

**AON KIWISAVER SCHEME**  
**Financial Statements**  
**For the Year Ended 31 March 2020**

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# Independent Auditor's Report

To the members of:

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

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

## Report on the audit of the financial statements

### Opinion

In our opinion, the accompanying financial statements of Aon KiwiSaver Scheme (the "funds and scheme") on pages 5 to 35:

- i. present fairly in all material respects the funds' and scheme's financial position as at 31 March 2020 and its 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 2020;
- the statements of changes in net assets and cash flows for the year then ended; 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 reasonable assurance services to the funds and scheme in relation to the maintenance of the register. Subject to certain restrictions, partners and employees of our firm may also deal with the funds and scheme on normal terms within the ordinary course of trading activities of the business of the funds and scheme. These matters have not impaired our independence as auditor of the funds and scheme. The firm has no other relationship with, or interest in, the funds and scheme.

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## Scoping

The scope of our audit is designed to ensure that we perform adequate work to be able to give an opinion on the financial statements as a whole, taking into account the type of investments held by the funds and scheme, the use of third party service providers, financial reporting systems, processes and controls in place.

The context for our audit is set by the major activities in the financial year ended 31 March 2020. The funds and scheme had a continued focus on investment management.

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## Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements of each fund in the scheme as a whole. The materiality for the financial statements as a whole for each fund was set at 1% of the total assets of each fund. We chose the benchmark because, in our view, this is a key measure of the funds' position as it represents the growth of amounts invested and amounts available to be paid in the future.

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## Key audit matters

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

### **Covid-19**

The Covid-19 pandemic has created additional risks, particularly with the valuation of investments, liquidity and going concern. Some investments may have become more difficult to value, as they either experience significant events, or become less liquid and actively traded. Additional disclosures may be required to ensure there is adequate disclosure of changes to fair value levels for securities, liquidity risks, market risks and subsequent events where there are material withdrawals, other material impacts on liquidity and changes to the value of the funds. While the key audit matter "Existence and valuation of investments", detailed below, is unchanged from last year, the underlying audit risk has increased which impacted the extent and nature of audit evidence that we had to gather.



## The key audit matter

## How the matter was addressed in our audit

### Existence and valuation of investments

The scheme and funds' portfolio of investments is the most significant asset making up in excess of 99% of total assets.

The investment portfolio in total, due to its materiality in the context of the financial statements as a whole, is our most significant area of audit focus.

Covid-19 has meant that greater uncertainty exists around the valuation of investments and the fair value hierarchy level attributed to each. This required some additional management judgement in these areas.

Our audit procedures included:

- evaluating the control environment in place at the custodian by obtaining and reading the report issued by an independent auditor on the design and operation of those controls throughout the period;
- agreeing investment holdings to the confirmation received from the custodian;
- obtaining confirmation of the investment funds' unit prices from investment managers;
- performing an analytical review over each investment fund's performance by comparing it to market or assessing the performance of the underlying investments; and
- checking the accuracy of fair value levels as disclosed in the financial statements.

We did not identify any material differences from our procedures.

### 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) and 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.

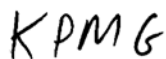
A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

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

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

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

For and on behalf of



KPMG  
Auckland

13 July 2020

**AON KIWISAVER SCHEME**

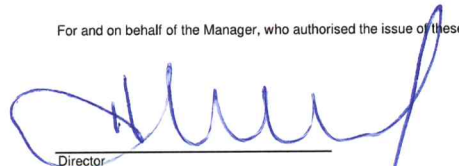
**Statement of Net Assets  
As at 31 March 2020**

Note	Total of the Scheme	ANZ Fund		Millford Fund	Nikko Fund		Russell Fund									
		Balanced	Cash	Growth	Balanced	Cash	LifePoints@ 2015	LifePoints@ 2025	LifePoints@ 2035	LifePoints@ 2045	LifePoints@ 2055	LifePoints@ Balanced	LifePoints@ Conservative	LifePoints@ Growth	LifePoints@ Moderate	
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	
<b>ASSETS</b>																
	Cash at Bank	1,661	128	1	537	32	7	(85)	43	43	28	3	523	201	125	75
	Unsettled Trades	1,077	5	866	-	-	-	92	3	2	9	1	78	5	13	3
	Receivable from Investment Funds	178	-	-	-	-	-	2	9	10	9	1	84	29	23	11
6	Investments	567,904	29,666	6,478	139,976	9,597	2,582	4,358	20,805	21,415	17,929	1,217	172,242	73,112	43,056	25,471
	<b>Total Assets</b>	<b>570,820</b>	<b>29,799</b>	<b>7,345</b>	<b>140,513</b>	<b>9,629</b>	<b>2,589</b>	<b>4,367</b>	<b>20,860</b>	<b>21,470</b>	<b>17,975</b>	<b>1,222</b>	<b>172,927</b>	<b>73,347</b>	<b>43,217</b>	<b>25,560</b>
<b>Less LIABILITIES</b>																
	Sundry Creditors	573	38	6	127	24	3	4	18	20	18	1	185	64	41	24
	Benefits Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Payable to Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	PIE Tax Payable	3,160	5	32	691	(39)	11	33	154	147	99	6	1,095	499	257	170
	Payable to the IRD	1	-	-	-	-	1	-	-	-	-	-	-	-	-	-
	<b>Total Liabilities</b>	<b>3,734</b>	<b>43</b>	<b>38</b>	<b>818</b>	<b>(15)</b>	<b>15</b>	<b>37</b>	<b>172</b>	<b>167</b>	<b>117</b>	<b>7</b>	<b>1,280</b>	<b>563</b>	<b>298</b>	<b>194</b>
	<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<b>567,086</b>	<b>29,756</b>	<b>7,307</b>	<b>139,695</b>	<b>9,644</b>	<b>2,574</b>	<b>4,330</b>	<b>20,688</b>	<b>21,303</b>	<b>17,858</b>	<b>1,215</b>	<b>171,647</b>	<b>72,784</b>	<b>42,919</b>	<b>25,366</b>

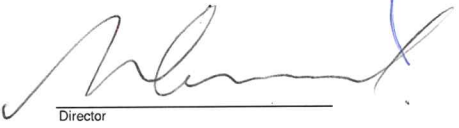
Represented by:  
Members' Accounts

567,086	29,756	7,307	139,695	9,644	2,574	4,330	20,688	21,303	17,858	1,215	171,647	72,784	42,919	25,366
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For and on behalf of the Manager, who authorised the issue of these financial statements on:

  
Director

13 July 2020  
Date

  
Director

13 July 2020  
Date

This statement is to be read in conjunction with the notes on pages 15 to 35.

