

# **MARITIME KIWISAVER SCHEME**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2022**

# MARITIME KIWISAVER SCHEME

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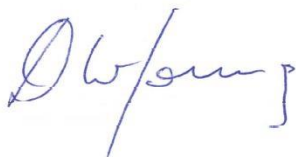
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**Maritime KiwiSaver Scheme**  
**Statement of Net Assets**  
**As at 31 March 2022**  
 (All amounts are in NZD)

	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>Assets</b>			
Investments in the Maritime Retirement Scheme		16,622,148	16,190,401
Tax Receivable		12,317	-
Deferred tax asset		58,062	-
<b>Total Assets</b>		<b>16,692,527</b>	<b>16,190,401</b>
<b>Liabilities</b>			
Benefits Payable		(21,895)	-
Tax Payable		-	(265,196)
<b>Total Liabilities</b>		<b>(21,895)</b>	<b>(265,196)</b>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>		<b>16,670,632</b>	<b>15,925,205</b>
<b>LIABILITY FOR PROMISED RETIREMENT BENEFITS</b>			
<i>Represented by:</i>		16,670,632	15,925,205
		<b>16,670,632</b>	<b>15,925,205</b>

For and on behalf of the Trustees, who authorised the issue of these financial statements on:



27 July 2022

Trustee

Date



27 July 2022

Trustee

Date

**Maritime KiwiSaver Scheme**  
**Statement of Changes in Net Assets**  
**For the year ended 31 March 2022**  
(All amounts are in NZD)

<b>INVESTMENT ACTIVITIES</b>	<b>Note</b>	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
<b>Investment Revenue</b>			
Investment Revenue		287,581	3,288,588
<b>Investment Expenses</b>			
Investment Management Fees		(59,631)	(54,795)
<b>Net Investment Revenue</b>		<b>227,950</b>	<b>3,233,793</b>
<b>Other Expenses</b>			
Scheme Expenses		(45,037)	(44,706)
<b>Change in Net Assets before Membership Activities</b>		<b>182,913</b>	<b>3,189,087</b>
<b>MEMBERSHIP ACTIVITIES</b>			
<b>Contributions</b>			
Members' Contributions		800,949	823,296
Employers' Contributions		447,659	471,902
Member Tax Credits		103,901	103,269
Kiwisaver Transfers In		385,284	127,903
<b>Total Contributions</b>		<b>1,737,793</b>	<b>1,526,369</b>
<b>Benefits Paid</b>			
Kiwisaver Transfers Out		(233,416)	(632,364)
Retirement		(358,664)	(173,954)
First Home Purchase		(118,180)	(19,390)
Partial withdrawals		(205,000)	(319,127)
Hardships		(182,678)	-
Withdrawal		-	(309,169)
Death Benefit		(135,402)	-
<b>Total Benefits Paid</b>		<b>(1,233,340)</b>	<b>(1,454,005)</b>
Members' PIE Tax		58,062	(278,418)
<b>Net Membership Activities</b>		<b>562,515</b>	<b>(206,053)</b>
<b>Net Increase in Net Assets During The Year</b>		<b>745,428</b>	<b>2,983,033</b>
Net Assets Available for Benefits at Beginning of Year		15,925,205	12,942,171
<b>Net Assets Available for Benefits at End of Year</b>		<b>16,670,632</b>	<b>15,925,205</b>

**Maritime KiwiSaver Scheme**  
**Statement of Cash Flows**  
**For the year ended 31 March 2022**  
(All amounts are in NZD)

	Note	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash provided from</i>			
Contributions from Members and Employers		1,248,608	1,295,198
Member Tax Credits		103,901	103,269
Kiwisaver Transfers In		385,284	127,903
		<u>1,737,793</u>	<u>1,526,369</u>
<i>Cash applied to</i>			
Benefits Paid		(978,029)	(807,135)
Transfer Out		(233,416)	(646,869)
Other Expenses		(45,037)	(44,706)
PIE Tax Paid		(265,196)	-
		<u>(1,521,678)</u>	<u>(1,498,710)</u>
<b>Net Cash Flows from Operating Activities</b>	<b>6</b>	<b><u>216,115</u></b>	<b><u>27,659</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Cash provided from</i>			
Sale of Investments		1,521,678	1,498,710
<i>Cash was applied to</i>			
Purchase of Investments		(1,737,793)	(1,526,369)
<b>Net Cash Flows applied to Investing Activities</b>		<b><u>(216,115)</u></b>	<b><u>(27,659)</u></b>
		-	-
<b>Cash at Beginning of Year</b>		-	-
<b>Cash at End of Year</b>		<u>-</u>	<u>-</u>

The notes on pages 4 to 10 are an integral part of these financial statements.

