund

Collectively "Aon KiwiSaver Scheme" (the "funds and scheme").

Report on the financial statements

Opinion

In our opinion, the accompanying financial statements of Aon KiwiSaver Scheme (the funds and scheme) on pages 4 to 44:

- i. present fairly in all material respects the funds and scheme's financial position as at 31 March 2018 and their financial performance and cash flows for the year ended on that date; and
- ii. comply with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

We have audited the accompanying financial statements which comprise:

- the statement of net assets as at 31 March 2018;
- the statements of changes in net assets and cash flows for the year ended 31 March 2018; and
- notes, including a summary of significant accounting policies and other explanatory information.



Basis for opinion

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

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



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

Our firm has also undertaken supervisor reporting in line with our obligations under Section 198 and 199 of the Financial Markets Conduct Act 2013 ("FMC Act 2013") and provided other services to the Scheme in relation to the members' registry audit as at 31 March 2018. Our firm has also provided other services to the Custodian of the Scheme in relation to a custodial controls assurance engagement. Subject to certain restrictions, partners and employees of our firm may also deal with the scheme on normal terms within the ordinary course of trading activities of the business of the scheme. These matters have not impaired our independence as auditor of the scheme. The firm has no other relationship with, or interest in, the scheme.

Other information

The Manager, on behalf of the funds and scheme, is responsible for the other information included in the funds and scheme's Annual Report. The Annual Report includes a link to where the audited financial statements can be found on the Companies Office. Our opinion on the financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

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



Use of this independent auditor's report

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



Responsibilities of the Manager for the financial statements

The Manager, on behalf of the funds and scheme, is responsible for:

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



 Auditor's responsibilities for the audit of the financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

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

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-6/>

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

The engagement partner on the audit resulting in this independent auditor's report is Matthew Prichard.

For and on behalf of

KPMG

KPMG
Auckland

18 July 2018

AON KIWISAVER SCHEME
Financial Statements
For the Year Ended 31 March 2018

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AON KIWISAVER SCHEME


Statement of Net Assets As at 31 March 2018

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		
		Balanced	Cash	Growth	Balanced	Cash	
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	
ASSETS							
	Cash and Cash Equivalents	1,019	59	3	274	20	5
	Unsettled Trades	136	-	-	42	-	-
	Receivable from Investment Funds	283	-	-	106	-	-
	Investments	501,050	29,836	4,315	134,620	8,268	1,420
	Total Assets	502,488	29,895	4,318	135,042	8,288	1,425
Less LIABILITIES							
	Sundry Creditors	642	39	6	145	9	2
	Benefits Payable	547	7	-	226	-	-
	Payable to other KiwiSaver Providers	-	-	-	-	-	-
	Payable to Investment Funds	181	167	1	-	12	1
	PIE Tax Payable	2,540	173	17	753	39	6
	Total Liabilities	3,910	386	24	1,124	60	9
	NET ASSETS AVAILABLE FOR BENEFITS	498,578	29,509	4,294	133,918	8,228	1,416

Represented by:
Members Accounts

498,578	29,509	4,294	133,918	8,228	1,416
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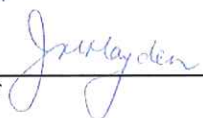
For and on behalf of the Manager, who authorised the issue of these financial statements on:



Director

18 July 2018

Date



Director

18 July 2018

Date

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Net Assets (Continued) As at 31 March 2018

		Russell Fund								
Note		LifePoints® 2015	LifePoints® 2025	LifePoints® 2035	LifePoints® 2045	LifePoints® 2055	LifePoints® Balanced	LifePoints® Conservative	LifePoints® Growth	LifePoints® Moderate
		2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
ASSETS										
	Cash and Cash Equivalents	5	31	26	19	2	287	121	110	57
	Unsettled Trades	1	4	5	5	2	61	4	8	4
	Receivable from Investment Funds	2	8	8	8	2	61	44	19	25
	Investments	4,656	19,483	18,294	16,521	621	130,442	74,288	37,344	20,942
	Total Assets	4,664	19,526	18,333	16,553	627	130,851	74,457	37,481	21,028
Less LIABILITIES										
10	Sundry Creditors	6	25	23	23	1	187	100	49	27
	Benefits Payable	-	2	-	-	-	212	98	1	1
	Payable to other KiwiSaver Providers	-	-	-	-	-	-	-	-	-
	Payable to Investment Funds	-	-	-	-	-	-	-	-	-
	PIE Tax Payable	26	102	82	53	2	619	424	142	102
	Total Liabilities	32	129	105	76	3	1,018	622	192	130
	NET ASSETS AVAILABLE FOR BENEFITS	4,632	19,397	18,228	16,477	624	129,833	73,835	37,289	20,898
	Represented by:									
	Members Accounts	4,632	19,397	18,228	16,477	624	129,833	73,835	37,289	20,898

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Net Assets (Continued) As at 31 March 2018

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		
		Balanced	Cash	Growth	Balanced	Cash	
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	
ASSETS							
	Cash and Cash Equivalents	1,938	106	10	572	72	29
	Unsettled Trades	122	-	-	14	-	-
	Receivable from Investment Funds	156	-	-	29	-	-
	Investments	431,236	27,546	3,991	114,662	7,467	1,331
	Total Assets	433,452	27,652	4,001	115,277	7,539	1,360
Less LIABILITIES							
10	Sundry Creditors	550	34	6	123	9	2
	Benefits Payable	1,813	111	2	516	-	-
	Payable to other KiwiSaver Providers	8	1	-	2	-	-
	Payable to Investment Funds	45	31	2	-	11	1
	PIE Tax Payable	1,283	181	15	220	32	6
	Total Liabilities	3,699	358	25	861	52	9
	NET ASSETS AVAILABLE FOR BENEFITS	429,753	27,294	3,976	114,416	7,487	1,351
	Represented by:						
	Members Accounts	429,753	27,294	3,976	114,416	7,487	1,351

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Net Assets (Continued) As at 31 March 2018

		Russell Fund							
Note	LifePoints® 2015	LifePoints® 2025	LifePoints® 2035	LifePoints® 2045	LifePoints® 2055	LifePoints® Balanced	LifePoints® Conservative	LifePoints® Growth	LifePoints® Moderate
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
ASSETS									
Cash and Cash Equivalents	6	36	30	(84)	1	772	243	74	71
Unsettled Trades	-	1	2	-	-	-	36	69	-
Receivable from Investment Funds	2	8	8	7	-	48	30	16	8
Investments	4,900	17,479	15,587	14,053	288	98,938	75,531	31,152	18,311
Total Assets	4,908	17,524	15,627	13,976	289	99,758	75,840	31,311	18,390
Less LIABILITIES									
Sundry Creditors	6	22	19	19	-	146	102	39	23
Benefits Payable	11	1	-	12	-	616	417	11	116
Payable to other KiwiSaver Providers	-	-	-	-	-	1	3	1	-
Payable to Investment Funds	-	-	-	-	-	-	-	-	-
PIE Tax Payable	19	71	52	33	-	266	229	91	68
Total Liabilities	36	94	71	64	-	1,029	751	142	207
NET ASSETS AVAILABLE FOR BENEFITS	4,872	17,430	15,556	13,912	289	98,729	75,089	31,169	18,183
Represented by:									
Members Accounts	4,872	17,430	15,556	13,912	289	98,729	75,089	31,169	18,183

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Changes in Net Assets For the Year Ended 31 March 2018