**AON KIWISAVER SCHEME**

Statement of Net Assets (Continued)  
As at 31 March 2019

Note	Total of the Scheme	ANZ Fund		Millford Fund	Nikko Fund		Russell Fund									
		Balanced	Cash	Growth	Balanced	Cash	LifePoints® 2015	LifePoints® 2025	LifePoints® 2035	LifePoints® 2045	LifePoints® 2055	LifePoints® Balanced	LifePoints® Conservative	LifePoints® Growth	LifePoints® Moderate	
		2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
<b>ASSETS</b>																
	Cash at Bank	1,079	5	1	290	27	19	4	38	32	21	5	446	79	67	43
	Unsettled Trades	337	-	-	27	-	-	3	5	12	4	-	118	148	13	7
	Receivable from Investment Funds	168	-	-	-	-	-	2	9	10	9	-	77	29	22	10
6	Investments	555,553	31,141	4,542	144,207	9,629	1,903	4,848	21,127	20,302	18,025	953	159,534	73,319	42,439	23,584
	<b>Total Assets</b>	<b>557,137</b>	<b>31,146</b>	<b>4,543</b>	<b>144,524</b>	<b>9,656</b>	<b>1,922</b>	<b>4,857</b>	<b>21,179</b>	<b>20,356</b>	<b>18,059</b>	<b>958</b>	<b>160,177</b>	<b>73,575</b>	<b>42,541</b>	<b>23,644</b>
<b>Less LIABILITIES</b>																
10	Sundry Creditors	562	32	5	125	9	2	5	21	20	19	1	179	77	43	24
	Benefits Payable	309	-	-	75	-	-	-	-	-	8	-	171	55	-	-
	Payable to Investment Funds	40	10	1	-	27	2	-	-	-	-	-	-	-	-	-
	PIE Tax Payable	4,327	159	16	424	38	7	61	242	221	186	6	1,417	871	426	253
	<b>Total Liabilities</b>	<b>5,238</b>	<b>201</b>	<b>22</b>	<b>624</b>	<b>74</b>	<b>11</b>	<b>66</b>	<b>263</b>	<b>241</b>	<b>213</b>	<b>7</b>	<b>1,767</b>	<b>1,003</b>	<b>469</b>	<b>277</b>
	<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<b>551,899</b>	<b>30,945</b>	<b>4,521</b>	<b>143,900</b>	<b>9,582</b>	<b>1,911</b>	<b>4,791</b>	<b>20,916</b>	<b>20,115</b>	<b>17,846</b>	<b>951</b>	<b>158,410</b>	<b>72,572</b>	<b>42,072</b>	<b>23,367</b>
	Represented by: Members' Accounts	551,899	30,945	4,521	143,900	9,582	1,911	4,791	20,916	20,115	17,846	951	158,410	72,572	42,072	23,367

This statement is to be read in conjunction with the notes on pages 15 to 35.



**AON KIWISAVER SCHEME**

**Statement of Changes in Net Assets  
For the Year Ended 31 March 2020**

Note	Total of the Scheme	ANZ Fund		Millford Fund	Nikko Fund		Russell Fund									
		Balanced	Cash	Growth	Balanced	Cash	LifePoints@ 2015	LifePoints@ 2025	LifePoints@ 2035	LifePoints@ 2045	LifePoints@ 2055	LifePoints@ Balanced	LifePoints@ Conservative	LifePoints@ Growth	LifePoints@ Moderate	
		2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
	<b>INVESTMENT ACTIVITIES</b>															
	(Losses)/Gains on Investments	(14,114)	(584)	95	(1,689)	(428)	(2)	(3)	(239)	(651)	(763)	(101)	(6,801)	(168)	(2,200)	(580)
	Distribution Income	9,780	-	-	-	-	39	131	573	546	436	25	4,258	2,068	1,027	677
	Interest Income	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-
	Investment Management Fees and Rebates	(3,822)	(194)	(18)	(1,172)	(74)	(7)	(24)	(118)	(134)	(129)	(8)	(1,110)	(372)	(319)	(143)
	<b>Net Investment Gains/(Losses)</b>	<b>(8,155)</b>	<b>(777)</b>	<b>77</b>	<b>(2,861)</b>	<b>(502)</b>	<b>30</b>	<b>104</b>	<b>216</b>	<b>(239)</b>	<b>(456)</b>	<b>(84)</b>	<b>(3,653)</b>	<b>1,528</b>	<b>(1,492)</b>	<b>(46)</b>
	<b>OTHER EXPENSES</b>															
9	Auditors' Remuneration - Audit Fees	(86)	(5)	(1)	(22)	(1)	-	(1)	(3)	(3)	(3)	-	(25)	(11)	(7)	(4)
10	Administration Management Fees	(1,592)	(84)	(12)	(417)	(27)	(5)	(13)	(59)	(59)	(52)	(3)	(467)	(201)	(125)	(68)
10	Consulting Fees	(204)	(11)	(2)	(52)	(3)	(1)	(2)	(7)	(8)	(7)	-	(61)	(25)	(16)	(9)
	Supervisor Fees	(181)	(10)	(1)	(47)	(3)	(1)	(1)	(7)	(7)	(6)	-	(53)	(23)	(14)	(8)
	Marketing and Printing Costs	(23)	(1)	-	(6)	-	-	-	(1)	(1)	(1)	-	(7)	(3)	(2)	(1)
	General Expenses	(303)	(14)	(2)	(91)	(9)	(3)	(4)	(9)	(10)	(6)	(3)	(64)	(21)	(50)	(17)
	<b>Total Other Expenses</b>	<b>(2,389)</b>	<b>(125)</b>	<b>(18)</b>	<b>(635)</b>	<b>(43)</b>	<b>(10)</b>	<b>(21)</b>	<b>(86)</b>	<b>(88)</b>	<b>(75)</b>	<b>(6)</b>	<b>(677)</b>	<b>(284)</b>	<b>(214)</b>	<b>(107)</b>
	<b>Profit before Membership Activities</b>	<b>(10,544)</b>	<b>(902)</b>	<b>59</b>	<b>(3,496)</b>	<b>(545)</b>	<b>20</b>	<b>83</b>	<b>130</b>	<b>(327)</b>	<b>(531)</b>	<b>(90)</b>	<b>(4,330)</b>	<b>1,244</b>	<b>(1,706)</b>	<b>(153)</b>
	<b>MEMBERSHIP ACTIVITIES</b>															
	<b>Contributions</b>															
	Member Contributions	38,995	1,906	240	6,256	605	83	200	1,250	1,202	1,222	106	19,271	1,621	2,938	2,095
	Employer Contributions	17,464	762	107	2,385	243	35	67	453	550	565	46	9,774	681	1,178	618
	Government contributions	5,821	208	39	746	64	13	27	181	179	204	18	3,424	177	357	184
	Transfers in from Other KiwiSaver Schemes	12,702	466	98	3,658	180	31	-	215	501	565	91	3,569	859	1,428	1,041
	Switches In	15,373	384	3,745	1,971	248	1,115	-	23	119	9	219	999	3,986	1,236	1,319
	<b>Total Contributions</b>	<b>90,355</b>	<b>3,726</b>	<b>4,229</b>	<b>15,016</b>	<b>1,340</b>	<b>1,277</b>	<b>294</b>	<b>2,122</b>	<b>2,551</b>	<b>2,565</b>	<b>480</b>	<b>37,037</b>	<b>7,324</b>	<b>7,137</b>	<b>5,257</b>

This statement is to be read in conjunction with the notes on pages 15 to 35.





