
Craigs KiwiSaver Scheme

Financial Statements

For the year ended 31 March 2025

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Contents

Statement of changes in net assets	2
Statement of net assets	3
Statement of cash flows	4
Notes to the financial statements	5 - 13
Independent Auditor's Report	14 - 16

Craigs KiwiSaver Scheme
Statement of changes in net assets
For the year ended 31 March 2025

	Note	2025 \$	2024 \$
INVESTMENT ACTIVITIES			
Investment income			
Dividend income		4,296,816	3,938,428
Interest income		802,706	778,615
Net foreign exchange gain (excluding investment assets)		2,103,253	1,532,144
Net changes in fair value of investment assets		53,664,302	87,883,858
Net investment income		60,867,077	94,133,045
Expenses			
Brokerage fees	10(b)	1,283,250	910,676
Management fees	10(c)	4,446,884	3,630,943
Administration fees	10(d)	208,612	199,051
Audit of financial statements	10(e)	10,980	10,661
Other assurance engagement - share register assurance	10(e)	3,253	3,159
Other operating expenses	10(e)	26,992	14,174
Total expenses		5,979,971	4,768,664
Net profit before membership activities		54,887,106	89,364,381
Taxation expense	4	5,419,962	4,112,081
Net profit before membership activities after tax		49,467,144	85,252,300
MEMBERSHIP ACTIVITIES			
Contributions received from members			
Member contributions		29,427,884	26,262,828
Employer contributions		13,229,370	12,050,570
Government contributions		2,831,284	2,744,585
Transfers from other schemes		58,879,372	28,592,046
Total contributions		104,367,910	69,650,029
Payments to members			
Withdrawals		21,293,074	18,164,696
First home		4,608,746	3,213,864
Emigration		736,234	349,509
Hardship claims		808,411	553,430
Invalid enrolment		3,152	7,676
Transfers to other schemes		27,150,362	12,877,571
Serious illness		1,333,999	150,148
Deaths		218,446	1,356,398
Court order		602,374	744,225
Total payments		56,754,798	37,417,517
Net membership activities		47,613,112	32,232,512
Net increase in net assets during the period		97,080,256	117,484,812
Net assets available for benefits at the beginning of the period		623,127,317	505,642,505
Net assets available for benefits at the end of the period		720,207,573	623,127,317



Craigs KiwiSaver Scheme
Statement of net assets
As at 31 March 2025

	Note	2025 \$	2024 \$
Assets			
Cash and cash equivalents	5	18,884,410	14,127,355
Accounts receivables	3	1,189	3,099
Investment assets	6	705,665,493	612,389,826
Total assets		724,551,092	626,520,280
Liabilities			
Related party payable	10	726,323	639,047
Other payable		176,444	622
Taxation payable		3,440,752	2,753,294
Total liabilities		4,343,519	3,392,963
Net assets available for benefits		720,207,573	623,127,317
Members' funds		720,207,573	623,127,317

On behalf of Craigs Investment Partners Superannuation Management Limited who authorised the issue of these financial statements on 27 June 2025



Ken Phillip
 Director
 27 June 2025



Kylie Boyd
 Director
 27 June 2025



Craigs KiwiSaver Scheme
Statement of cash flows
For the year ended 31 March 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Dividends and/or distributions received		4,296,816	3,938,428
Interest received		802,706	778,615
Sales of investment assets		111,863,901	73,261,909
Purchases of investment assets		(151,475,266)	(105,699,369)
Income tax paid		(4,732,504)	(2,826,077)
Brokerage fees paid		(1,278,088)	(821,500)
Management fees paid		(4,362,209)	(3,402,729)
Administration fees paid		(198,557)	(195,340)
Other operating expenses paid		123,891	(199,929)
Net cash flows from operating activities	7	<u>(44,959,310)</u>	<u>(35,165,992)</u>
Cash flows from financing activities			
Proceeds from contributions by members		104,367,910	69,650,029
Payments for withdrawals by members		(56,754,798)	(37,417,517)
Net cash flows from financing activities		<u>47,613,112</u>	<u>32,232,512</u>
Net increase/(decrease) in cash and cash equivalents		2,653,802	(2,933,480)
Opening cash and cash equivalents at the beginning of the period		14,127,355	15,528,691
Effect of exchange rate fluctuations on cash held		2,103,253	1,532,144
Closing cash and cash equivalents at the end of the period	5	<u>18,884,410</u>	<u>14,127,355</u>



1 General Information

(a) Reporting Entity

These financial statements are for the Craigs KiwiSaver Scheme (the "Scheme").