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		
		Balanced	Cash	Growth	Balanced	Cash	
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	
INVESTMENT ACTIVITIES							
	Gains on Investments	37,154	1,970	103	16,970	866	8
	Distribution Income	8,254	-	-	-	-	35
	Interest Income	-	-	-	-	-	-
10	Investment Management Fees and Rebates	(3,049)	(167)	(15)	(978)	(60)	(6)
	Net Investment Gains	42,359	1,803	88	15,992	806	37
OTHER EXPENSES							
9	Auditor's Remuneration - Audit Fees	93	6	1	25	2	-
10	Administration Management Fees	1,247	75	10	337	21	4
10	Consulting Fees	308	19	3	82	5	1
	Supervisor Fees	144	9	1	38	2	-
	Marketing and Printing Costs	65	4	1	18	1	-
	General Expenses	146	9	1	40	2	1
	Manager Contributions	-	-	-	-	-	-
	Total Other Expenses	2,003	122	17	540	33	6
	Profit before Membership Activities	40,356	1,681	71	15,452	773	31
MEMBERSHIP ACTIVITIES							
Contributions							
	Member Contributions	33,797	1,998	235	4,148	523	77
	Employer Contributions	17,169	850	116	2,013	226	38
	Crown Contributions	5,808	252	43	592	65	15
	Transfers in from Other KiwiSaver Schemes	14,501	231	10	7,515	95	9
	Switches In	6,631	54	588	1,574	100	273
	Total Contributions	77,906	3,385	992	15,842	1,009	412

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Changes in Net Assets (Continued) For the Year Ended 31 March 2018

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		
		Balanced	Cash	Growth	Balanced	Cash	
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	
MEMBERSHIP ACTIVITIES (Continued)							
	Deduct:						
	Transfers to other KiwiSaver Schemes	(24,376)	(1,188)	(105)	(6,385)	(344)	(303)
	Retirement	(8,436)	(584)	(491)	(1,303)	(216)	(40)
	Transfers to IRD	(69)	(9)	-	(10)	-	-
	Emigration	(68)	-	-	(21)	-	-
	Hardship Payments	(496)	-	(2)	(197)	-	(1)
	First Home Withdrawal	(4,038)	(77)	(37)	(1,296)	(25)	-
	Serious Illness	(771)	(59)	(3)	(144)	-	(3)
	Death Payments	(825)	(39)	(1)	(225)	-	-
	Court Order Payments	(100)	(100)	-	-	-	-
	Mortgage Diversion	(2)	-	-	-	-	-
	Switches Out	(6,631)	(586)	(81)	(1,201)	(407)	(22)
	Member Fees	(960)	(30)	(8)	(229)	(9)	(2)
	Transfer Fees	(53)	(1)	-	(11)	-	-
	PIE Tax Expense	(2,612)	(178)	(17)	(770)	(40)	(7)
	Net Membership Activities	28,469	534	247	4,050	(32)	34
	Increase/(Decrease) in Net Assets During Year	68,825	2,215	318	19,502	741	65
	Net Assets Available for Benefits at Beginning of Year	429,753	27,294	3,976	114,416	7,487	1,351
	Net Assets Available for Benefits at End of Year	498,578	29,509	4,294	133,918	8,228	1,416

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Changes in Net Assets (Continued) For the Year Ended 31 March 2018

		Russell Fund							
Note	LifePoints® 2015	LifePoints® 2025	LifePoints® 2035	LifePoints® 2045	LifePoints® 2055	LifePoints® Balanced	LifePoints® Conservative	LifePoints® Growth	LifePoints® Moderate
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
INVESTMENT ACTIVITIES									
	164	878	1,131	1,223	30	7,544	2,540	2,748	979
	135	522	457	392	12	3,153	2,124	869	555
	-	-	-	-	-	-	-	-	-
Investment Management Fees and Rebates	(23)	(104)	(110)	(107)	(3)	(743)	(380)	(240)	(113)
Net Investment Gains	276	1,296	1,478	1,508	39	9,954	4,284	3,377	1,421
OTHER EXPENSES									
Auditor's Remuneration - Audit Fees	1	4	3	3	-	23	14	7	4
Administration Management Fees	13	50	46	41	1	305	200	92	52
Consulting Fees	3	12	11	10	-	78	48	23	13
Supervisor Fees	1	6	5	5	-	36	23	11	7
Marketing and Printing Costs	1	2	2	2	-	17	11	4	2
General Expenses	1	6	6	4	-	37	23	10	6
Manager Contributions	-	-	-	-	-	-	-	-	-
Total Other Expenses	20	80	73	65	1	496	319	147	84
Profit before Membership Activities	256	1,216	1,405	1,443	38	9,458	3,965	3,230	1,337
MEMBERSHIP ACTIVITIES									
Contributions									
Member Contributions	234	1,195	1,044	1,028	51	18,353	1,443	2,171	1,297
Employer Contributions	87	491	554	524	25	9,992	674	989	590
Crown Contributions	37	197	181	184	9	3,532	195	323	183
Transfers in from Other KiwiSaver Schemes	-	221	252	183	76	2,292	1,381	985	1,251
Switches In	1	176	86	154	267	1,244	816	710	588
Total Contributions	359	2,280	2,117	2,073	428	35,413	4,509	5,178	3,909

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Changes in Net Assets (Continued) For the Year Ended 31 March 2018

		Russell Fund							
Note	Lifepoints@ 2015	Lifepoints@ 2025	Lifepoints@ 2035	Lifepoints@ 2045	Lifepoints@ 2055	Lifepoints@ Balanced	Lifepoints@ Conservative	Lifepoints@ Growth	Lifepoints@ Moderate
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
MEMBERSHIP ACTIVITIES (Continued)									
Deduct:									
	(143)	(831)	(420)	(540)	(21)	(8,035)	(4,165)	(1,149)	(747)
Transfers to other KiwiSaver Schemes	(143)	(831)	(420)	(540)	(21)	(8,035)	(4,165)	(1,149)	(747)
Retirement	(600)	(219)	-	(16)	-	(1,565)	(2,363)	(311)	(728)
Transfers to IRD	-	-	-	-	-	(43)	(7)	-	-
Emigration	-	-	-	-	-	(30)	(17)	-	-
Hardship Payments	(1)	(1)	-	(1)	-	(187)	(103)	(3)	-
First Home Withdrawal	-	(20)	(30)	(111)	(17)	(1,178)	(748)	(185)	(314)
Serious Illness	-	-	(183)	-	-	(103)	(155)	(53)	(68)
Death Payments	-	(23)	-	(5)	-	(295)	(170)	(48)	(19)
Court Order Payments	-	-	-	-	-	-	-	-	-
Mortgage Diversion	-	-	-	(2)	-	-	-	-	-
Switches Out	(76)	(308)	(113)	(185)	(90)	(1,293)	(1,409)	(339)	(521)
Member Fees	10 (8)	(21)	(20)	(36)	(1)	(371)	(143)	(54)	(28)
Transfer Fees	10 -	(1)	(1)	(1)	-	(27)	(8)	(2)	(1)
PIE Tax Expense	(27)	(105)	(83)	(54)	(2)	(640)	(440)	(144)	(105)
Net Membership Activities	(496)	751	1,267	1,122	297	21,646	(5,219)	2,890	1,378
Increase/(Decrease) in Net Assets During Year	(240)	1,967	2,672	2,565	335	31,104	(1,254)	6,120	2,715
Net Assets Available for Benefits at Beginning of Year	4,872	17,430	15,556	13,912	289	98,729	75,089	31,169	18,183
Net Assets Available for Benefits at End of Year	4,632	19,397	18,228	16,477	624	129,833	73,835	37,289	20,898

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Changes in Net Assets (Continued) For the Year Ended 31 March 2018

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		
		Balanced	Cash	Growth	Balanced	Cash	
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	
INVESTMENT ACTIVITIES							
	Gains on Investments	27,611	1,906	105	10,259	456	10
	Distribution Income	7,340	-	-	-	-	42
	Interest Income	3	-	-	1	-	-
10	Investment Management Fees and Rebates	(2,827)	(146)	(15)	(823)	(49)	(6)
	Net Investment Gains	32,127	1,760	90	9,437	407	46
OTHER EXPENSES							
9	Auditor's Remuneration - Audit Fees	78	5	1	20	1	-
10	Administration Management Fees	1,096	66	10	294	38	18
10	Consulting Fees	155	10	2	42	3	1
	Supervisor Fees	121	8	1	33	2	1
	Marketing and Printing Costs	64	4	-	17	1	-
	General Expenses	84	6	1	23	2	-
	Manager Contributions	(2)	-	-	-	-	-
	Total Other Expenses	1,596	99	15	429	47	20
	Profit before Membership Activities	30,531	1,661	75	9,008	360	26
MEMBERSHIP ACTIVITIES							
Contributions							
	Member Contributions	31,964	1,915	307	3,180	733	93
	Employer Contributions	16,675	911	135	1,566	239	46
	Crown Contributions	5,850	268	49	467	64	21
	Transfers in from Other KiwiSaver Schemes	14,674	950	121	6,792	309	5
	Switches In	3,351	277	314	895	197	46
	Total Contributions	72,514	4,321	926	12,900	1,542	211