**AON KIWISAVER SCHEME**

**Statement of Changes in Net Assets (Continued)  
For the Year Ended 31 March 2020**

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		Russell Fund									
		Balanced	Cash	Growth	Balanced	Cash	LifePoints® 2015	LifePoints® 2025	LifePoints® 2035	LifePoints® 2045	LifePoints® 2055	LifePoints® Balanced	LifePoints® Conservative	LifePoints® Growth	LifePoints® Moderate	
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	
<b>MEMBERSHIP ACTIVITIES (Continued)</b>																
	Deduct:															
	Transfers to other KiwiSaver Schemes	(26,938)	(1,391)	(356)	(7,323)	(129)	(110)	(64)	(672)	(327)	(889)	-	(9,983)	(3,608)	(1,341)	(745)
	Retirement	(10,051)	(1,284)	(503)	(1,519)	(210)	(181)	(412)	(493)	(10)	(19)	-	(2,552)	(1,642)	(522)	(704)
	Transfers to IRD	(20)	-	-	-	-	-	-	-	-	-	-	(20)	-	-	-
	Emigration	(285)	(29)	(20)	(95)	-	-	-	-	-	-	-	(65)	(50)	(26)	-
	Hardship Payments	(367)	(9)	(27)	(83)	-	-	-	-	(4)	-	-	(157)	(69)	(13)	(5)
	First Home Withdrawal	(6,448)	(200)	(127)	(1,807)	(23)	(35)	-	(61)	-	(290)	-	(1,919)	(870)	(676)	(440)
	Serious Illness	(595)	(144)	-	(117)	-	-	(61)	-	-	-	-	(188)	(85)	-	-
	Death Payments	(813)	(1)	-	(103)	-	-	(5)	-	-	-	-	(221)	(192)	(291)	-
	Court Order Payments	(123)	-	-	(35)	-	-	-	-	-	-	-	(66)	(22)	-	-
	Mortgage Diversion	(2)	-	-	-	-	-	-	-	-	(1)	-	-	-	(1)	-
	Unsettled Withdrawals	(3)	-	(3)	-	-	-	-	-	-	-	-	-	-	-	-
	Switches Out	(15,374)	(892)	(423)	(3,516)	(392)	(294)	(274)	(1,118)	(564)	(737)	(119)	(2,936)	(1,521)	(1,521)	(1,067)
	Member Fees	(931)	(29)	(6)	(200)	(5)	-	(6)	(21)	(20)	(36)	(2)	(444)	(115)	(26)	(21)
10	Transfer Fees	(41)	(1)	-	(8)	-	-	-	-	-	(1)	-	(23)	(5)	(2)	(1)
10	PIE Tax Expense	(2,633)	(33)	(37)	(919)	26	(14)	(16)	(115)	(111)	(49)	(5)	(896)	(177)	(165)	(122)
	<b>Net Membership Activities</b>	<b>25,731</b>	<b>(287)</b>	<b>2,727</b>	<b>(709)</b>	<b>607</b>	<b>643</b>	<b>(544)</b>	<b>(358)</b>	<b>1,515</b>	<b>543</b>	<b>354</b>	<b>17,567</b>	<b>(1,032)</b>	<b>2,553</b>	<b>2,152</b>
	<b>Increase/(Decrease) In Net Assets During Year</b>	<b>15,187</b>	<b>(1,189)</b>	<b>2,786</b>	<b>(4,205)</b>	<b>62</b>	<b>663</b>	<b>(461)</b>	<b>(228)</b>	<b>1,188</b>	<b>12</b>	<b>264</b>	<b>13,237</b>	<b>212</b>	<b>847</b>	<b>1,999</b>
	<b>Net Assets Available for Benefits at Beginning of Year</b>	<b>551,899</b>	<b>30,945</b>	<b>4,521</b>	<b>143,900</b>	<b>9,582</b>	<b>1,911</b>	<b>4,791</b>	<b>20,916</b>	<b>20,115</b>	<b>17,846</b>	<b>951</b>	<b>158,410</b>	<b>72,572</b>	<b>42,072</b>	<b>23,367</b>
	<b>Net Assets Available for Benefits at End of Year</b>	<b>567,086</b>	<b>29,756</b>	<b>7,307</b>	<b>139,695</b>	<b>9,644</b>	<b>2,574</b>	<b>4,330</b>	<b>20,688</b>	<b>21,303</b>	<b>17,858</b>	<b>1,215</b>	<b>171,647</b>	<b>72,784</b>	<b>42,919</b>	<b>25,366</b>

This statement is to be read in conjunction with the notes on pages 15 to 35.



**AON KIWISAVER SCHEME**

**Statement of Changes in Net Assets (Continued)  
For the Year Ended 31 March 2019**

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		Russell Fund									
		Balanced	Cash	Growth	Balanced	Cash	LifePoints® 2015	LifePoints® 2025	LifePoints® 2035	LifePoints® 2045	LifePoints® 2055	LifePoints® Balanced	LifePoints® Conservative	LifePoints® Growth	LifePoints® Moderate	
		2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
	<b>INVESTMENT ACTIVITIES</b>															
	Gains on Investments	26,506	2,095	110	10,850	610	4	103	603	769	835	41	6,135	1,582	2,018	751
	Distribution Income	9,124	-	-	-	-	39	139	561	498	414	20	3,792	2,085	962	614
	Investment Management Fees and Rebates	(3,364)	(179)	(16)	(1,047)	(67)	(7)	(24)	(111)	(119)	(115)	(6)	(912)	(365)	(272)	(124)
	<b>Net Investment Gains</b>	<b>32,266</b>	<b>1,916</b>	<b>94</b>	<b>9,803</b>	<b>543</b>	<b>36</b>	<b>218</b>	<b>1,053</b>	<b>1,148</b>	<b>1,134</b>	<b>55</b>	<b>9,015</b>	<b>3,302</b>	<b>2,708</b>	<b>1,241</b>
	<b>OTHER EXPENSES</b>															
	Auditors' Remuneration - Audit Fees	(80)	(5)	(1)	(21)	(1)	-	(1)	(3)	(3)	(3)	-	(22)	(11)	(6)	(3)
	Administration Management Fees	(1,393)	(78)	(11)	(374)	(24)	(4)	(13)	(54)	(51)	(45)	(2)	(379)	(195)	(105)	(58)
	Consulting Fees	(174)	(10)	(1)	(46)	(3)	(1)	(2)	(7)	(6)	(6)	-	(49)	(23)	(13)	(7)
	Supervisor Fees	(157)	(9)	(1)	(42)	(3)	-	(1)	(6)	(6)	(5)	-	(43)	(22)	(12)	(7)
	Marketing and Printing Costs	(26)	(1)	-	(7)	-	-	-	(1)	(1)	(1)	-	(9)	(3)	(2)	(1)
	General Expenses	(206)	(13)	(1)	(58)	(3)	(1)	(2)	(6)	(7)	(6)	-	(57)	(29)	(16)	(7)
	<b>Total Other Expenses</b>	<b>(2,036)</b>	<b>(116)</b>	<b>(15)</b>	<b>(548)</b>	<b>(34)</b>	<b>(6)</b>	<b>(19)</b>	<b>(77)</b>	<b>(74)</b>	<b>(66)</b>	<b>(2)</b>	<b>(559)</b>	<b>(283)</b>	<b>(154)</b>	<b>(83)</b>
	<b>Profit before Membership Activities</b>	<b>30,230</b>	<b>1,800</b>	<b>79</b>	<b>9,255</b>	<b>509</b>	<b>30</b>	<b>199</b>	<b>976</b>	<b>1,074</b>	<b>1,068</b>	<b>53</b>	<b>8,456</b>	<b>3,019</b>	<b>2,554</b>	<b>1,158</b>
	<b>MEMBERSHIP ACTIVITIES</b>															
	<b>Contributions</b>															
	Member Contributions	36,816	1,972	234	5,306	684	81	465	1,357	1,040	1,154	75	18,465	1,925	2,288	1,770
	Employer Contributions	17,507	816	115	2,270	241	44	78	485	554	533	38	9,938	689	1,093	613
	Government contributions	5,838	229	38	692	62	16	31	189	177	195	14	3,472	193	345	185
	Transfers in from Other KiwiSaver Schemes	9,782	321	9	2,826	120	48	-	154	169	392	130	3,210	636	1,042	725
	Switches In	9,546	211	844	2,234	324	674	-	208	169	93	195	1,625	2,009	458	502
	<b>Total Contributions</b>	<b>79,489</b>	<b>3,549</b>	<b>1,240</b>	<b>13,328</b>	<b>1,431</b>	<b>863</b>	<b>574</b>	<b>2,393</b>	<b>2,109</b>	<b>2,367</b>	<b>452</b>	<b>36,710</b>	<b>5,452</b>	<b>5,226</b>	<b>3,795</b>

This statement is to be read in conjunction with the notes on pages 15 to 35.