The Scheme was originally established under an umbrella Trust Deed dated 18 December 2006 with subsequent amendments. This Trust Deed was rescinded on 21 September 2012 and immediately replaced with a new Trust Deed dated 21 September 2012 which was since amended on 15 November 2016. The Scheme is a defined contribution scheme. The Scheme invests in a variety of equities and listed and unlisted unit trusts in order to gain direct and indirect exposure to cash, bonds, equity and property markets.

The Scheme is registered under the KiwiSaver Act 2006 under the registration number KSS/10054. The financial statements have been prepared in accordance with the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

The retirement benefits are determined by contributions to the Scheme together with investment earnings on these contributions over the period of the membership.

The product disclosure statement was registered with the Disclose Register on 11 October 2024.

The investment and administration activities of the Scheme are managed by Craigs Investment Partners Superannuation Management Limited (the "Manager").

The New Zealand Guardian Trust Company Limited (the "Supervisor") is licenced under the Financial Markets Supervisors Act 2011. The Supervisor has appointed Citibank N.A. as custodian for certain assets.

The registered office of the Manager of the Scheme is 158 Cameron Road, Tauranga, New Zealand. The Scheme is domiciled in New Zealand.

(b) Statement of compliance

The financial statements have been prepared by the Manager in accordance with the Trust Deed, the Financial Reporting Act 2013, the Financial Markets Conduct Act 2013, the KiwiSaver Act 2006 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 also comply with International Financial Reporting Standards ("IFRS").

The Financial Statements have incorporated the requirements of NZ IAS 26: Accounting and Reporting by Retirement Benefit Plans, with the provisions of relevant legislative requirements.

The financial statements are prepared for the year ended 31 March 2025.

The financial statements were authorised for issue by the directors of the Manager on 27 June 2025.

(c) Basis of preparation

The financial statements are presented in New Zealand dollars, which is the Scheme's functional currency. All values are rounded to the nearest dollar.

Except where noted in specific accounting policies below, the financial statements are prepared on a fair value basis.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The fair value of investments has been estimated in accordance with the policies set out in Note 2. There are no other significant estimates and judgements in preparing these financial statements.

Accounting policies have been applied consistently across all the financial periods presented in these financial statements.



1 General Information (continued)

(d) Funding Policy

Contributions to the Scheme are made in accordance with the requirements of the KiwiSaver Act 2006.

The Scheme primarily receives funding from Member contributions, Members' employers and the New Zealand Government via the Inland Revenue. During both periods reported, these contributions have been made at the following rates:

- Member contributions: 3%, 4%, 6%, 8% or 10% of employee's pre-tax salary or wages;
- Employer contributions: required to contribute 3% of an employee's pre-tax salary or wages to the extent these contributions are matched by the employee; and
- Self-employed and non-waged Members: voluntary contributions.

If the Member is eligible, the New Zealand Government will pay 50 cents for every dollar of Member contributions annually up to a maximum of \$521.43.

(e) New Standards and pronouncements relevant to the Scheme

NZ IFRS 18 Presentation and Disclosure in Financial Statements

This standard introduces new requirements for the presentation and disclosure of information in financial statements, with a focus on updates to the Statement of changes in net assets. It supersedes NZ IAS 1 Presentation of Financial Statements and is intended to improve comparability and transparency in performance reporting. The standard is effective for reporting periods beginning on or after 1 January 2027 and will also apply to comparative information. The Manager is currently assessing the impact of this new standard on the Scheme's financial statements. It is likely there will be changes to the presentation of information in the Statement of changes in net assets and some additional disclosures will be required, but the recognition and measurement of income and expenses will not be impacted.