## Maritime KiwiSaver Scheme

### Notes to the Financial Statements For the year ended 31 March 2022

#### 1. Plan Description

The Maritime KiwiSaver Scheme (the "Scheme") is a restricted KiwiSaver scheme registered under the FMCA.

Details of membership as at 31 March 2022 were:

	Defined Contribution	Total
<b>01 April 2021</b>	282	282
New member	13	13
Death	(2)	(2)
Withdrawal/Resignations	0	0
Retirements	(3)	(3)
Transfers Out	(5)	(5)
<b>31 March 2022</b>	285	285

The Fund is a Reporting Entity under the Financial Reporting Act 2013 and is registered under the KiwiSaver Act 2006.

The Scheme is domiciled in New Zealand and the address of their registered office is c/o Melville Jessup Weaver, Level 7, 20 Ballance Street, Wellington 6140. The Administration Manager is Melville Jessup Weaver which is Incorporated and domiciled in New Zealand. The Scheme is one of the members of Maritime Retirement Scheme ("MRS") which is a restricted workspace savings scheme domiciled in New Zealand.

The Trustees of the Fund are:

David Young  
Simon Brodie  
Craig Harrison  
Brodie Stevens  
Ray Welson  
Deepthi Swarnapuri  
Ray Fife  
Carl Findlay  
Russel Mayn  
Walter Rushbrook

#### Funding Arrangements

The Fund receives contributions from members and their participating employers in accordance with the terms of the Trust Deed. Each Member contributes to the Scheme any minimum contribution required by the KiwiSaver Act.

Members can choose to contribute either 3%, 4% or 8% of gross salary or wage. The Employer is required to make the following contributions:

- Waterside members: higher of 3% and such amount (if any) as agreed with the member; and
- Seafarer members: an amount equal to 4% of the member's salary or wages (as defined and in accordance with the KiwiSaver Act).

The Crown makes a Government contribution up to \$10 per week, matching Member contributions during the year up to \$521. Employers were required to deduct Employer Superannuation Contribution Tax ("ESCT").

#### 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 scheme for a period of five years. The retirement benefits are determined by contributions to the Scheme together with investment earnings on these contributions over the period of membership.

#### Termination Terms

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

#### Changes In the Scheme

During the year there were no changes to the Scheme.

## Maritime KiwiSaver Scheme

### Notes to the Financial Statements (Cont'd) For the year ended 31 March 2022

#### 2. Summary of Significant Accounting Policies

##### **Basis of Preparation**

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. 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 also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

##### **Statement of Compliance**

The financial statements comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

##### **Measurement Base**

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

##### **Functional and Presentation Currency**

These financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Scheme operates.

##### **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.

##### **Taxation**

Under the Portfolio Investment Entity ("PIE") regime, income earned by the Scheme is attributed to all Members in accordance with the proportion of their interest in the relevant Investment Portfolio within the Scheme. The income attributed to each Member is taxed at the Member's 'prescribed investor rate'.

##### **Income and Expenses**

Income and Expenses are accounted for on an accruals basis.

##### **Financial Instruments**

Financial assets and financial liabilities are recognised on the Scheme's Statement of Net Assets when the Scheme becomes a party to the contractual provisions of the instrument. The Scheme shall offset financial assets and financial liabilities if the Scheme has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis.

##### **(i) Classification**

Investments at fair value through profit or loss are classified as financial assets at fair value through profit or loss and comprise investments in unlisted unit trusts.

These investments are managed and their performance evaluated on a fair value basis in accordance with the Scheme's documented investment strategy. The Scheme has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income.