**AON KIWISAVER SCHEME**

**Statement of Changes in Net Assets (Continued)  
For the Year Ended 31 March 2019**

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		Russell Fund									
		Balanced	Cash	Growth	Balanced	Cash	LifePoints® 2015	LifePoints® 2025	LifePoints® 2035	LifePoints® 2045	LifePoints® 2055	LifePoints® Balanced	LifePoints® Conservative	LifePoints® Growth	LifePoints® Moderate	
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	
<b>MEMBERSHIP ACTIVITIES (Continued)</b>																
	Deduct:															
	Transfers to other KiwiSaver Schemes	(24,365)	(1,391)	(111)	(6,568)	(174)	(74)	(86)	(625)	(481)	(1,003)	(20)	(8,993)	(3,428)	(933)	(478)
	Retirement	(8,968)	(566)	(281)	(1,668)	(184)	(261)	(391)	(181)	(22)	(188)	-	(1,970)	(2,368)	(318)	(570)
	Transfers to IRD	(89)	-	-	(13)	-	-	-	-	-	-	-	(65)	(11)	-	-
	Emigration	(327)	-	-	(81)	-	-	-	(10)	(13)	-	-	(163)	(49)	(11)	-
	Hardship Payments	(479)	(2)	(13)	(137)	(1)	-	(2)	(1)	(16)	(21)	-	(197)	(74)	(13)	(2)
	First Home Withdrawal	(5,939)	(158)	(126)	(1,989)	(50)	(30)	-	(18)	(172)	(310)	(2)	(1,711)	(936)	(269)	(168)
	Serious illness	(579)	(94)	-	(150)	-	-	-	-	-	-	-	(193)	(107)	-	(35)
	Death Payments	(781)	(16)	-	(195)	(70)	-	(18)	(22)	-	-	-	(244)	(157)	(6)	(53)
	Court Order Payments	(13)	-	-	(4)	-	-	-	-	-	-	-	(6)	(3)	-	-
	Mortgage Diversion	(1)	-	-	-	-	-	-	-	-	(1)	-	-	-	-	-
	Switches Out	(9,546)	(1,498)	(537)	(1,151)	(60)	(24)	(48)	(730)	(351)	(320)	(148)	(1,212)	(1,605)	(966)	(896)
	Member Fees	(943)	(28)	(8)	(216)	(9)	(2)	(7)	(20)	(19)	(36)	(2)	(394)	(120)	(54)	(28)
	Transfer Fees	(44)	(1)	-	(9)	-	-	-	-	(1)	(1)	-	(24)	(6)	(1)	(1)
	PIE Tax Expense	(4,324)	(159)	(16)	(420)	(38)	(7)	(62)	(243)	(221)	(186)	(6)	(1,417)	(870)	(426)	(253)
	<b>Net Membership Activities</b>	<b>23,091</b>	<b>(364)</b>	<b>148</b>	<b>727</b>	<b>845</b>	<b>465</b>	<b>(40)</b>	<b>543</b>	<b>813</b>	<b>301</b>	<b>274</b>	<b>20,121</b>	<b>(4,282)</b>	<b>2,229</b>	<b>1,311</b>
	<b>Increase/(Decrease) in Net Assets During Year</b>	<b>53,321</b>	<b>1,436</b>	<b>227</b>	<b>9,982</b>	<b>1,354</b>	<b>495</b>	<b>159</b>	<b>1,519</b>	<b>1,887</b>	<b>1,369</b>	<b>327</b>	<b>28,577</b>	<b>(1,263)</b>	<b>4,783</b>	<b>2,469</b>
	<b>Net Assets Available for Benefits at Beginning of Year</b>	<b>498,578</b>	<b>29,509</b>	<b>4,294</b>	<b>133,918</b>	<b>8,228</b>	<b>1,416</b>	<b>4,632</b>	<b>19,397</b>	<b>18,228</b>	<b>16,477</b>	<b>624</b>	<b>129,833</b>	<b>73,835</b>	<b>37,289</b>	<b>20,898</b>
	<b>Net Assets Available for Benefits at End of Year</b>	<b>551,899</b>	<b>30,945</b>	<b>4,521</b>	<b>143,900</b>	<b>9,582</b>	<b>1,911</b>	<b>4,791</b>	<b>20,916</b>	<b>20,115</b>	<b>17,846</b>	<b>951</b>	<b>158,410</b>	<b>72,572</b>	<b>42,072</b>	<b>23,367</b>

This statement is to be read in conjunction with the notes on pages 15 to 35.

**AON KIWISAVER SCHEME**

**Statement of Cash Flows  
For the Year Ended 31 March 2020**

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		Russell Fund									
		Balanced	Cash	Growth	Balanced	Cash	LifePoints®	LifePoints®	LifePoints®	LifePoints®	LifePoints®	LifePoints®	LifePoints®	LifePoints®		
							2015	2025	2035	2045	2055	Balanced	Conservative	Growth	Moderate	
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>																
	<i>Cash provided from</i>															
	Sale of Investments	40,854	3,664	1,328	8,725	738	588	768	2,371	1,083	1,815	128	6,917	6,557	3,637	2,535
	Investment Management Rebates	467	-	-	467	-	-	-	-	-	-	-	-	-	-	-
	<i>Cash applied to</i>															
	Purchase of Investments	61,520	2,776	4,036	7,795	1,134	1,229	253	1,788	2,383	2,143	476	22,905	4,530	5,655	4,417
	Investment Management Fees	1,032	187	17	-	59	6	10	43	43	38	2	338	148	92	49
4	<b>Net Cash Flows from/(used in) Operating Activities</b>	<b>(21,231)</b>	<b>701</b>	<b>(2,725)</b>	<b>1,397</b>	<b>(455)</b>	<b>(647)</b>	<b>505</b>	<b>540</b>	<b>(1,343)</b>	<b>(366)</b>	<b>(350)</b>	<b>(16,326)</b>	<b>1,879</b>	<b>(2,110)</b>	<b>(1,931)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>																
	<i>Cash provided from</i>															
	Member Contributions	38,995	1,906	240	6,256	605	83	200	1,250	1,202	1,222	106	19,271	1,621	2,938	2,095
	Employer Contributions	17,464	762	107	2,385	243	35	67	453	550	565	46	9,774	681	1,178	618
	Government contributions	5,821	208	39	746	64	13	27	181	179	204	18	3,424	177	357	184
	Transfer from other KiwiSaver Providers	12,702	466	98	3,658	180	31	-	215	501	565	91	3,569	859	1,428	1,041
	Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Manager Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Switches In	15,373	384	3,745	1,971	248	1,115	-	23	119	9	219	999	3,986	1,236	1,319
		<b>90,355</b>	<b>3,726</b>	<b>4,229</b>	<b>15,016</b>	<b>1,340</b>	<b>1,277</b>	<b>294</b>	<b>2,122</b>	<b>2,551</b>	<b>2,565</b>	<b>480</b>	<b>37,037</b>	<b>7,324</b>	<b>7,137</b>	<b>5,257</b>
	<i>Cash applied to</i>															
	Transfer to other KiwiSaver Providers	26,938	1,391	356	7,323	129	110	64	672	327	889	-	9,983	3,608	1,341	745
	Retirement	10,051	1,284	503	1,519	210	181	412	493	10	19	-	2,552	1,642	522	704
	Transfers to IRD	20	-	-	-	-	-	-	-	-	-	-	20	-	-	-
	Emigration	285	29	20	95	-	-	-	-	-	-	-	65	50	26	-
	Hardship Payments	367	9	27	83	-	-	-	-	4	-	-	157	69	13	5
	First Home Withdrawal	6,448	200	127	1,807	23	35	-	61	-	290	-	1,919	870	676	440
	Serious Illness	595	144	-	117	-	-	61	-	-	-	-	188	85	-	-
	Death Payments	813	1	-	103	-	-	5	-	-	-	-	221	192	291	-
	Court Order Payments	123	-	-	35	-	-	-	-	-	-	-	66	22	-	-