2 Material accounting policies

(a) Investments

The fund classifies its investment assets as financial assets at fair value through profit or loss. These financial assets are recognised on the date that the Scheme becomes party to the contractual agreement (trade date).

(i) Recognition and derecognition

Investment assets are recognised on the date that the Scheme becomes party to the contractual agreement (trade date). Investment assets are derecognised when the contractual rights to the cash flows expire, or the Scheme has transferred substantially all risks and rewards of ownership.

(ii) Measurement

The Scheme measures its investment assets on a fair value basis, and carries them at their fair value, with changes recognised in the statement of changes in net assets. Investment assets are designated as fair value through profit or loss on initial recognition. The fair value of investments is based on their quoted market prices at the reporting date using last trade prices.

Investments in unlisted unit trusts are recorded at the redemption value per unit as reported by the managers of such funds.

(b) Other financial assets and financial liabilities

Other financial assets and financial liabilities, including cash and cash equivalents, receivables, and payables, are initially recognised at fair value and subsequently carried at their amortised cost using the effective interest rate method. Their carrying value closely approximates their fair value.

For cash flow statement presentation purposes, cash and cash equivalents comprise current accounts with banks, members' funds held by the Supervisor, demand deposits and bank overdrafts (if any). Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(c) Foreign currency transactions

Investments and other monetary assets and liabilities denominated in foreign currencies are translated to New Zealand dollars at the exchange rate ruling at the reporting date. Transactions in foreign currencies are recorded at the exchange rate ruling on the day. Foreign exchange gains and losses on investment assets are recognised together with other net changes in the fair value of investment assets in the statement of changes in net assets.

2 Significant accounting policies (continued)

(d) Investment income

Interest income is recognised in the statement of changes in net assets as it accrues, using the original effective interest rate of the instrument calculated at the acquisition or origination date. Income distributions from unit trusts are recognised in the statement of changes in net assets as dividend income on an entitlement basis. Dividends are recognised upon the securities applicable ex-date. Net changes in fair value of investment assets are recognised immediately in the statement of changes in net assets.

(e) Expenses

Expenses are recognised on an accrual basis.

(f) Net assets available for benefits

The net assets available for benefits is the Scheme's present obligation to pay benefits to members and has been calculated as the difference between the fair value of the assets and the fair value of the liabilities as at balance date.

Members' interests provide members with the right to require redemption for cash at the value equal to the members' share in the Scheme's net assets. These units are puttable instruments and are classified as equity as they meet all of the following criteria: (i) members are entitled to their share of the Scheme's net assets in the event of the Scheme's liquidation, (ii) apart from the contractual obligation of the issuer to redeem the instrument for cash or another financial asset, the instrument does not include contractual obligations to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under potentially unfavourable conditions to the entity and (iii) the total expected cash flows attributable to the instrument over its life is based substantially on the profit or loss and changes in the recognised net assets or the change in fair value of the recognised and unrecognised net assets of the entity over the life of the instrument.

As members' contributions are received, they are held in trust by the Supervisor until the next trading day when they are transferred into the Scheme.

(g) Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of changes in net assets except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

The Scheme is not registered for GST. The statement of changes in net assets and the statement of cash flows have been prepared so that all components are stated inclusive of GST. All items in the statement of net assets are stated inclusive of GST.

3 Accounts receivable

	Note	2025 \$	2024 \$
Related party receivable	10(g)	1,189	3,099
		<u>1,189</u>	<u>3,099</u>



4 Taxation Expense

	2025	2024
	\$	\$
Reconciliation of tax expense		
Profit for the period before taxation	54,887,106	89,364,381
Income tax using the Scheme's tax rate of 28%	15,368,390	25,022,027
Non assessable (gains)/losses on investment assets	(8,595,115)	(19,642,602)
Foreign tax credits	(665,729)	(602,764)
Imputation credits	(687,584)	(664,580)
Taxation expense	<u>5,419,962</u>	<u>4,112,081</u>
Represented by:		
Current taxation	<u>5,419,962</u>	<u>4,112,081</u>
	5,419,962	4,112,081

Unrecognised deferred tax asset

There are no unrecognised deferred tax assets (2024: \$Nil).