Based on the Scheme's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets, the Trustee has determined that all financial assets of the Scheme are classified as fair value through profit or loss with the exception of cash and cash equivalents and trade and other receivables, which are classified as financial assets at amortised cost.

Financial liabilities at amortised cost comprise trade and other payables, and benefits payable. These amounts are unsecured and are usually paid within 30 days from recognition.

##### **(ii) Recognition/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 from this date. Financial assets are derecognised when the right to receive cash flows from the assets have expired or the Scheme has transferred substantially all risks and rewards of ownership. All gains and losses on investments at fair value through profit or loss are recognised in the Statement of Changes in Net Assets.

##### **(iii) Measurement**

###### **(1) Financial assets and liabilities at fair value through profit or loss**

Investments held at fair value through profit or loss are measured initially at fair value excluding any transaction costs. 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.

###### **(2) Financial assets and liabilities at amortised cost**

Financial assets and liabilities at amortised cost are initially recognised at fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset or liability and subsequently measured at amortised cost.

## **Maritime KiwiSaver Scheme**

### **Notes to the Financial Statements (continued) For the year ended 31 March 2022**

#### **2. 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.

##### **Statement of Cash Flows**

The Scheme has no bank account. All member and employer contributions are deposited in a bank account held by Maritime Retirement Scheme ("MRS"). The money is then invested in the MRS. MRS pays the Scheme expenses, and benefits to members, in the first instance and processes redemptions from itself on behalf of the Scheme on a regular basis.

##### **Promised Retirement Benefits**

The liability for promised retirement benefits is the Scheme's present 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 liabilities as at balance date.

##### **Contributions and Benefits**

Contributions are recognised in the Statement of Changes in Net Assets when they become receivable, resulting in a financial asset. Benefits are recognised in the Statement of Changes in Net Assets when they become payable resulting in a financial liability.

##### **Transfers in and transfers out**

Transfers in and transfers out of other schemes are accounted for on an accrual basis.

##### **Critical Accounting Estimates and Judgements**

It is possible to determine the fair values of all financial assets through prices provided by the investment managers. 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 Trustees have to apply their judgement as to what constitutes quoted price in an active market.

##### **Standards and Interpretations Issued and Adopted During the Year.**

During the year there were no changes in accounting policies.



## Maritime KiwiSaver Scheme

### Notes to the Financial Statements (Cont'd) For the year ended 31 March 2022

#### 3. Accounting for Investments, Income and Expenses

The Scheme solely invests into and is a member of the Maritime Retirement Scheme. The Scheme offers three investment options, the Growth portfolio, the Balanced portfolio and the Conservative portfolio. The Scheme does not prepare financial statements at the investment choice level as the liabilities of the individual investment choices are not exclusive to the assets of each investment choice. Therefore assets of one investment choice could be used to meet the liabilities of another.

The Scheme's gain/(losses) is based on the return declared by the Maritime Retirement Scheme. The investment holdings of the Scheme are a result of the contributions received and units redeemed on investments within the Maritime Retirement Scheme in addition to the gains/(losses) received on these investments.

All expenses are jointly incurred with the Maritime Retirement Scheme.

#### 4. Liability for Promised Retirement Benefits

##### Changes in promised retirement benefits as at 31 March 2022:

	<b>Member Account</b>	<b>Employer Account</b>	<b>Total 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance 1 April 2021	10,796,806	5,128,399	15,925,205
Contributions	1,290,134	447,659	1,737,793
Withdrawals	(774,820)	(458,520)	(1,233,340)
Net Income Allocated	137,953	103,022	240,975
Balance 31 March 2022	<u>11,450,072</u>	<u>5,220,560</u>	<u>16,670,632</u>

##### Changes in promised retirement benefits as at 31 March 2021:

	<b>Member Account</b>	<b>Employer Account</b>	<b>Total 2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance 1 April 2020	8,805,343	4,136,828	12,942,171
Contributions	1,029,877	496,492	1,526,369
Withdrawals	(1,020,433)	(433,572)	(1,454,005)
Net Income Allocated	1,982,019	928,651	2,910,670
Balance 31 March 2021	<u>10,796,806</u>	<u>5,128,399</u>	<u>15,925,205</u>

##### Guaranteed Benefits Available for Benefits

No guarantees have been made in respect of any part of the liability for promised benefits. (2021: Nil).