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Changes in Net Assets (Continued) For the Year Ended 31 March 2018

	Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund	
			Balanced	Cash	Growth	Balanced	Cash
		2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
MEMBERSHIP ACTIVITIES (Continued)							
Deduct:							
Transfers to other KiwiSaver Schemes		(22,401)	(634)	(198)	(7,002)	(375)	(62)
Retirement		(7,703)	(606)	(228)	(1,524)	(110)	(190)
Transfers to IRD		(37)	-	-	(8)	-	-
Emigration		(424)	(37)	-	(47)	(33)	-
Hardship Payments		(497)	(17)	(2)	(170)	-	-
First Home Withdrawal		(5,246)	(121)	(84)	(1,807)	(34)	(21)
Serious Illness		(350)	(2)	(2)	(167)	(3)	(2)
Death Payments		(568)	(77)	(6)	(130)	-	-
Mortgage Diversion		(2)	-	-	-	-	-
Switches Out		(3,351)	(315)	(186)	(356)	(56)	(278)
Member Fees	10	(967)	(32)	(9)	(182)	(9)	(3)
Transfer Fees	10	(55)	(1)	(1)	(9)	-	-
PIE Tax Expense		(1,334)	(185)	(16)	(233)	(33)	(6)
Net Membership Activities		29,579	2,294	194	1,265	889	(351)
Increase/(Decrease) in Net Assets During Year		60,110	3,955	269	10,273	1,249	(325)
Net Assets Available for Benefits at Beginning of Year		369,643	23,339	3,707	104,143	6,238	1,676
Net Assets Available for Benefits at End of Year		429,753	27,294	3,976	114,416	7,487	1,351

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Changes in Net Assets (Continued) For the Year Ended 31 March 2018

		Russell Fund								
Note	LifePoints@ 2015	LifePoints@ 2025	LifePoints@ 2035	LifePoints@ 2045	LifePoints@ 2055	LifePoints@ Balanced	LifePoints@ Conservative	LifePoints@ Growth	LifePoints@ Moderate	
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	
INVESTMENT ACTIVITIES										
Gains on Investments	157	834	1,014	1,137	11	5,962	2,440	2,442	878	
Distribution Income	147	470	395	351	5	2,466	2,201	759	504	
Interest Income	-	-	-	-	-	1	1	-	-	
Investment Management Fees and Rebates	(31)	(111)	(106)	(104)	(1)	(636)	(453)	(229)	(117)	
Net Investment Gains	273	1,193	1,303	1,384	15	7,793	4,189	2,972	1,265	
OTHER EXPENSES										
Auditor's Remuneration - Audit Fees	1	3	3	3	-	19	13	6	3	
Administration Management Fees	14	43	37	34	-	220	203	73	46	
Consulting Fees	2	6	5	5	-	32	29	11	7	
Supervisor Fees	2	5	4	4	-	25	23	8	5	
Marketing and Printing Costs	1	3	3	3	-	14	11	4	3	
General Expenses	2	3	2	2	-	16	16	6	5	
Manager Contributions	(1)	-	-	-	-	(1)	-	-	-	
Total Other Expenses	21	63	54	51	-	325	295	108	69	
Profit before Membership Activities	252	1,130	1,249	1,333	15	7,468	3,894	2,864	1,196	
MEMBERSHIP ACTIVITIES										
Contributions										
Member Contributions	319	1,216	1,016	912	26	17,295	1,727	2,010	1,215	
Employer Contributions	110	495	536	492	10	9,898	739	928	570	
Crown Contributions	55	203	181	173	2	3,648	207	320	192	
Transfers in from Other KiwiSaver Schemes	-	178	374	482	147	1,970	1,168	1,487	691	
Switches In	-	186	-	14	36	477	383	442	84	
Total Contributions	484	2,278	2,107	2,073	221	33,288	4,224	5,187	2,752	

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Changes in Net Assets (Continued) For the Year Ended 31 March 2018

		Russell Fund								
Note		Lifepoints@ 2015	Lifepoints@ 2025	Lifepoints@ 2035	Lifepoints@ 2045	Lifepoints@ 2055	Lifepoints@ Balanced	Lifepoints@ Conservative	Lifepoints@ Growth	Lifepoints@ Moderate
		2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
MEMBERSHIP ACTIVITIES (Continued)										
Deduct:										
	Transfers to other KiwiSaver Schemes	(210)	(383)	(169)	(503)	-	(6,112)	(5,254)	(735)	(764)
	Retirement	(519)	(75)	(65)	-	-	(1,138)	(1,827)	(303)	(1,118)
	Transfers to IRD	-	-	-	-	-	(22)	(7)	-	-
	Emigration	-	-	-	(140)	-	(62)	(74)	(31)	-
	Hardship Payments	-	-	(11)	(14)	-	(149)	(121)	(12)	(1)
	First Home Withdrawal	-	(122)	-	(315)	-	(1,194)	(1,186)	(319)	(43)
	Serious Illness	-	-	-	-	-	(68)	(106)	-	-
	Death Payments	(61)	(31)	-	-	-	(97)	(87)	(27)	(52)
	Mortgage Diversion	-	-	-	(1)	-	-	-	(1)	-
	Switches Out	(77)	(152)	(79)	(226)	-	(636)	(398)	(453)	(139)
	Member Fees	(9)	(22)	(20)	(37)	-	(436)	(124)	(55)	(29)
10	Transfer Fees	-	-	-	(1)	-	(33)	(7)	(2)	(1)
10	PIE Tax Expense	(21)	(72)	(53)	(34)	-	(277)	(241)	(92)	(71)
	Net Membership Activities	(413)	1,421	1,710	802	221	23,064	(5,208)	3,157	534
	Increase/(Decrease) in Net Assets During Year	(161)	2,551	2,959	2,135	236	30,532	(1,314)	6,021	1,730
	Net Assets Available for Benefits at Beginning of Year	5,033	14,879	12,597	11,777	53	68,197	76,403	25,148	16,453
	Net Assets Available for Benefits at End of Year	4,872	17,430	15,556	13,912	289	98,729	75,089	31,169	18,183

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Cash Flows For the Year Ended 31 March 2018

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund	
		Balanced	Cash	Growth	Balanced	Cash
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash provided from</i>						
Sale of Investments	26,091	2,205	720	4,569	923	350
Investment Management Rebates	372	-	-	372	-	-
<i>Cash applied to</i>						
Purchase of Investments	53,092	2,526	943	8,910	858	395
Investment Fees	835	171	15	-	59	6
Net Cash Flows from Operating Activities	(27,464)	(492)	(238)	(3,969)	6	(51)
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash provided from</i>						
Member Contributions	33,786	1,998	235	4,145	522	77
Employer Contributions	17,166	849	116	2,013	225	37
Crown Contributions	5,808	252	43	592	65	15
Transfer from other KiwiSaver Providers	14,503	233	10	7,515	96	9
Bank Interest Received	-	-	-	-	-	-
Manager Contributions	-	-	-	-	-	-
Switches In	6,353	54	589	1,330	100	273
	77,616	3,386	993	15,595	1,008	411
<i>Cash applied to</i>						
Transfer to other KiwiSaver Providers	24,978	1,196	104	6,532	344	303
Retirement	8,817	681	493	1,329	216	40
Transfers to IRD	69	9	-	9	-	-
Emigration	68	-	-	21	-	-
Hardship Payments	506	1	2	201	-	1
First Home Withdrawal	4,263	77	37	1,370	25	-
Serious Illness	816	59	3	181	-	3
Death Payments	825	39	1	225	-	-
Court Order Payments	100	100	-	-	-	-

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Cash Flows (Continued) For the Year Ended 31 March 2018