5 Cash and cash equivalents

	2025	2024
	\$	\$
NZD cash at bank	13,933,115	10,030,736
AUD call account	1,299,129	1,359,538
GBP call account	657,387	729,175
USD call account	2,994,779	2,007,906
Total cash and cash equivalents	<u>18,884,410</u>	<u>14,127,355</u>

6 Investment assets

	2025	2024
	\$	\$
NZ equities	53,363,271	51,149,828
Australian equities	27,347,238	28,516,769
Other international equities	193,245,043	165,261,021
NZ unlisted unit trusts	431,709,941	367,462,208
Total investment assets	<u>705,665,493</u>	<u>612,389,826</u>

The following investments were greater than 5% of the net assets available for benefits by the funds at 31 March 2025:

NZ unlisted unit trusts – QuayStreet Growth Fund	167,157,303	140,287,780
	23.69%	22.51%
NZ unlisted unit trusts – QuayStreet Balanced Fund	79,320,204	72,479,397
	11.24%	11.63%

Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Fair value of listed equities are based on the last quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Fair value of unlisted unit trusts are based on valuation reports received from the investment managers. The unit trusts invest in listed equity and debt instruments and the investment managers calculate the fair value of the Scheme's investment based on the quoted prices of these investments.
- **Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).
There are no level 3 instruments.



6 Investment assets (continued)

Fair value hierarchy (continued)

31 March 2025	Level 1	Level 2	Level 3	Total
Financial assets designated at fair value through profit or loss:				
Listed equities	273,955,552	-	-	273,955,552
Unlisted unit trusts	-	431,709,941	-	431,709,941
Total	273,955,552	431,709,941	-	705,665,493

31 March 2024	Level 1	Level 2	Level 3	Total
Financial assets designated at fair value through profit or loss:				
Listed equities	244,927,618	-	-	244,927,618
Unlisted unit trusts	-	367,462,208	-	367,462,208
Total	244,927,618	367,462,208	-	612,389,826

7 Reconciliation of net profit to net cash flows from operating activities

	2025	2024
	\$	\$
Net profit before membership activities after tax	49,467,144	85,252,300
Non-cash items:		
Change in fair value including foreign exchange	(29,652,703)	(78,676,378)
Movement in operating balances:		
Accounts payable and accruals	263,098	145,282
Accounts receivable	1,910	3,885
Taxation payable	687,458	1,286,004
Investment assets	(65,726,217)	(43,177,085)
Net cash flows from operating activities	(44,959,310)	(35,165,992)

8 Financial risk management

The Scheme's investment portfolio consists of investments in listed and unlisted unit trusts, equity securities and cash that it intends to hold for an indefinite period of time. Through the holding of these investments, the Scheme is exposed directly and also indirectly to a variety of financial risks including credit, foreign exchange, interest rate, market price and liquidity risks. The risk management policies employed by the Scheme are discussed in the notes below.

Financial instruments of the Scheme comprise of investments in financial assets for the purpose of generating a return on investment made by members. In addition, the Scheme may have financial assets and liabilities in the form of cash and cash equivalents, receivables, and accounts payable and accrued expenses, which arise directly from its daily operations.

The Trust Deed requires the Manager to invest the Scheme's assets in accordance with relevant investment mandates. Asset allocation is determined by the Manager who manages the distribution of assets to achieve investment objectives. Divergence from target allocations and the composition of the portfolio is monitored by the Manager on a daily basis. The Manager reports on asset allocations to the Supervisor on a monthly basis.

(a) Credit risk

Credit risk is the risk that the Scheme will incur a financial loss if a counterparty will fail to perform contractual obligations, either in whole or in part, under a contract. Financial instruments which potentially expose the Scheme to credit risk consist of cash, receivables and indirectly, investments in managed funds which invest in cash and fixed interest investments. The maximum exposure to credit risk is carrying value of these financial instruments.

Where the Scheme invests in unit trusts, the investment strategies of these unit trusts ensure an appropriate diversification of investments so that the Scheme indirectly has no significant concentrations of counterparty or credit risk.

Cash and cash equivalents were held with ANZ Bank New Zealand Limited. The credit rating of ANZ Bank New Zealand Limited is AA- according to Standard & Poors.