This statement is to be read in conjunction with the notes on pages 15 to 35.



**AON KIWISAVER SCHEME**

**Statement of Cash Flows (Continued)  
For the Year Ended 31 March 2020**

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		Russell Fund								
		Balanced	Cash	Growth	Balanced	Cash	LifePoints®	LifePoints®	LifePoints®	LifePoints®	LifePoints®	LifePoints®	LifePoints®	LifePoints®	
							2015	2025	2035	2045	2055	Balanced	Conservative	Growth	Moderate
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	
<b>CASH FLOWS FROM FINANCING ACTIVITIES (Continued)</b>															
<i>Cash applied to (continued)</i>															
Mortgage Diversion	2	-	-	-	-	-	-	-	-	1	-	-	-	1	-
Unsettled withdrawals	350	10	3	75	27	2	-	-	8	-	170	55	-	-	-
Member Fees	933	29	6	202	5	-	6	21	20	36	2	443	116	26	21
Transfer Fees	41	1	-	8	-	-	-	-	-	1	-	23	5	2	1
PIE Tax Paid	3,801	186	21	652	51	10	44	204	185	136	5	1,218	550	334	205
Auditors' Remuneration - Audit fees	84	5	-	23	1	-	1	3	3	3	-	24	11	7	3
Administration Management Fees	1,586	84	12	416	27	5	13	59	58	52	3	464	201	125	67
Consulting Fees	249	14	2	65	4	1	2	9	9	8	-	73	32	19	11
Supervisor Fees	173	9	1	46	3	1	1	6	6	6	-	51	22	14	7
Marketing and Printing Costs	15	1	-	4	-	-	-	1	1	-	-	4	2	1	1
General Expenses	294	15	3	77	8	3	5	10	10	6	3	59	28	50	17
Switches Out	15,374	892	423	3,516	392	294	274	1,118	564	737	119	2,936	1,521	1,521	1,067
	68,542	4,304	1,504	16,166	880	642	888	2,657	1,197	2,192	132	20,636	9,081	4,969	3,294
<b>Net Cash Flows from/(used in) Financing Activities</b>	<b>21,813</b>	<b>(578)</b>	<b>2,725</b>	<b>(1,150)</b>	<b>460</b>	<b>635</b>	<b>(594)</b>	<b>(535)</b>	<b>1,354</b>	<b>373</b>	<b>348</b>	<b>16,401</b>	<b>(1,757)</b>	<b>2,168</b>	<b>1,963</b>
<b>Net Increase/(Decrease) In Cash and Cash Equivalents</b>	<b>582</b>	<b>123</b>	<b>-</b>	<b>247</b>	<b>5</b>	<b>(12)</b>	<b>(89)</b>	<b>5</b>	<b>11</b>	<b>7</b>	<b>(2)</b>	<b>75</b>	<b>122</b>	<b>58</b>	<b>32</b>
<b>Opening Cash and Cash Equivalents</b>	<b>1,079</b>	<b>5</b>	<b>1</b>	<b>290</b>	<b>27</b>	<b>19</b>	<b>4</b>	<b>38</b>	<b>32</b>	<b>21</b>	<b>5</b>	<b>448</b>	<b>79</b>	<b>67</b>	<b>43</b>
<b>Closing Cash and Cash Equivalents</b>	<b>1,661</b>	<b>128</b>	<b>1</b>	<b>537</b>	<b>32</b>	<b>7</b>	<b>(85)</b>	<b>43</b>	<b>43</b>	<b>28</b>	<b>3</b>	<b>523</b>	<b>201</b>	<b>125</b>	<b>75</b>

This statement is to be read in conjunction with the notes on pages 15 to 35.

**AON KIWISAVER SCHEME**

**Statement of Cash Flows (Continued)  
For the Year Ended 31 March 2019**

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		Russell Fund									
		Balanced	Cash	Growth	Balanced	Cash	LifePoints® 2015	LifePoints® 2025	LifePoints® 2035	LifePoints® 2045	LifePoints® 2055	LifePoints® Balanced	LifePoints® Conservative	LifePoints® Growth	LifePoints® Moderate	
		2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>																
	<i>Cash provided from</i>															
	Sale of Investments	32,459	3,492	1,047	6,811	547	389	567	1,436	1,118	1,559	177	4,681	6,926	1,902	1,807
	Investment Management Rebates	418	-	-	418	-	-	-	-	-	-	-	-	-	-	-
	<i>Cash applied to</i>															
	Purchase of Investments	54,403	2,703	1,159	7,000	1,298	828	536	1,990	1,949	1,896	451	24,551	2,658	4,216	3,168
	Investment Management Fees	953	198	18	-	52	5	10	41	38	34	1	282	150	80	44
4	<b>Net Cash Flows from/(used in) Operating Activities</b>	<b>(22,479)</b>	<b>591</b>	<b>(130)</b>	<b>229</b>	<b>(803)</b>	<b>(444)</b>	<b>21</b>	<b>(595)</b>	<b>(869)</b>	<b>(371)</b>	<b>(275)</b>	<b>(20,152)</b>	<b>4,118</b>	<b>(2,394)</b>	<b>(1,405)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>																
	<i>Cash provided from</i>															
	Member Contributions	36,820	1,972	233	5,306	683	81	465	1,358	1,040	1,154	75	18,467	1,927	2,288	1,771
	Employer Contributions	17,507	816	115	2,270	242	43	78	485	554	533	38	9,938	689	1,093	613
	Government contributions	5,838	229	38	693	62	16	31	189	176	195	14	3,472	193	345	185
	Transfer from other KiwiSaver Providers	9,782	321	9	2,826	121	48	-	154	169	392	130	3,209	636	1,042	725
	Switches In	9,824	211	844	2,478	324	674	-	208	169	93	197	1,625	2,025	458	518
		<b>79,771</b>	<b>3,549</b>	<b>1,239</b>	<b>13,573</b>	<b>1,432</b>	<b>862</b>	<b>574</b>	<b>2,394</b>	<b>2,108</b>	<b>2,367</b>	<b>454</b>	<b>36,711</b>	<b>5,470</b>	<b>5,226</b>	<b>3,812</b>
	<i>Cash applied to</i>															
	Transfer to other KiwiSaver Providers	24,580	1,393	111	6,716	174	74	85	626	482	996	20	9,024	3,466	935	478
	Retirement	8,990	571	281	1,671	184	261	391	181	22	188	-	1,980	2,372	318	570
	Transfers to IRD	89	-	-	13	-	-	-	-	-	-	-	65	11	-	-
	Emigration	327	-	-	81	-	-	-	10	13	-	-	163	48	12	-
	Hardship Payments	479	2	13	137	1	-	1	1	17	21	-	197	74	13	2
	First Home Withdrawal	5,938	158	126	1,989	50	30	-	18	171	310	2	1,711	936	269	168
	Serious Illness	578	94	-	150	-	-	-	-	-	-	-	193	106	-	35
	Death Payments	781	16	-	195	70	-	18	22	-	-	-	244	157	6	53
	Court Order Payments	13	-	-	4	-	-	-	-	-	-	-	6	3	-	-