Note	Total of the Scheme	ANZ Fund		Milford	Nikko Fund	
		Balanced	Cash	Growth	Balanced	Cash
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash applied to</i>						
Mortgage Diversion	2	-	-	-	-	-
Member Fees	961	30	8	231	9	2
Transfer Fees	56	1	-	12	-	-
PIE Tax Paid	1,357	186	16	238	33	7
Auditor's Remuneration - Audit fees	110	7	1	29	2	-
Administration Management Fees	1,320	80	11	358	22	4
Consulting Fees	198	12	2	53	3	1
Supervisor Fees	100	6	1	27	2	-
Marketing and Printing Costs	64	5	1	16	1	-
General Expenses	108	6	1	29	2	1
Switches Out	6,353	446	81	1,063	407	22
	51,071	2,941	762	11,924	1,066	384
Net Cash Flows from/(used in) Financing Activities	4	445	231	3,671	(58)	27
Net Increase/(Decrease) in Cash and Cash Equivalents	(919)	(47)	(7)	(298)	(52)	(24)
Opening Cash and Cash Equivalents	1,938	106	10	572	72	29
Closing Cash and Cash Equivalents	1,019	59	3	274	20	5

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Cash Flows (Continued) For the Year Ended 31 March 2018

Note	Russell Fund									
	LifePoints@ 2015	LifePoints@ 2025	LifePoints@ 2035	LifePoints@ 2045	LifePoints@ 2055	LifePoints@ Balanced	LifePoints@ Conservative	LifePoints@ Growth	LifePoints@ Moderate	
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	
CASH FLOWS FROM OPERATING ACTIVITIES										
<i>Cash provided from</i>										
Sale of Investments	835	1,158	730	772	122	3,027	7,306	1,644	1,730	
Investment Management Rebates	-	-	-	-	-	-	-	-	-	
<i>Cash applied to</i>										
Purchase of Investments	306	1,833	1,929	1,708	416	24,430	1,597	4,333	2,908	
Investment Fees	10	37	33	29	1	218	151	67	38	
Net Cash Flows from Operating Activities	519	(712)	(1,232)	(965)	(295)	(21,621)	5,558	(2,756)	(1,216)	
CASH FLOWS FROM FINANCING ACTIVITIES										
<i>Cash provided from</i>										
Member Contributions	234	1,194	1,044	1,028	51	18,351	1,440	2,170	1,297	
Employer Contributions	87	491	553	523	25	9,993	675	989	590	
Crown Contributions	37	197	181	184	9	3,532	195	323	183	
Transfer from other KiwiSaver Providers	-	221	252	183	76	2,291	1,381	985	1,251	
Bank Interest Received	-	-	-	-	-	-	-	-	-	
Manager Contributions	-	-	-	-	-	-	-	-	-	
Switches In	1	176	86	154	265	1,244	799	710	572	
	359	2,279	2,116	2,072	426	35,411	4,490	5,177	3,893	
<i>Cash applied to</i>										
Transfer to other KiwiSaver Providers	154	830	419	539	21	8,294	4,338	1,148	756	
Retirement	600	219	-	16	-	1,595	2,482	311	835	
Transfers to IRD	-	-	-	-	-	44	7	-	-	
Emigration	-	-	-	-	-	30	17	-	-	
Hardship Payments	1	1	-	1	-	189	106	3	-	
First Home Withdrawal	-	20	30	123	17	1,284	770	196	314	
Serious Illness	-	-	183	-	-	110	156	53	68	
Death Payments	-	23	-	5	-	295	170	48	19	
Court Order Payments	-	-	-	-	-	-	-	-	-	

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Cash Flows (Continued) For the Year Ended 31 March 2018

		Russell Fund								
Note		Lifepoints@ 2015	Lifepoints@ 2025	Lifepoints@ 2035	Lifepoints@ 2045	Lifepoints@ 2055	Lifepoints@ Balanced	Lifepoints@ Conservative	Lifepoints@ Growth	Lifepoints@ Moderate
		2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
CASH FLOWS FROM FINANCING ACTIVITIES										
<i>Cash applied to</i>										
	Mortgage Diversion	-	-	-	2	-	-	-	-	-
	Member Fees	8	21	20	36	1	368	145	54	28
	Transfer Fees	-	1	1	1	-	28	9	2	1
	PIE Tax Paid	20	74	53	34	-	287	245	93	71
	Auditor's Remuneration - Audit fees	1	4	4	4	-	26	19	8	5
	Administration Management Fees	14	53	48	43	1	319	216	96	55
	Consulting Fees	2	8	7	7	-	48	33	14	8
	Supervisor Fees	1	4	4	3	-	24	17	7	4
	Marketing and Printing Costs	1	2	2	2	-	15	12	5	2
	General Expenses	1	4	4	3	-	26	19	8	4
	Switches Out	76	308	113	185	90	1,293	1,409	339	521
		879	1,572	888	1,004	130	14,275	10,170	2,385	2,691
	Net Cash Flows from/(used in) Financing Activities	4	(520)	707	1,228	1,068	296	21,136	(5,680)	2,792
	Net Increase/(Decrease) in Cash and Cash Equivalents	(1)	(5)	(4)	103	1	(485)	(122)	36	(14)
	Opening Cash and Cash Equivalents	6	36	30	(84)	1	772	243	74	71
	Closing Cash and Cash Equivalents	5	31	26	19	2	287	121	110	57

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Cash Flows (Continued) For the Year Ended 31 March 2018

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund	
		Balanced	Cash	Growth	Balanced	Cash
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash provided from</i>						
Sale of Investments	27,030	1,339	620	6,936	615	556
Investment Management Rebates	326	-	-	326	-	-
<i>Cash applied to</i>						
Purchase of Investments	54,445	3,519	762	7,870	1,433	189
Investment Fees	719	144	14	-	56	7
Net Cash Flows from Operating Activities	(27,808)	(2,324)	(156)	(608)	(874)	360
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash provided from</i>						
Member Contributions	31,957	1,915	307	3,177	733	93
Employer Contributions	16,677	911	135	1,567	239	46
Crown Contributions	5,848	267	48	467	64	21
Transfer from other KiwiSaver Providers	14,673	950	121	6,792	310	5
Bank Interest Received	3	-	-	1	-	-
Manager Contributions	2	-	-	-	-	-
Switches In	3,351	277	314	895	197	46
	72,511	4,320	925	12,899	1,543	211
<i>Cash applied to</i>						
Transfer to other KiwiSaver Providers	21,917	671	217	6,801	375	62
Retirement	7,514	558	227	1,506	110	225
Transfers to IRD	39	-	-	8	-	-
Emigration	426	37	-	48	33	-
Hardship Payments	490	17	2	166	-	-
First Home Withdrawal	5,087	121	84	1,747	34	21
Serious Illness	304	2	2	130	3	2
Death Payments	594	77	6	142	-	-

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Cash Flows (Continued) For the Year Ended 31 March 2018

Note	Total of the Scheme	ANZ Fund		Milford	Nikko Fund	
		Balanced	Cash	Growth	Balanced	Cash
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash applied to</i>						
Mortgage Diversion	2	-	-	-	-	-
Member Fees	968	33	10	168	9	3
Transfer Fees	53	1	1	6	-	-
PIE Tax Paid	1,790	96	18	478	35	10
Auditor's Remuneration - Audit fees	48	3	1	13	1	-
Administration Management Fees	1,069	64	10	289	38	18
Consulting Fees	236	15	2	66	4	1
Supervisor Fees	117	7	1	32	2	1
Marketing and Printing Costs	52	3	1	14	1	-
General Expenses	92	6	1	25	2	-
Switches Out	3,351	315	186	356	56	278
	44,149	2,026	769	11,995	703	621
Net Cash Flows from/(used) in Financing Activities	4 28,362	2,294	156	904	840	(410)
Net Increase/(Decrease) in Cash and Cash Equivalents	554	(30)	-	296	(34)	(50)
Opening Cash and Cash Equivalents	1,384	136	10	276	106	79
Closing Cash and Cash Equivalents	1,938	106	10	572	72	29

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Cash Flows (Continued) For the Year Ended 31 March 2018