#### 5. 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.

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
	<u>16,670,632</u>	<u>15,925,205</u>

## Maritime KiwiSaver Scheme

### Notes to the Financial Statements (Cont'd) For the year ended 31 March 2022

#### 6. Reconciliation of Net Cash Flows from Operating Activities to Change in Net Assets

	2022	2021
	\$	\$
Increase/(Decrease) in Net Assets	745,428	2,983,033
<b>Non-cash Items</b>		
Investment (Revenue)/Losses	(287,581)	(3,288,588)
Investment Management Fees	59,631	54,795
<b>Movements in Other Working Capital Items</b>		
(Increase)/Decrease in Deferred Tax	(58,062)	13,222
Increase in Benefits Payable	21,895	-
Decrease in Tax Payable	(265,196)	265,196
<b>Net Cash Flows from Operating Activities</b>	<u>216,115</u>	<u>27,659</u>

#### 7. Financial Risk Management

The Maritime KiwiSaver Scheme invests solely into and is a member of the Maritime Retirement Scheme.

The Trustees have approved a Statement of Investment Policies and Objectives which establishes investment portfolio objectives and target asset allocations. Performance against these targets is reviewed at least quarterly by the Trustees and asset reallocations undertaken as required.

The Trustees invite investment managers to each Trustee meeting to discuss performance and risk.

#### Financial Instruments by Category

	As at 31 March 2022		As at 31 March 2021	
	Financial Assets at Amortised Cost	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Amortised Cost	Financial Assets at Fair Value Through Profit or Loss
	\$	\$	\$	\$
Assets as per Statement of Net Assets				
Investments at Fair Value through Profit or Loss	-	16,622,148	-	16,190,401
Total	<u>-</u>	<u>16,622,148</u>	<u>-</u>	<u>16,190,401</u>
	Financial Liabilities at Amortised Cost	Financial Liabilities at Fair Value Through Profit or Loss	Financial Liabilities at Amortised Cost	Financial Liabilities at Fair Value Through Profit or Loss
Liabilities as per Statement of Net Assets				
Benefit Payables	21,895	-	-	-
Other Payables	-	-	-	-
Total	<u>21,895</u>	<u>-</u>	<u>-</u>	<u>-</u>

#### 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. The Scheme is exposed directly and indirectly to credit risk through its investments in the Maritime Retirement Scheme.

The Trustees manage and monitor credit risk by setting benchmark asset allocations and appointing investment managers to manage each asset class, thereby diversifying the Scheme's assets. The Trustees, with advice of Melville Jessup Weaver, perform due diligence of all investment managers before appointment.

#### 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: other price risk, currency risk and interest rate risk.

The Scheme is exposed directly and indirectly to foreign exchange risk and interest rate risk through its investments in the Maritime Retirement Scheme. The Scheme is exposed directly and indirectly to other price risks through its investments in the Maritime Retirement Scheme.

Risk management activities are undertaken by the Trustees to manage the market risks outlined below (i.e. Other Price Risk, Currency Risk, and Interest Rate Risk). The Trustees use the services of Melville Jessup Weaver to actively manage the cashflow according to benchmark asset allocations. The Trustees review the overall asset allocation and decide on rebalancing at certain Trustee meetings.

## Maritime KiwiSaver Scheme

### Notes to the Financial Statements (Cont'd) For the year ended 31 March 2022

#### 7. Financial Risk Management (Cont'd)

##### Other Price Risk

Other price risk is the risk that the value of the Scheme's investments will increase/decrease due to a change in the prices of the Scheme's investments in the Maritime Retirement Scheme.

A 10 percent (2021: 13) decrease in the value of the Scheme's investments would have an adverse impact on the value of the Scheme's assets of \$1,669,253. Conversely, a 10 percent (2021: 13) increase in the value of the Scheme's investments would have a positive impact on the value of the Scheme's assets of \$1,669,253. The maximum exposure to other price risk is the carrying value of these financial instruments.