This statement is to be read in conjunction with the notes on pages 15 to 35.



**AON KIWISAVER SCHEME**

**Statement of Cash Flows (Continued)  
For the Year Ended 31 March 2019**

Note	Total of the Scheme	ANZ Fund		Milford Fund	Nikko Fund		Russell Fund									
		Balanced	Cash	Growth	Balanced	Cash	LifePoints® 2015	LifePoints® 2025	LifePoints® 2035	LifePoints® 2045	LifePoints® 2055	LifePoints® Balanced	LifePoints® Conservative	LifePoints® Growth	LifePoints® Moderate	
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	
<b>CASH FLOWS FROM FINANCING ACTIVITIES (Continued)</b>																
<i>Cash applied to (continued)</i>																
Mortgage Diversion	1	-	-	-	-	-	-	-	-	1	-	-	-	-	-	
Member Fees	944	28	8	217	9	2	7	20	19	36	2	392	122	54	28	
Transfer Fees	46	1	-	9	-	-	-	1	1	1	-	25	6	1	1	
PIE Tax Paid	2,536	173	17	749	39	6	26	103	82	53	2	619	423	142	102	
Auditors' Remuneration - Audit fees	74	4	1	20	1	-	1	3	3	2	-	19	11	6	3	
Administration Management Fees	1,381	78	11	372	23	4	13	53	50	45	2	373	195	104	58	
Consulting Fees	203	12	2	54	3	1	2	8	7	7	-	54	29	15	9	
Supervisor Fees	192	11	2	51	3	1	2	7	7	6	-	51	28	15	8	
Marketing and Printing Costs	227	2	-	8	1	-	-	1	1	1	-	8	4	2	1	
General Expenses	227	13	2	61	4	1	2	8	8	7	-	61	34	17	9	
Switches Out	9,824	1,638	537	1,289	60	24	48	730	350	320	148	1,213	1,605	966	896	
	57,232	4,194	1,111	13,786	622	404	596	1,792	1,233	1,994	176	16,398	9,630	2,875	2,421	
<b>Net Cash Flows from/(used in) Financing Activities</b>	<b>22,539</b>	<b>(645)</b>	<b>128</b>	<b>(213)</b>	<b>810</b>	<b>458</b>	<b>(22)</b>	<b>602</b>	<b>875</b>	<b>373</b>	<b>278</b>	<b>20,313</b>	<b>(4,160)</b>	<b>2,351</b>	<b>1,391</b>	
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>60</b>	<b>(54)</b>	<b>(2)</b>	<b>16</b>	<b>7</b>	<b>14</b>	<b>(1)</b>	<b>7</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>161</b>	<b>(42)</b>	<b>(43)</b>	<b>(14)</b>	
<b>Opening Cash and Cash Equivalents</b>	<b>1,019</b>	<b>59</b>	<b>3</b>	<b>274</b>	<b>20</b>	<b>5</b>	<b>5</b>	<b>31</b>	<b>26</b>	<b>19</b>	<b>2</b>	<b>287</b>	<b>121</b>	<b>110</b>	<b>57</b>	
<b>Closing Cash and Cash Equivalents</b>	<b>1,079</b>	<b>5</b>	<b>1</b>	<b>290</b>	<b>27</b>	<b>19</b>	<b>4</b>	<b>38</b>	<b>32</b>	<b>21</b>	<b>5</b>	<b>448</b>	<b>79</b>	<b>67</b>	<b>43</b>	

This statement is to be read in conjunction with the notes on pages 15 to 35.



## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 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 20 December 2017, Aon Saver Limited and Public Trust entered into a Trust Deed which replaced the previously amended Trust 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. The Custodian of the Scheme is Public Trust.

##### 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%, 6%, 8% or 10% 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 contribution of 50% of Member contributions during the year up to a maximum of \$521.43.

Prior to 1 April 2019 members could chose to contribute at either 3%, 4%, or 8% of gross salary or wage.

##### 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 reaching the qualifying age for New Zealand Superannuation. However, if the Member first joined KiwiSaver (or a complying superannuation fund) prior to 1 July 2019, they also need to have been a member for at least five years before making a withdrawal. 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.

From 1 April 2020, Members who first joined KiwiSaver (or a complying superannuation fund) prior to 1 July 2019 can elect to make a withdrawal in less than five years if they have reached the qualifying age for New Zealand Superannuation, but will no longer be entitled to further government contributions or compulsory employer contributions.

##### Amendment to the Trust Deed

During the year there were no amendments to the Trust Deed.



## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 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 ("NZ IFRS") 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 14 investment funds, namely, ANZ Balanced Fund, ANZ Cash Fund, Milford Active Growth Wholesale Fund, Nikko Balanced Fund, Nikko Cash Fund, Russell LifePoints 2015 Fund (closed to new members), 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 and Russell LifePoints Moderate 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 fund.

##### Measurement base

The measurement base adopted is that of historical cost modified by the revaluation of investments which are measured at fair value through profit and loss 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.

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 3. Summary of Significant Accounting Policies

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

##### **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 through profit or loss at sale (using trade date) or at year end, and the fair value through profit or loss 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.

##### **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.

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

##### **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 assets at amortised cost and payables which are classified as liabilities at amortised cost. The other liabilities represent the amounts payable 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 2020

#### 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.

##### 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.

##### 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.

##### 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.

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 3. Summary of Significant Accounting Policies (Continued)

##### 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 risk are to safeguard its ability to continue as a going concern in order to provide returns to its members and maximise the Scheme 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 2020

#### 4. Reconciliation of increase/decrease in net assets to net cash flows from operating activities for the year ended 31 March 2020