The credit risk disclosures have been prepared on the basis of the Scheme's direct investments and not on a look through basis for investments held indirectly through unit trusts. Consequently, the disclosure of credit risk in the notes does not fully represent the true credit risk profile of the Scheme.



8 Financial risk management (continued)

(b) Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Scheme is directly exposed to foreign exchange risk as a result of its investments in foreign currencies and securities listed on foreign exchanges.

The Scheme is indirectly exposed to foreign exchange risk as a result of investments in unit trusts, which in turn invest in financial instruments denominated in foreign currencies.

The foreign exchange risk disclosures have been prepared on the basis of the Scheme's direct investments and not on a look through basis for investments held indirectly through unit trusts. As noted above, the Scheme's direct exposures are currently limited to their direct investment in international equity securities and cash held in foreign currencies. Consequently, the disclosure of foreign currency risk does not fully describe the true currency risk profile of the Scheme where the Scheme has significant investments in unit trusts, which also have exposure to the foreign currency markets.

In accordance with the Scheme's investment policy, the Manager monitors the Scheme's currency position on a regular basis through reviewing the Scheme's indirect foreign currency exposure.

The table below indicates the currencies to which the Scheme had significant exposure as at the end of the period. The table shows the effect of a reasonably possible decrease in the foreign currency rate against the New Zealand Dollar on the statement of changes in net assets.

	Decrease against NZ (\$)	2025	2024
Decrease in foreign investments against the New Zealand Dollar:		\$	\$
Australian Dollar	5%	1,432,318	1,493,815
Great British Pound	5%	1,712,241	1,624,818
US Dollar	5%	8,132,619	6,775,088

(c) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The Scheme's interest-bearing financial assets expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows.

Except for cash and cash equivalents, the majority of the Scheme's financial assets and liabilities are non-interest bearing. As a result, the Scheme is not directly subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

Cash and cash equivalents are held in a call account and receive the prevailing bank interest rate on credit balances. The weighted average interest rate on cash and cash equivalents for the year ended 31 March 2025 was 4.74% (2024: 5.22%).

The interest rate risk disclosures have been prepared on the basis of the Scheme's direct investments and not on a look through basis for investments held in unit trusts. Consequently, the disclosure of interest rate risk in the notes does not fully represent the true interest rate risk profile of the Scheme.

The following table demonstrates the sensitivity of the Scheme's statement of changes in net assets and decrease in the net asset value of the Scheme to a reasonably possible change in interest rates, with all other variables held constant. The sensitivity of the statement of changes in net assets is the effect of the assumed changes in interest rates on changes in fair value of investments, based on revaluing the floating rate financial assets at 31 March:

	Decrease in interest rate %	2025	2024
Loss of interest income for one year based on floating rate financial assets	1%	\$ 169,347	\$ 125,179



8 Financial risk management (continued)

(d) Liquidity risk

Liquidity risk is the risk that the Scheme will encounter difficulty in meeting obligations associated with financial liabilities. The Scheme is exposed to daily cash redemptions of members' funds, subject to the restrictions imposed by the KiwiSaver Act 2006. Accordingly, all material investments are readily convertible to cash in normal market conditions. Investments in unit trusts are redeemable on demand. The redemption amount is set at the net tangible asset value of each unit, which is set regularly.

Accounts payable have no contractual maturity date but are typically settled within 30 days or within the timeframe as set out in the Trust Deed.

In accordance with the Scheme's investment policy, the Manager monitors the Scheme's liquidity position through the regular review of cash flow information, which highlights current and estimated future levels of redemptions.

The Scheme remains appropriately liquid, having considered the liquidity of the underlying investments and level of potential withdrawals.

(e) Market price risk

Market price risk is the risk that the value of the Scheme's investment portfolio will fluctuate as a result of changes in market prices.

Of the investments in unlisted unit trusts that the Scheme holds, the majority are managed by a third party. These unit trusts invest in financial instruments, taking positions in traded and over-the-counter instruments to take advantage of short-term market movements in the bond, equity, and property markets.

All securities held within these unit trusts present a risk of loss of capital. The Manager of these unit trusts moderates this risk through careful selection of securities and other financial instruments within specific limits.