Note	Russell Fund								
	LifePoints@ 2015	LifePoints@ 2025	LifePoints@ 2035	LifePoints@ 2045	LifePoints@ 2055	LifePoints@ Balanced	LifePoints@ Conservative	LifePoints@ Growth	LifePoints@ Moderate
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
CASH FLOWS FROM OPERATING ACTIVITIES									
<i>Cash provided from</i>									
Sale of Investments	879	696	410	997	58	2,636	8,182	1,352	1,754
Investment Management Rebates	-	-	-	-	-	-	-	-	-
<i>Cash applied to</i>									
Purchase of Investments	434	2,010	2,006	1,836	278	25,199	2,355	4,360	2,194
Investment Fees	11	32	27	25	-	159	157	53	34
Net Cash Flows from Operating Activities	434	(1,346)	(1,623)	(864)	(220)	(22,722)	5,670	(3,061)	(474)
CASH FLOWS FROM FINANCING ACTIVITIES									
<i>Cash provided from</i>									
Member Contributions	319	1,216	1,016	911	26	17,294	1,726	2,009	1,215
Employer Contributions	110	495	536	493	10	9,896	740	929	570
Crown Contributions	55	203	181	173	2	3,648	207	320	192
Transfer from other KiwiSaver Providers	-	178	374	482	147	1,968	1,168	1,487	691
Bank Interest Received	-	-	-	-	-	1	1	-	-
Manager Contributions	1	-	-	-	-	1	-	-	-
Switches In	-	186	-	14	36	477	383	442	84
	485	2,278	2,107	2,073	221	33,285	4,225	5,187	2,752
<i>Cash applied to</i>									
Transfer to other KiwiSaver Providers	200	386	169	509	-	5,817	5,155	740	815
Retirement	519	75	65	-	-	1,103	1,812	303	1,011
Transfers to IRD	-	-	-	-	-	24	7	-	-
Emigration	-	-	-	140	-	62	75	31	-
Hardship Payments	-	-	11	14	-	149	118	12	1
First Home Withdrawal	-	122	30	302	-	1,100	1,175	308	43
Serious Illness	-	-	-	-	-	60	105	-	-
Death Payments	61	31	-	-	-	102	96	27	52

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Statement of Cash Flows (Continued) For the Year Ended 31 March 2018

Note	Russell Fund								
	Lifepoints@ 2015	Lifepoints@ 2025	Lifepoints@ 2035	Lifepoints@ 2045	Lifepoints@ 2055	Lifepoints@ Balanced	Lifepoints@ Conservative	Lifepoints@ Growth	Lifepoints@ Moderate
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
CASH FLOWS FROM FINANCING ACTIVITIES									
<i>Cash applied to</i>									
Mortgage Diversion	-	-	-	1	-	-	-	1	-
Member Fees	9	22	20	38	-	460	112	55	29
Transfer Fees	-	1	-	1	-	35	5	2	1
PIE Tax Paid	33	86	60	41	-	327	418	99	89
Auditor's Remuneration - Audit fees	1	2	2	2	-	8	10	3	2
Administration Management Fees	14	42	36	33	-	205	204	71	45
Consulting Fees	3	9	8	8	-	46	48	16	10
Supervisor Fees	2	5	4	4	-	23	23	8	5
Marketing and Printing Costs	1	3	1	1	-	9	11	4	3
General Expenses	1	3	3	3	-	18	19	6	5
Switches Out	77	152	79	226	-	636	398	453	139
	921	939	488	1,323	-	10,184	9,791	2,139	2,250
Net Cash Flows from/(used in) Financing Activities	(436)	1,339	1,619	750	221	23,101	(5,566)	3,048	502
Net Increase/(Decrease) in Cash and Cash Equivalents	(2)	(7)	(4)	(114)	1	379	104	(13)	28
Opening Cash and Cash Equivalents	8	43	34	30	-	393	139	87	43
Closing Cash and Cash Equivalents	6	36	30	(84)	1	772	243	74	71

This statement is to be read in conjunction with the notes on pages 24 to 44

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

1. General information

Scheme description

Aon KiwiSaver Scheme (the "Scheme") is a defined contribution scheme originally established by a Trust Deed dated 28th March 2007 by Superannuation Management Nominees Limited and Aon New Zealand. On 28 September 2012, Aon Saver Limited and Public Trust entered into a Trust Deed which replaced the original deed. The Scheme is domiciled in New Zealand and the address of the registered office is Level 16, 29 Customs Street West, Auckland.

The Scheme is a Reporting Entity under the Financial Markets Conduct Act 2013 (the "FMCA"). The Scheme is an Issuer for the purposes of the FMCA. The Scheme is registered under the KiwiSaver Act 2006 with registration number KSS/10021. The Scheme is a managed investment scheme called the "Aon KiwiSaver Scheme" with scheme number SCH10860.

The Manager of the Scheme is Aon Saver Limited (the "Manager"). The Manager's parent company is Aon Holdings New Zealand. The Supervisor of the Scheme is Public Trust (the "Supervisor") appointed on 28 September 2012 by a Deed of Retirement and Appointment of Trustee.

Funding arrangement

The Scheme is a profit oriented entity. Under the Trust Deed contributions are made by members of the Scheme, their employers and the Crown. Members can choose to contribute either 3%, 4% or 8% of gross salary or wage. Members may from time to time make additional voluntary contributions to the Scheme. Employers are required to contribute 3% of members' gross salary or wage to the Scheme. Employer contributions are reduced by Employer Superannuation Contribution Tax ("ESCT"). The Crown also makes a member tax credit contribution of 50% of Member contributions during the year up to a maximum of \$521.43.

Termination terms

The Trust Deed sets out the basis on which the Scheme can be terminated.

Retirement benefits

Member benefits are locked into the Scheme until the later of the date for reaching the qualifying age for New Zealand Superannuation or the date on which the Member has been a member of any KiwiSaver scheme or a member of a Complying Superannuation Fund for a period of five years. Retirement benefits are determined by contributions to the Scheme together with investment earnings on these contributions over the period of membership reduced by any deductions or withdrawals that have been made.

Amendment to the Trust Deed

On 20 December 2017 the Trust Deed was amended to clarify the method of payment of fees and expenses by the Scheme and to make other updates to reflect legislative changes affecting the Scheme.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

2. Basis of preparation

Statement of Compliance

The financial statements of the Scheme have been prepared in accordance with the Trust Deed governing the Scheme, the KiwiSaver Act 2006, the FMCA, and New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZIFRS") and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The financial statements comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). For the purposes of complying with NZ GAAP the Scheme is a Tier 1 for profit entity.

The Scheme comprises fourteen investment funds, namely, ANZ Balanced Fund, ANZ Cash Fund, Milford Active Growth Wholesale Fund, Russell LifePoints 2015 Fund, Russell LifePoints 2025 Fund, Russell LifePoints 2035 Fund, Russell LifePoints 2045 Fund, Russell LifePoints 2055 Fund, Russell LifePoints Balanced Fund, Russell LifePoints Conservative Fund, Russell LifePoints Growth Fund, Russell LifePoints Moderate Fund, Nikko Balanced Fund and Nikko Cash Fund. The financial statements have been prepared at the investment fund level as the liabilities of the individual investment funds are limited to the assets of each investment fund. Therefore, assets of one investment fund could not be used to meet the liabilities of another.

Measurement base

The measurement base adopted is that of historical cost modified by the revaluation of investments which are measured at fair values at balance date.

Functional and presentation currency

These financial statements are presented in New Zealand Dollars ('NZD') because that is the currency of the primary economic environment in which the Scheme operates. Where indicated, financial information presented in NZD has been rounded to the nearest thousand.

Classification of assets and liabilities

The assets and liabilities are disclosed in the Statement of Net Assets in an order that reflects their relative liquidity.

3. Summary of Significant Accounting Policies

The following are the significant accounting policies which have been adopted in the preparation of the financial statements:

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted by the Scheme

On 24 July 2014, the External Reporting Board ("XRB") issued the complete NZ IFRS 9 (NZ IFRS 9 (2014)). The mandatory effective date of NZ IFRS 9 is for annual periods beginning on or after 1 January 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted. The restatement of prior periods is not required and is only permitted if information is available without the use of hindsight.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

3. Summary of Significant Accounting Policies (Continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted by the Scheme (Continued)

NZ IFRS 9 (2014) introduces new requirements for the classification and measurement of financial assets. Under NZ IFRS 9 (2014), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows.