##### Interest Rate Risk

The Scheme is indirectly exposed to interest rate risk in that future interest rate movements will indirectly affect the valuation of investments in unutilised products which invest in cash and fixed interest investments. There is no maturity period for unutilised investments.

##### Liquidity Risk

Liquidity risk is the risk that the Scheme will encounter difficulty in raising funds to meet its obligations to pay Members. Due to the nature of a KiwiSaver Scheme, it is unlikely that a significant number of members would exit at the same time. In ordinary circumstances the investment in the Maritime Retirement Scheme is readily redeemable.

#### 8. 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.

The Scheme classifies fair value measurements of financial instruments at fair value through profit or loss 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 invests solely into the Maritime Retirement Scheme. Given their investments are in investments where the fair value is determined using observable market inputs, the total investment in the Scheme has been allocated as Level 2 fair value measurement.

##### 31 March 2022

Assets	Level 1 \$	Level 2 \$	Level 3 \$	Total Balance \$
Financial assets designated at fair value through profit or loss	-	16,622,148	-	16,622,148
<b>Total Assets</b>	<b>-</b>	<b>16,622,148</b>	<b>-</b>	<b>16,622,148</b>

##### 31 March 2021

Assets	Level 1 \$	Level 2 \$	Level 3 \$	Total Balance \$
Financial assets designated at fair value through profit or loss	-	16,190,401	-	16,190,401
<b>Total Assets</b>	<b>-</b>	<b>16,190,401</b>	<b>-</b>	<b>16,190,401</b>

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

Audit and tax advisory services for the Scheme during the year were undertaken by Deloitte Limited. Auditor's fees consisted of the audit of the financial statements to the amount of \$10,750 and the audit of the Register to the amount of \$2,358. Taxation advisory services were provided as combined service and the fees paid to adviser amounted to \$1,955.

#### 10. Related Parties

The Scheme holds no investments in any of the employer companies or any of its related parties and during the period had no related party transactions, except for employer contributions of \$447,659.

The Scheme is a member of and invests through the Maritime Retirement Scheme. The Scheme invests in the Maritime Retirement Scheme and the investment balance of \$16,622,148 represents the value of the KiwiSaver member account at year-end. The Maritime Retirement Scheme pays secretarial fees to the Trustee, trustee liability insurance and reimburses the Trustees' costs for travelling, etc. During the year, the Trustee fees were \$88,286 (2021: \$84,940). Trustee fees have been proportionally allocated to Maritime KiwiSaver Scheme and included in Scheme's expenses.

During the year the Scheme paid \$2,710 (2021: \$2,272) in premiums for trustee liability insurance.

**Maritime KiwiSaver Scheme**

**Notes to the Financial Statements (Cont'd)  
For the year ended 31 March 2022**

**11. Events after Balance date**

There were no events after balance date.

## Independent Auditor's Report

### To the Members of Maritime KiwiSaver Scheme

#### Opinion

We have audited the financial statements of Maritime KiwiSaver Scheme (the 'Scheme'), which comprise the statement of net assets as at 31 March 2022, and the statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, on pages 1 to 10, present fairly, in all material respects, the financial position of the Scheme as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and International Financial Reporting Standards ('IFRS').

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

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 Scheme in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor and the provision of taxation advice, we have no relationship with or interests in the Scheme. These services have not impaired our independence as auditor of the Scheme.

#### Key audit matters

We have determined that there are no key audit matters to communicate in our report.

#### Other information

The Trustees are responsible on behalf of the Scheme for the other information. The other information comprises the information in the Annual Report that accompanies the financial statements and the audit report. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

Our responsibility is to read the other information identified above when it becomes available and consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information in the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Trustees and consider further appropriate actions.

#### Trustee's responsibilities for the financial statements

The Trustees are responsible on behalf of the Scheme for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Scheme for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are 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 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 and ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 the financial statements is located on the External Reporting Board's website at:

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

This description forms part of our auditor's report.

**Restriction on use**

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

*Deloitte Limited*

**Hamish Anton, Partner**  
for Deloitte Limited  
Wellington, New Zealand  
27 July 2022