Market price risk is managed directly by the Manager by ensuring that all activities are transacted in accordance with relevant investment mandates, overall investment strategy and within approved limits. The Manager monitors the overall market positions of the Scheme and underlying unit trusts on a regular basis.

The following table demonstrates the sensitivity of the Scheme's statement of changes in net assets and decrease in the net asset value of the Scheme to a reasonably possible change in the prices of the underlying listed equity securities or unit trusts, with all other variables held constant. The sensitivity of the statement of changes in net assets is the effect of the assumed changes in the prices of the underlying listed equity securities or unit trusts on changes in fair value of investments at 31 March:

	Decrease in price %	2025	2024
		\$	\$
Decrease in fair value of investments	5%	35,283,275	30,619,491

9 Members' funds

The Scheme's capital is represented by members' funds. The Scheme's objectives when managing capital are to provide returns for members through both capital growth and income. The Scheme does this by investing in accordance with its investment policy. Investment decisions are guided by the respective mandate included in the governing and offer documents, including the Statement of Investment Policy & Objectives.

The Scheme strives to invest the members' funds in investments that meet the Scheme's objectives while maintaining sufficient liquidity to meet members' redemptions.

The Scheme does not have any externally imposed capital requirements. Members' funds may be redeemed on dates as the Manager shall from time to time determine, subject to any restrictions imposed by the KiwiSaver Act 2006.

Expected cash outflow cannot be reliably estimated given that historical redemption rates are not representative of future redemption rates due to the superannuation nature of the Scheme.



10 Related party transactions

(a) Nature of Relationships

The investment and administration activities of the Scheme are managed by Craigs Investment Partners Superannuation Management Limited.

The Scheme undertook the following transactions with related parties during the year:

	Note	Actual		Outstanding	
		2025	2024	2025	2024
		\$	\$	\$	\$
Brokerage fees	10(b)	1,283,250	910,676	128,102	122,940
Management fees	10(c)	4,446,884	3,630,943	422,725	342,877
Administration Fees	10(d)	208,612	199,051	105,807	100,579
Audit of financial statements	10(e)	10,980	10,661	8,673	10,661
Other assurance engagement - share register assurance	10(e)	3,253	3,159	2,569	3,159
Other expenses	10(e)	26,992	14,174	5,804	5,528
House positions - cash and securities	10(f)	-	-	52,643	53,303
		<u>5,979,971</u>	<u>4,768,664</u>	<u>726,323</u>	<u>639,047</u>

(b) Brokerage fees

Craigs Investment Partners Limited, parent company of the Manager, effects trades on behalf of the Scheme and collects brokerage. For the period ended 31 March 2025 the brokerage fees amounted to \$1,283,250 (2024: \$910,676).

As at 31 March 2025 \$128,102 was payable to the Manager (2024: \$122,940).

(c) Management fees

Under the terms of the Trust Deed, the Manager is entitled to receive management fees of up to 1.25% of the value of all member accounts per annum of the gross asset value of the Scheme, determined upon each valuation day.

Fees paid directly for the period are disclosed in the statement of changes in net assets as \$4,446,884 (2024: \$3,630,943).

As at 31 March 2025 \$422,725 was recognised as payable to the Manager in the statement of net assets (2024: \$342,877).

The management fees received are inclusive of the supervisor fee and Citibank N.A fee of \$337,703 (2024: \$378,570).

(d) Administration fees

Under the terms of the Trust Deed, the Manager is entitled to receive administration fees of up to \$30 per annum, per member.

Administration fees are disclosed in the statement of changes in net assets as \$208,612 (2024: \$199,051) and are shown net of any rebates. As at 31 March 2025 \$105,807 was recognised as payable to the Manager in the statement of net assets (2024: \$100,579).

(e) Reimbursement of expenses

Under the terms of the Trust Deed, the Manager and the Supervisor are entitled to be reimbursed for expenses such as audit fees. For the year ended 31 March 2025 these were \$14,233 (2024: \$13,820).

As at 31 March 2025, \$11,242 remained outstanding (2024: \$13,820).

Other expenses have been charged to the Scheme. For the year ended 2025 this was \$26,992 (2024: \$14,174).