	Total of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
Increase/(Decrease) in Net Assets	15,187	(1,189)	2,786	(4,205)	62	663	(461)	(228)
<b>Cash flows from Financing Activities:</b>								
Cash provided from financing activities	(90,355)	(3,726)	(4,229)	(15,016)	(1,340)	(1,277)	(294)	(2,122)
Cash applied to financing activities	68,542	4,304	1,504	16,166	880	642	888	2,657
<b>Movements in other working capital items:</b>								
(Increase)/Decrease in Unsettled Trades	(740)	(5)	(866)	27	-	-	(89)	2
(Increase)/Decrease in Receivables from Investment Funds	(10)	-	-	-	-	-	-	-
(Increase)/Decrease in Investments	(12,350)	1,475	(1,936)	4,231	32	(678)	490	322
Increase/(Decrease) in Sundry Creditors	11	6	1	2	15	1	(1)	(3)
Increase/(Decrease) in Benefits Payable	(309)	-	-	(75)	-	-	-	-
Increase/(Decrease) in Payable to Investment Funds	(40)	(10)	(1)	-	(27)	(2)	-	-
Increase/(Decrease) in PIE Tax Payable	(1,167)	(154)	16	267	(77)	4	(28)	(88)
<b>Net cash flows from/(used in) operating activities</b>	<b>(21,231)</b>	<b>701</b>	<b>(2,725)</b>	<b>1,397</b>	<b>(455)</b>	<b>(647)</b>	<b>505</b>	<b>540</b>

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 4. Reconciliation of increase/decrease in net assets to net cash flows from operating activities for the year ended 31 March 2020 (Continued)

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
Increase/(Decrease) in Net Assets	1,188	12	264	13,237	212	847	1,999
<b>Cash flows from Financing Activities:</b>							
Cash provided from financing activities	(2,551)	(2,565)	(480)	(37,037)	(7,324)	(7,137)	(5,257)
Cash applied to financing activities	1,197	2,192	132	20,636	9,081	4,969	3,294
<b>Movements in other working capital items:</b>							
(Increase)/Decrease in Unsettled Trades	10	(5)	(1)	40	143	-	4
(Increase)/Decrease in Receivables from Investment Funds	(0)	(0)	(1)	(7)	-	(1)	(1)
(Increase)/Decrease in Investments	(1,113)	96	(264)	(12,708)	207	(617)	(1,887)
Increase/(Decrease) in Sundry Creditors	-	(1)	-	6	(13)	(2)	-
Increase/(Decrease) in Benefits Payable	-	(8)	-	(171)	(55)	-	-
Increase/(Decrease) in Payable to Investment Funds	-	-	-	-	-	-	-
Increase/(Decrease) in PIE Tax Payable	(74)	(87)	-	(322)	(372)	(169)	(83)
<b>Net cash flows from/(used in) operating activities</b>	<b>(1,343)</b>	<b>(366)</b>	<b>(350)</b>	<b>(16,326)</b>	<b>1,879</b>	<b>(2,110)</b>	<b>(1,931)</b>

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 4. Reconciliation of increase/decrease in net assets to net cash flows from operating activities for the year ended 31 March 2019 (Continued)

	Total of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Increase/(Decrease) in Net Assets	53,321	1,436	227	9,982	1,354	495	159	1,519
<b>Cash flows from Financing Activities:</b>								
Cash provided from financing activities	(79,771)	(3,549)	(1,239)	(13,573)	(1,432)	(862)	(574)	(2,394)
Cash applied to financing activities	57,232	4,194	1,111	13,786	622	404	596	1,792
<b>Movements in other working capital items:</b>								
(Increase)/Decrease in Unsettled Trades	(201)	-	-	15	-	-	(2)	(1)
(Increase)/Decrease in Receivables from Investment Funds	115	-	-	106	-	-	-	(1)
(Increase)/Decrease in Investments	(54,503)	(1,305)	(227)	(9,587)	(1,361)	(483)	(192)	(1,644)
Increase/(Decrease) in Sundry Creditors	(80)	(7)	(1)	(20)	-	-	(1)	(4)
Increase/(Decrease) in Benefits Payable	(238)	(7)	-	(151)	-	-	-	(2)
Increase/(Decrease) in Payable to Investment Funds	(141)	(157)	-	-	15	1	-	-
Increase/(Decrease) in PIE Tax Payable	1,787	(14)	(1)	(329)	(1)	1	35	140
<b>Net cash flows from/(used in) operating activities</b>	<b>(22,479)</b>	<b>591</b>	<b>(130)</b>	<b>229</b>	<b>(803)</b>	<b>(444)</b>	<b>21</b>	<b>(595)</b>

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 4. Reconciliation of increase/decrease in net assets to net cash flows from operating activities for the year ended 31 March 2019 (Continued)

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Increase/(Decrease) in Net Assets	1,887	1,369	327	28,577	(1,263)	4,783	2,469
<b>Cash flows from Financing Activities:</b>							
Cash provided from financing activities	(2,108)	(2,367)	(454)	(36,711)	(5,470)	(5,226)	(3,812)
Cash applied to financing activities	1,233	1,994	176	16,398	9,630	2,875	2,421
<b>Movements in other working capital items:</b>							
(Increase)/Decrease in Unsettled Trades	(7)	1	2	(57)	(144)	(5)	(3)
(Increase)/Decrease in Receivables from Investment Funds	(2)	(1)	2	(16)	15	(3)	15
(Increase)/Decrease in Investments	(2,008)	(1,504)	(332)	(29,092)	969	(5,095)	(2,642)
Increase/(Decrease) in Sundry Creditors	(3)	(4)	-	(8)	(23)	(6)	(3)
Increase/(Decrease) in Benefits Payable	-	8	-	(41)	(43)	(1)	(1)
Increase/(Decrease) in Payable to Investment Funds	-	-	-	-	-	-	-
Increase/(Decrease) in PIE Tax Payable	139	133	4	798	447	284	151
<b>Net cash flows from/(used in) operating activities</b>	<b>(869)</b>	<b>(371)</b>	<b>(275)</b>	<b>(20,152)</b>	<b>4,118</b>	<b>(2,394)</b>	<b>(1,405)</b>



## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 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.

#### **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. 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 2020

#### 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 funds are managed by ANZ New Zealand Investments Limited, Milford Funds Limited, Nikko Asset Management New Zealand Limited and Russell Investment Group 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 2020

#### 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 price risk through its investment in unlisted 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. In monitoring the performance of the funds the Manager notes that since the beginning of the calendar year there has been significant volatility in financial markets following the outbreak of the Covid-19 virus in January 2020. This volatility has resulted in a reduction in the value of the assets of the Scheme. The outlook for investment markets may result in a lowering of assumed future investment earning and the medium to long term impact of the Covid-19 virus on financial markets remains unclear.

##### Sensitivity analysis - Other price risk

The following table shows the impact on the Scheme's Net Assets under two scenarios - a 15% decrease in the unit prices of the Scheme's investment funds and a 15% increase in the unit prices of the Scheme's investment funds. This sensitivity percentage applied has been changed from 10% in the prior year to 15% in the current year in order to better sensitise to the current year volatility in global financial markets.

	Total of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
A 15% decrease in the unit price of the Scheme's investment funds	(85,186)	(4,450)	(972)	(20,996)	(1,440)	(387)	(654)	(3,121)
A 15% increase in the unit price of the Scheme's investment funds	85,186	4,450	972	20,996	1,440	387	654	3,121

	Total of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
A 15% decrease in the unit price of the Scheme's investment funds	(83,332)	(4,671)	(681)	(21,631)	(1,444)	(285)	(727)	(3,169)
A 15% increase in the unit price of the Scheme's investment funds	83,332	4,671	681	21,631	1,444	285	727	3,169

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 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
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
A 15% decrease in the unit price of the Scheme's investment funds	(3,212)	(2,689)	(183)	(25,836)	(10,967)	(6,458)	(3,821)
A 15% increase in the unit price of the Scheme's investment funds	3,212	2,689	183	25,836	10,967	6,458	3,821

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
A 15% decrease in the unit price of the Scheme's investment funds	(3,045)	(2,704)	(143)	(23,930)	(10,998)	(6,366)	(3,538)
A 15% increase in the unit price of the Scheme's investment funds	3,045	2,704	143	23,930	10,998	6,366	3,538

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 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 Fund Manager. The Scheme does not have investments in financial instruments classified as either Level 1 or Level 3. There have been no transfers between levels during the year (2019: Nil).