The standard introduces additional changes relating to financial liabilities. Under NZ IFRS 9 (2014), financial liabilities are classified and measured at amortised cost except for the following:

- financial liabilities measured at fair value
- financial liabilities arising from a transfer of a financial asset that does not qualify for derecognition or when the continuing involvement approach applies
- financial guarantee contracts
- commitments to provide a loan at a below-market interest rate
- financial liabilities arising from a contingent consideration in a business combination

It also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment.

The Scheme intends to adopt NZ IFRS 9 (2014) in the financial statements for the annual period beginning on 1 April 2018. The Manager does not expect the standard to have a material impact on the financial statements.

Restatement of Comparatives

Certain comparative information has been reclassified in order to match the current period classification.

The Statement of Cash Flows was reclassified presenting contributions, transfers, withdrawals, switches and fee payments under financing activities while investment activities were under operating activities. Previously, these were classified as operating activities and investing activities respectively.

Consequently, Note 4 (Reconciliation of Net Cash Flows from Operating Activities to Increase in Net Assets) was reclassified.

Investment income

Interest income and distribution income from unitised investments is recognised in the Statement of Changes in Net Assets using the effective interest method to the extent that it is probable that the economic benefits will flow to the Scheme and the income can be readily measured.

Gains or losses on investments are calculated as the difference between fair value at sale (using trade date) or at year end, and the fair value previously reported. This includes both realised and unrealised gains and losses.

Income and expenses

All income and expenses are accounted for on an accrual basis.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

3. Summary of Significant Accounting Policies (Continued)

Taxation

The Scheme is a Portfolio Investment Entity ('PIE'). Under the PIE regime detailed in the Income Tax Act 2007, income is effectively taxed in the hands of the members and therefore income tax expense is not recognised by the Scheme. The tax liability arising on income is allocated to members and satisfied by the cancellation of units held in the Scheme. As a consequence, deferred tax is also not recognised.

Members of the Scheme have the option to choose Prescribed Investor Rates ('PIR') of 10.50%, 17.50% or 28%.

The taxable income, deductible expenses and tax credits are attributed to members in accordance with their proportionate interests in their investment option, and recognised as part of Membership Activities in the Statement of Changes in Net Assets Available for Benefits.

Net taxation receivable or payable on behalf of the members under the PIE regime is recognised in the Statement of Net Assets Available for Benefits.

Financial instruments

(i) Classification

The Scheme classifies its investments as financial assets at fair value through profit or loss. These financial assets are designated by the Scheme at fair value through profit or loss at inception.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Scheme's documented investment strategy. The Scheme's policy is for the Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information. The Manager has determined that all financial assets and financial liabilities of the Scheme are designated at fair value through profit and loss with the exception of cash at bank, unsettled trades and receivables which are classified as loans and receivables and payables which are classified as other liabilities. The other liabilities represent the amount payables to the Supervisor, Manager, members, service providers and other accruals.

(ii) Recognition and derecognition

The Scheme recognises financial assets and financial liabilities on the date it becomes a party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date. Investments are derecognised when the right to receive cash flows from the investments have expired or the Scheme has transferred substantially all risks and rewards of ownership. All realised gains and losses on financial assets and financial liabilities at fair value through profit or loss are recognised in the Statement of Changes in Net Assets.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

3. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

(iii) Measurement

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Changes in Net Assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer a liability takes place either:

- In the principal market of the asset or liability.
- In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or most advantageous market must be accessible by the Scheme.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability assuming market participants act in their economic best interest.

Cash and cash equivalents

Cash and cash equivalents comprise deposits and call accounts with banks. Cash equivalents are short-term highly liquid investments with original 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.

Receivables

Receivables do not carry any interest and are short-term in nature and are stated at amortised cost.

Payables

Payables include liabilities and accrued expenses owing by the Scheme which are unpaid as at balance date. These amounts are unsecured and are usually paid within 30 days of recognition. These financial liabilities are stated at amortised cost.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

3. Summary of Significant Accounting Policies (Continued)

Goods and Services Tax (GST)

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

Promised retirement benefits

The amount held for promised retirement benefits is the Scheme's obligation to pay benefits to members and beneficiaries. It has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the recognised liabilities as at balance date.

Contributions and benefits

Contributions are recognised in the Statement of Changes in Net Assets when they are received. Benefits are recognised in Statement of Changes in Net Assets when they become payable or are paid.

Transfers in and transfers out

Transfers in are recognised in the Statement of Changes in Net Assets when they are received. Transfers out are recognised in the Statement of Changes in Net Assets when they become payable or are paid.

Capital risk management

The Scheme's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its members and maximise the Scheme's members value. The Scheme is not subject to any externally imposed capital requirements.

The Scheme's primary purpose is to ensure that its net assets are sufficient to meet all present and future obligations of the Scheme, as defined by the liability for promised benefits.

The Scheme achieves this through obtaining contributions from members and employers and investing these into financial assets.

Critical judgement and accounting estimates

The Manager has applied its judgement in selecting the accounting policy to designate financial assets and financial liabilities through profit or loss at inception. 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 unit prices are readily available. Therefore there are no material assumptions or major sources of estimation uncertainty that have a significant risk of making material adjustments to the carrying amounts of assets and liabilities at year end. However as with all investments, their value is subject to variation due to market fluctuations. For the purposes of the fair value hierarchy of financial assets at fair value through profit or loss, the Manager has to apply its judgement as to what constitutes observable prices. For further details please refer to Note 6 (Total Investments at Fair Value).

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

4. Reconciliation of Net Cash Flows from Operating Activities to Increase in Net Assets

	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
Increase/(Decrease) in Net Assets	68,825	2,215	318	19,502	741	65	(240)	1,967
Cash flows from Financing Activities:								
Cash provided from financing activities	(77,616)	(3,386)	(993)	(15,595)	(1,008)	(411)	(359)	(2,279)
Cash applied to financing activities	51,071	2,941	762	11,924	1,066	384	879	1,572
Movements in other working capital items:								
(Increase)/Decrease in Unsettled Trades	(14)	-	-	(28)	-	-	(1)	(3)
(Increase) in Receivable from Investment Funds	(127)	-	-	(77)	-	-	-	-
(Increase)/Decrease in Investments	(69,814)	(2,290)	(324)	(19,958)	(801)	(89)	244	(2,004)
Increase/(Decrease) in Sundry Creditors	92	5	-	22	-	-	-	3
(Decrease)/Increase in Benefits Payable	(1,266)	(104)	(2)	(290)	-	-	(11)	1
(Decrease) in Payable to other KiwiSaver Providers	(8)	(1)	-	(2)	-	-	-	-
Increase/(Decrease) in Payable to Investment Funds	136	136	(1)	-	1	-	-	-
Increase/(Decrease) in PIE Tax Payable	1,257	(8)	2	533	7	-	7	31
Net cash flows from/(used in) operating activities	(27,464)	(492)	(238)	(3,969)	6	(51)	519	(712)

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

4. Reconciliation of Net Cash Flows from Operating Activities to Increase in Net Assets (Continued)

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
Increase/(Decrease) in Net Assets	2,672	2,565	335	31,104	(1,254)	6,120	2,715
Cash flows from Financing Activities:							
Cash provided from financing activities	(2,116)	(2,072)	(426)	(35,411)	(4,490)	(5,177)	(3,893)
Cash applied to financing activities	888	1,004	130	14,275	10,170	2,385	2,691
Movements in other working capital items:							
(Increase)/Decrease in Unsettled Trades	(3)	(5)	(2)	(61)	32	61	(4)
(Increase) in Receivable from Investment Funds	-	(1)	(2)	(13)	(14)	(3)	(17)
(Increase)/Decrease in Investments	(2,707)	(2,468)	(333)	(31,504)	1,243	(6,192)	(2,631)
Increase/(Decrease) in Sundry Creditors	4	4	1	41	(2)	10	4
(Decrease)/Increase in Benefits Payable	-	(12)	-	(404)	(319)	(10)	(115)
(Decrease) in Payable to other KiwiSaver Providers	-	-	-	(1)	(3)	(1)	-
Increase/(Decrease) in Payable to Investment Funds	-	-	-	-	-	-	-
Increase/(Decrease) in PIE Tax Payable	30	20	2	353	195	51	34
Net cash flows from/(used in) operating activities	(1,232)	(965)	(295)	(21,621)	5,558	(2,756)	(1,216)