As at 31 March 2025, \$5,804 remained outstanding (2024: \$5,528).

(f) House positions - cash and securities

The Scheme holds cash and securities on behalf of the Manager to facilitate the purchase and sale of investments. Clients are able to transact in fractional units of shares; however, as fractional shares cannot be directly traded in the market, the Scheme transacts in whole shares on behalf of clients. The Scheme either buys or sells the residual portion of shares resulting from client transactions to ensure that all trades are executed in whole units.

As at 31 March 2025, the balance was \$52,643 (2024: \$53,303).

(g) Related party receivable

The Manager reimburses the Scheme for bank charges. For the year ended 31 March 2025 this was \$16,193 (2024: \$18,906).

As at 31 March 2025, \$1,189 remained outstanding (2024: \$3,099).



10 Related party transactions (continued)

(h) Directors' interests

Directors and key management personnel of the Manager, Craigs Investments Partners Superannuation Management Limited, along with their families and other prescribed interests have \$5,798,627 investment holdings in the Scheme as at 31 March 2025 (2024: \$3,464,202). There have been \$1,589,125 contributions to (2024: \$396,167) and no withdrawals (2024: \$Nil) from the Scheme. The residual movement relates to investment returns.

11 Subsequent events

No significant events have occurred since the end of the reporting period which would impact on the statement of net assets as at 31 March 2025 or on the results and cash flows of the Scheme for the year ended on that date.



Independent Auditor's Report

To the members of Craigs KiwiSaver Scheme

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements which comprise:

- the statement of net assets as at 31 March 2025;
- the statements of changes in net assets and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements of Craigs KiwiSaver Scheme (the **Scheme**) on pages 2 to 13 present fairly in all material respects the Scheme's financial position as at 31 March 2025 and its financial performance and cash flows for the year ended on that date in accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

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 Craigs KiwiSaver 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) (**IESBA Code**), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standards 1 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 provided other services to the Scheme in relation to registry assurance services. Subject to certain restrictions, partners and employees of our firm may also deal with the Scheme on normal terms within the ordinary course of trading activities of the business of the Scheme. These matters have not impaired our independence as auditor of the Scheme. The firm has no other relationship with, or interest in, the Scheme.

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 the members of Craigs KiwiSaver Scheme 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 audit opinion on the financial statements as a whole and we do not express discrete opinions on separate elements of the financial statements.

The key audit matter

How the matter was addressed in our audit

Existence and Valuation of Investments

As disclosed in Note 6 of the Financial Statements, the Scheme has investment assets of \$706 million.

Investments are the Scheme's main assets, and existence and valuation of these investments is the most important aspect of preparing the financial statements. As described in Note 6, the Schemes' investments comprise liquid investments including:

- Listed equities; and
- Unlisted unit trusts.

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.

Our audit procedures included:

- Obtaining an understanding of the processes in place to record investment transactions including how the portfolios are valued;
- Obtained controls reports for the custodian and registry service providers to assess the design, implementation and operation of the relevant controls in place;
- Performed roll forward procedures to recalculate the realised/unrealised gains on investment for the year ended 31 March 2025.
- Agreeing the number of units held to extremal confirmations for both listed and unlisted investments;
- Engaging our valuation specialists to assess the fair value of all listed investments;
- For unlisted unit trusts, agreeing valuation to external confirmation from the respective Fund managers;
- We have considered the presentation and application of the fair value hierarchy assigned to each investment and the appropriateness of the valuation information available.

We did not identify any material differences from our procedures.



Use of this independent auditor's report

This independent auditor's report is made solely to the members of Craigs KiwiSaver Scheme. Our audit work has been undertaken so that we might state to the members of Craigs KiwiSaver Scheme 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, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the members of Craigs KiwiSaver Scheme for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of Manager for the financial statements

The Manager, on behalf of the Scheme, are responsible for:

- the preparation and fair presentation of the financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability of the Scheme 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 it 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 the financial statements.

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

<https://www.xrb.govt.nz/standards/assurance-standards/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 Kay Baldock.

For and on behalf of:

KPMG

Auckland

30 June 2025