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 commitments or contingent liabilities outstanding as at 31 March 2020 (2019: Nil).

#### 8. Vested benefits

Vested Benefits are benefits payable to Members or Beneficiaries, under the conditions of the Trust Deed, on the basis of all Members ceasing to be members of the Scheme at balance date. Vested Benefits as at 31 March 2020 equalled the net assets available for benefits (2019: Same).

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 9. Auditor's Remuneration - Audit Fees

	Total of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
Audit of financial statements	43	2	1	11	1	-	-	2
Audit of register	10	1	-	3	-	-	1	-
Other assurance services (Note A)	33	2	-	8	-	-	-	1
	<b>86</b>	<b>5</b>	<b>1</b>	<b>22</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>3</b>

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
Audit of financial statements	2	1	-	13	5	3	2
Audit of register	-	-	-	3	1	1	-
Other assurance services (Note A)	1	2	-	9	5	3	2
	<b>3</b>	<b>3</b>	<b>-</b>	<b>25</b>	<b>11</b>	<b>7</b>	<b>4</b>

Note A: Other assurance services comprise custodial assurance services. Other assurance services were not performed by the statutory auditor.

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

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

	Total of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Audit of financial statements	43	3	-	11	-	-	-	2
Audit of register	10	1	-	3	-	-	1	-
Other assurance services (Note A)	27	1	1	7	1	-	-	1
	<b>80</b>	<b>5</b>	<b>1</b>	<b>21</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>3</b>

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Audit of financial statements	2	2	-	12	6	3	2
Audit of register	-	-	-	3	1	1	-
Other assurance services (Note A)	1	1	-	7	4	2	1
	<b>3</b>	<b>3</b>	<b>-</b>	<b>22</b>	<b>11</b>	<b>6</b>	<b>3</b>

Note A: Other assurance services comprise custodial assurance services. Other assurance services were not performed by the statutory auditor.

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 10. Related Parties

The related parties are Aon New Zealand, the Manager (Aon Saver Limited) and the directors of the Manager. Aon New Zealand is the Investment Manager, Administration Manager and Consultant of the Scheme.

As at 31 March 2020 there were no directors of the Manager who were members of the Scheme (2019: one director was a member 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 \$52,731 (2019: \$26,675).

The Scheme pays member fees, administration management fees, transfer fees, consulting fees 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 of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
Member Fees	931	29	6	200	5	-	6	21
Transfer Fees	41	1	-	8	-	-	-	-
Investment Management Fees	1,032	187	17	-	59	6	10	43
Administration Management Fees	1,592	84	12	417	27	5	13	59
Consulting Fees	204	11	2	52	3	1	2	7
	<b>3,800</b>	<b>312</b>	<b>37</b>	<b>677</b>	<b>94</b>	<b>12</b>	<b>31</b>	<b>130</b>

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
Member Fees	20	36	2	444	115	26	21
Transfer Fees	-	1	-	23	5	2	1
Investment Management Fees	43	38	2	338	148	92	49
Administration Management Fees	59	52	3	467	201	125	68
Consulting Fees	8	7	-	61	25	16	9
	<b>130</b>	<b>134</b>	<b>7</b>	<b>1,333</b>	<b>494</b>	<b>261</b>	<b>148</b>



## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 10. Related Parties (Continued)

	Total of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Member Fees	943	28	8	216	9	2	7	20
Transfer Fees	44	1	-	9	-	-	-	-
Investment Management Fees	752	69	10	-	13	2	9	39
Administration Management Fees	1,393	78	11	374	24	4	13	54
Consulting Fees	174	10	1	46	3	1	2	7
	<b>3,306</b>	<b>186</b>	<b>30</b>	<b>645</b>	<b>49</b>	<b>9</b>	<b>31</b>	<b>120</b>

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Member Fees	19	36	2	394	120	54	28
Transfer Fees	1	1	-	24	6	1	1
Investment Management Fees	38	32	1	277	143	77	42
Administration Management Fees	51	45	2	379	195	105	58
Consulting Fees	6	6	-	49	23	13	7
	<b>115</b>	<b>120</b>	<b>5</b>	<b>1,123</b>	<b>487</b>	<b>250</b>	<b>136</b>

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 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 of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
Member Fees	78	2	1	16	1	-	-	2
Transfer Fees	2	-	-	-	-	-	-	-
Investment Management Fees	79	13	1	-	16	2	1	3
Administration Management Fees	130	7	1	33	2	-	1	5
Consulting Fees	76	4	1	19	1	-	1	3
	<b>365</b>	<b>26</b>	<b>4</b>	<b>68</b>	<b>20</b>	<b>2</b>	<b>3</b>	<b>13</b>

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000	2020 \$000
Member Fees	2	3	-	35	9	5	2
Transfer Fees	-	-	-	2	-	-	-
Investment Management Fees	3	2	-	21	9	5	3
Administration Management Fees	5	4	-	39	17	10	6
Consulting Fees	3	2	-	23	10	6	3
	<b>13</b>	<b>11</b>	<b>-</b>	<b>120</b>	<b>45</b>	<b>26</b>	<b>14</b>

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 10. Related Parties (Continued)

	Total of the Scheme	ANZ Balanced	ANZ Cash	Milford Fund	Nikko Balanced	Nikko Cash	Russell LifePoints® 2015	Russell LifePoints® 2025
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Member Fees	79	2	1	17	1	-	1	2
Transfer Fees	3	-	-	1	-	-	-	-
Investment Management Fees	70	7	1	-	1	-	1	4
Administration Management Fees	125	7	1	32	2	-	1	5
Consulting Fees	108	6	1	28	2	-	1	4
	<b>385</b>	<b>22</b>	<b>4</b>	<b>78</b>	<b>6</b>	<b>-</b>	<b>4</b>	<b>15</b>

	Russell LifePoints® 2035	Russell LifePoints® 2045	Russell LifePoints® 2055	Russell LifePoints® Balanced	Russell LifePoints® Conservative	Russell LifePoints® Growth	Russell LifePoints® Moderate
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Member Fees	2	3	-	34	9	5	2
Transfer Fees	-	-	-	2	-	-	-
Investment Management Fees	3	3	-	27	12	7	4
Administration Management Fees	5	4	-	36	17	10	5
Consulting Fees	4	3	-	31	15	8	5
	<b>14</b>	<b>13</b>	<b>-</b>	<b>130</b>	<b>53</b>	<b>30</b>	<b>16</b>

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.

## AON KIWISAVER SCHEME

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 10. Related Parties (Continued)

##### Investment Management Fee Rebates

In 2019 an estimated provision was booked relating to an investment management fee rebate matter received from the Russell funds from 2014 to 2019. This provision was settled in December 2019 with Aon New Zealand incurring the cost of penalties including the liability for exited members. The total cost incurred by Aon New Zealand was \$513,901. The deduction made from members' accounts and an explanation thereof was communicated to all members in December 2019.

#### 11. Subsequent Events

There were no subsequent events which require additional adjustment or disclosure in the financial statements (2019: Nil).