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

4. Reconciliation of Net Cash Flows from Operating Activities to Increase in Net Assets (Continued)

	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
Increase/(Decrease) in Net Assets	60,110	3,955	269	10,273	1,249	(325)	(161)	2,551
Cash flows from Financing Activities:								
Cash provided from financing activities	(72,511)	(4,320)	(925)	(12,899)	(1,543)	(211)	(485)	(2,278)
Cash applied to financing activities	44,149	2,026	769	11,995	703	621	921	939
Movements in other working capital items:								
(Increase)/Decrease in Unsettled Trades	(23)	-	-	(14)	-	-	-	-
(Increase) in Receivable from Investment Funds	(26)	-	-	(3)	-	-	-	(1)
(Increase)/Decrease in Investments	(59,876)	(4,086)	(247)	(10,028)	(1,274)	315	162	(2,539)
Increase/(Decrease) in Sundry Creditors	(20)	(3)	-	7	(1)	-	(2)	(1)
(Decrease)/Increase in Benefits Payable	856	11	(18)	308	-	(36)	11	(3)
(Decrease) in Payable to other KiwiSaver Providers	(7)	-	(1)	(2)	-	-	-	-
Increase/(Decrease) in Payable to Investment Funds	(4)	4	-	-	(7)	(1)	-	-
Increase/(Decrease) in PIE Tax Payable	(456)	89	(3)	(245)	(1)	(3)	(12)	(14)
Net cash flows from/(used in) operating activities	(27,808)	(2,324)	(156)	(608)	(874)	360	434	(1,346)

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

4. Reconciliation of Net Cash Flows from Operating Activities to Increase in Net Assets (Continued)

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
Increase/(Decrease) in Net Assets	2,959	2,135	236	30,532	(1,314)	6,021	1,730
Cash flows from Financing Activities:							
Cash provided from financing activities	(2,107)	(2,073)	(221)	(33,285)	(4,225)	(5,187)	(2,752)
Cash applied to financing activities	488	1,323	-	10,184	9,791	2,139	2,250
Movements in other working capital items:							
(Increase)/Decrease in Unsettled Trades	(2)	-	-	-	62	(69)	-
(Increase) in Receivable from Investment Funds	(2)	(1)	-	(15)	-	(3)	(1)
(Increase)/Decrease in Investments	(2,921)	(2,246)	(235)	(30,506)	1,424	(5,960)	(1,735)
Increase/(Decrease) in Sundry Creditors	-	(1)	-	(5)	(10)	(1)	(3)
(Decrease)/Increase in Benefits Payable	(30)	6	-	425	120	6	56
(Decrease) in Payable to other KiwiSaver Providers	-	-	-	(2)	(1)	-	(1)
Increase/(Decrease) in Payable to Investment Funds	-	-	-	-	-	-	-
Increase/(Decrease) in PIE Tax Payable	(8)	(7)	-	(50)	(177)	(7)	(18)
Net cash flows from/(used in) operating activities	(1,623)	(864)	(220)	(22,722)	5,670	(3,061)	(474)

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

5. Financial risk management

The Scheme utilises a number of financial instruments in the course of its normal investing activities. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in the Note 3.

The Manager has approved a Statement of Investment Policy and Objectives (SIPO) which establishes investment fund objectives and target asset allocations. Performance against the investment performance objectives is reviewed quarterly by the Manager. Asset allocations are reviewed regularly by the Manager and reallocations back to benchmark are undertaken as required.

Counterparty risk and risks relating to the performance of the parties involved in the Scheme

Counterparty risk is the risk that a party to a contract with the Scheme defaults, fails to complete a transaction, or otherwise becomes unable to meet its financial obligations.

In addition, there are a number of parties involved in the operation of the Scheme being the Manager, the Supervisor and the Fund Managers. Decisions made by either one of the parties are based on a range of variables which by their nature are prospective. Therefore, there is a risk that such decisions will not always have good results for members.

The risk is managed by requiring the supervision of various parties. The Manager monitors the investment performance of fund managers and reports in detail on a quarterly basis. The Supervisor supervises the Manager's performance of the functions of the Manager set out in the KiwiSaver Act and under the Trust Deed. In addition, external parties such as the Scheme's auditor, monitor the activities of the Scheme during the annual audit of the Scheme's financial statements.

Liquidity risk

Liquidity risk is the risk that the Scheme will not be able to meet its financial obligations as they fall due. The Scheme's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Scheme's reputation.

The Scheme's Trust Deed provides for the payment of benefits and it is therefore exposed to the liquidity risk of meeting members' withdrawals at any time.

The Scheme's investments are considered to be readily realisable except for ANZ Balanced Fund and Nikko Balanced Fund. Both funds include an allocation to the Nikko Multi-Strategy Fund which can be less liquid. There are no restrictions on the redemption of units and they may be redeemed for cash at any time, subject to the approval of the Fund Manager. Other financial liabilities of the Scheme comprised of accounts payable and accrued expenses and other current liabilities have no contractual maturity date but are typically settled within 30 days or within the timeframe as set out in the Trust Deed.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

5. Financial risk management (Continued)

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments which potentially expose the Scheme to credit risk consist of cash, receivables, and investments in unitised products. The maximum credit exposure to credit risk is the carrying value of these financial instruments.

The Manager manages and monitors credit risk by agreeing on target asset allocations for each Investment Fund and by diversifying, as per the SIPO, the Scheme's investment funds over a range of investment products. The Manager performs due diligence over all Fund Managers before appointment and uses the services of an investment consultant to alert it to any potential or actual risks associated with the Fund Managers.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Due to the unitised nature of the investments it is not practical to determine the sensitivity of the unit price to changes in foreign exchange rates or interest rates. The investments are managed by ANZ Investments Ltd, Milford Funds Limited, Russell Investment Management Limited and Nikko Asset Management New Zealand Limited. Risk management activities are undertaken by the Scheme's Fund Managers to operate within the guidelines provided by the Manager.

The Manager uses the services of an investment consultant to alert it to any actual or potential risks associated with the Fund Manager or their products.

Currency risk: Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Scheme is indirectly exposed to currency risk in that future currency movements will affect the valuation of investments in unitised products which invest in foreign currency denominated investments. Risk management activities are undertaken by the Scheme's Fund Managers to operate within the guidelines provided by the Manager.

The Manager, in conjunction with the investment consultant, monitors currency risk by receiving reports regularly from all Fund Managers which are reviewed and assessed against relevant asset allocation profiles and performance targets.

Interest rate risk: Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Scheme is indirectly exposed to interest rate risk in that future interest rate movements will indirectly affect the valuation of investments in unitised products which invest in cash and fixed interest investments. The Scheme has direct exposure to interest rate risk on its cash holdings, but this is not material due to the levels of cash held at balance date.

The Scheme's interest rate risk is monitored on a regular basis by the Fund Managers in accordance with policies and procedures in place including monitoring of exposure to interest rates and assessment of actual interest rates against the relevant benchmarks. The Manager monitors interest rate risk on a regular basis by monitoring the asset allocation and performance against relevant asset allocation profiles and performance targets.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

5. Financial risk management (Continued)

Market risk (Continued)

Other price risk: Other price risk is the risk that the value of the Scheme's investments will increase or decrease due to a change in the unit prices of the underlying investments. The Scheme is exposed to other prices risk through its investment in unitised products. The Scheme is indirectly exposed to underlying equities. The Fund Managers track these underlying equities on a daily basis through appropriate monitoring of the market conditions and analysis against benchmark returns.

The Manager in consultation with the investment consultant, monitors the performance of the funds regularly against performance objectives set out in the SIPO. A rigorous quarterly performance analysis is carried out in accordance with the Manager's SIPO.

Sensitivity analysis - Other price risk

The following table shows the impact on the Scheme's Net Assets under two scenarios - a ten percent decrease in the unit prices of the Scheme's investment funds and a ten percent increase in the unit prices of the Scheme's investment funds.

	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints@ 2015	Russell LifePoints@ 2025
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
A ten percent decrease in the unit price of the Scheme's investment funds	(50,105)	(2,984)	(432)	(13,462)	(827)	(142)	(466)	(1,948)
A ten percent increase in the unit price of the Scheme's investment funds	50,105	2,984	432	13,462	827	142	466	1,948
	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints@ 2015	Russell LifePoints@ 2025
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
A ten percent decrease in the unit price of the Scheme's investment funds	(43,124)	(2,755)	(399)	(11,466)	(747)	(133)	(490)	(1,748)
A ten percent increase in the unit price of the Scheme's investment funds	43,124	2,755	399	11,466	747	133	490	1,748

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

5. Financial risk management (Continued)

Sensitivity analysis - Other price risk (Continued)

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
A ten percent decrease in the unit price of the Scheme's investment funds	(1,829)	(1,652)	(62)	(13,044)	(7,429)	(3,734)	(2,094)
A ten percent increase in the unit price of the Scheme's investment funds	1,829	1,652	62	13,044	7,429	3,734	2,094

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
A ten percent decrease in the unit price of the Scheme's investment funds	(1,559)	(1,405)	(29)	(9,894)	(7,553)	(3,115)	(1,831)
A ten percent increase in the unit price of the Scheme's investment funds	1,559	1,405	29	9,894	7,553	3,115	1,831

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

6. Total Investments at Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, determined in accordance with the Scheme's accounting policies as described in Note 3.

The Scheme classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The Scheme has investments in financial instruments of which fair values are classified as Level 2 as they are unlisted based on prices provided by the Investment Manager. The Scheme does not have investments in financial instruments classified as either Level 1 or Level 3.

The unit price is based upon a Net Asset Valuation using observable inputs of quoted security prices in active share markets and/or interest rates or yield curves which are observable at specific time intervals. The Net Asset Valuation of the Fund may also include securities or derivatives which have inputs such as foreign exchange spot and forward rates and interest rate curves derived from quoted bond prices. The Net Asset Valuation may also have adjustments to reflect fees associated with the Fund.

For unit prices, significant inputs into the calculation are market observable and are included within Level 2.

7. Commitments and contingent liabilities

There were no material commitments or contingent liabilities outstanding as at 31 March 2018 (2017: nil).

8. Vested benefits

Vested Benefits are benefits payable to Members or Beneficiaries, under the conditions of the Scheme, on the basis of all Members ceasing to be members of the Scheme at balance date. Vested Benefits as at 31 March 2018 equalled the net assets available for benefits.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

9. Auditor's Remuneration - Audit Fees

	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
Audit of financial statements	43	3	1	11	1	-	1	2
Audit of register	10	1	-	3	-	-	-	-
Other assurance services (Note A)	40	2	-	11	1	-	-	2
	93	6	1	25	2	-	1	4

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
Audit of financial statements	2	1	-	10	6	3	2
Audit of register	-	-	-	3	2	1	-
Other assurance services (Note A)	1	2	-	10	6	3	2
	3	3	-	23	14	7	4

Note A: Other assurance services comprise custodial assurance.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

9. Auditor's Remuneration - Audit Fees (Continued)

	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015 2017 \$000	Russell LifePoints® 2025 2017 \$000
Audit of financial statements	42	2	1	10	1	-	1	1
Audit of register	10	1	-	3	-	-	-	1
Other assurance services (Note A)	26	2	-	7	-	-	-	1
	78	5	1	20	1	-	1	3

	Russell LifePoints® 2035 2017 \$000	Russell LifePoints® 2045 2017 \$000	Russell LifePoints® 2055 2017 \$000	Russell LifePoints® Balanced 2017 \$000	Russell LifePoints® Conservative 2017 \$000	Russell LifePoints® Growth 2017 \$000	Russell LifePoints® Moderate 2017 \$000
Audit of financial statements	2	2	-	10	7	3	2
Audit of register	-	-	-	2	2	1	-
Other assurance services (Note A)	1	1	-	7	4	2	1
	3	3	-	19	13	6	3

Note A: Other assurance services comprise custodial assurance.

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

10. Related Parties

The related parties are Aon New Zealand and the Manager. Aon New Zealand is the Investment Manager, Administration Manager

One director of the Manager is a member of the Scheme who is entitled to all the benefits accruing in their account as prescribed in the Trust Deed. The director fees charged to the Scheme this year was \$13,668 (2017: nil).

The Scheme pays the member fees, administration management fee, transfer fee, consulting fee and investment management fees to Aon New Zealand. The fees charged are presented in the Statement of Changes in Net Assets. During the year the fees charged were:

	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
Member Fees	960	30	8	229	9	2	8	21
Transfer Fees	53	1	-	11	-	-	-	1
Investment Management Fees	668	61	9	-	11	2	10	36
Administration Management Fees	1,247	75	10	337	21	4	13	50
Consulting Fees	308	19	3	82	5	1	3	12
	3,236	186	30	659	46	9	34	120

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
Member Fees	20	36	1	371	143	54	28
Transfer Fees	1	1	-	27	8	2	1
Investment Management Fees	34	30	1	221	148	67	38
Administration Management Fees	46	41	1	305	200	92	52
Consulting Fees	11	10	-	78	48	23	13
	112	118	3	1,002	547	238	132

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

10. Related Parties (Continued)

	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
Member Fees	967	32	9	182	9	3	9	22
Transfer Fees	55	1	1	9	-	-	-	-
Investment Management Fees	565	53	9	-	9	2	10	32
Administration Management Fees	1,096	66	10	295	38	18	14	43
Consulting Fees	155	10	2	42	3	1	2	6
	2,838	162	31	528	59	24	35	103

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
Member Fees	20	37	-	436	124	55	29
Transfer Fees	-	1	-	33	7	2	1
Investment Management Fees	27	25	-	161	150	54	33
Administration Management Fees	37	34	-	219	203	73	46
Consulting Fees	5	5	-	32	29	11	7
	89	102	-	881	513	195	116

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

10. Related Parties (Continued)

The fees payable to the related parties are included in Sundry Creditors in the Statement of Net Assets. The fees payable at year end were:

	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
Member Fees	80	2	1	19	1	-	1	2
Transfer Fees	4	-	-	1	-	-	-	-
Investment Management Fees	91	9	2	-	1	-	1	5
Administration Management Fees	112	7	1	30	2	-	1	4
Consulting Fees	140	8	1	38	2	-	1	5
	427	26	5	88	6	-	4	16

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000	2018 \$000
Member Fees	2	3	-	32	11	4	2
Transfer Fees	-	-	-	2	1	-	-
Investment Management Fees	5	4	-	31	19	9	5
Administration Management Fees	4	4	-	29	17	8	5
Consulting Fees	5	5	-	37	21	11	6
	16	16	-	131	69	32	18

AON KIWISAVER SCHEME

Notes to the Financial Statements For the year ended 31 March 2018

10. Related Parties (Continued)

	Total	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
Member Fees	80	2	1	20	1	-	1	2
Transfer Fees	7	-	-	2	-	-	-	-
Investment Management Fees	88	8	1	-	2	1	1	5
Administration Management Fees	187	12	2	51	3	1	2	7
Consulting Fees	31	2	-	8	1	-	1	1
	393	24	4	81	7	2	5	15

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000	2017 \$000
Member Fees	2	3	-	29	13	4	2
Transfer Fees	-	-	-	3	2	-	-
Investment Management Fees	4	4	-	27	21	9	5
Administration Management Fees	7	6	-	42	33	13	8
Consulting Fees	1	1	-	7	6	2	1
	14	14	-	108	75	28	16

Outstanding balances at year-end are unsecured, interest free and settlement will occur in cash. No related party debts have been written off or forgiven during either the current or prior year.

11. Subsequent Events

There were no subsequent events which require additional adjustment or disclosure in the financial statements (2017: nil).