

Milford KiwiSaver Plan

Financial Statements

For the Year Ended 31 March 2025



MILFORD

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Statements of Changes in Net Assets



\$ thousands	Note	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
		2025	2024	2025	2024	2025	2024	2025	2024
For the year ended 31 March									
Income									
Interest income on financial assets at amortised cost		297	189	2,316	1,348	3,289	3,062	983	734
Dividend and distribution income		7,719	5,578	3,752	3,166	-	-	-	-
Net foreign exchange (losses)/gains on financial instruments at amortised cost		-	-	(74)	750	699	5	4	2
Net gains on financial instruments at fair value through profit or loss		10,103	10,611	90,712	140,262	378,039	808,764	42,472	237,685
Total income		18,119	16,378	96,706	145,526	382,027	811,831	43,459	238,421
Expenses									
Interest expense on financial assets and liabilities at fair value through profit or loss		-	-	407	1,961	-	-	-	-
Management fee (net of rebates)	8	51	29	7,051	5,362	55,002	39,730	213	140
Performance fees	8	-	-	-	-	-	40,196	-	-
Transaction costs		-	-	167	120	14	-	-	-
Total expenses		51	29	7,625	7,443	55,016	79,926	213	140
Net profit before membership activities		18,068	16,349	89,081	138,083	327,011	731,905	43,246	238,281

The Notes form an integral part of, and should be read in conjunction with, these Financial Statements.

Statements of Changes in Net Assets



\$ thousands		Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
For the year ended 31 March	Note	2025	2024	2025	2024	2025	2024	2025	2024
Membership activities									
Contributions									
Member contributions		11,760	10,123	58,483	46,231	233,559	178,080	100,607	69,780
Employer contributions		5,640	5,003	27,661	22,400	118,229	90,274	54,575	37,559
Crown contributions		1,364	1,211	6,334	5,012	25,325	19,406	11,353	8,258
Transfers from other Funds in the Plan		97,251	25,737	86,825	47,432	161,183	136,802	195,494	102,719
Transfers from other KiwiSaver and superannuation schemes		42,996	41,244	278,274	224,870	834,124	627,647	407,331	209,148
Lump sum and other voluntary contributions		7,775	2,826	79,294	36,593	179,172	114,634	54,301	15,198
Member attributed taxation		6	4	9	4	8	12	15	3
Other contributions		7	4	27	18	120	72	55	27
Total contributions		166,799	86,152	536,907	382,560	1,551,720	1,166,927	823,731	442,692
Withdrawals									
Transfers to other Funds in the Plan		60,139	43,535	127,422	86,866	274,459	111,713	124,458	62,020
Transfers to other KiwiSaver and superannuation schemes		3,965	4,807	14,377	5,891	59,408	31,744	42,452	20,274
Member attributed taxation		3,664	2,644	15,279	9,056	46,619	44,185	11,641	10,398
Withdrawals on death		386	417	3,411	2,771	5,562	4,194	1,172	757
Withdrawals or transfers on permanent emigration		366	55	766	430	4,033	1,735	1,984	824
Member eligible withdrawals		15,282	18,397	81,648	66,618	118,552	85,813	16,116	11,426
Serious illness withdrawals		863	1	1,477	821	3,833	3,496	321	669
First home purchase withdrawals		13,954	6,821	9,558	5,632	38,246	21,266	16,487	9,129
Significant financial hardship withdrawals		514	214	1,664	567	4,839	1,833	3,181	820
Other permitted withdrawals		172	13	607	541	17,670	917	1,402	706
Total withdrawals		99,305	76,904	256,209	179,193	573,221	306,896	219,214	117,023
Net membership activities		67,494	9,248	280,698	203,367	978,499	860,031	604,517	325,669
Movements in members' funds for the year		85,562	25,597	369,779	341,450	1,305,510	1,591,936	647,763	563,950
Members' funds at the start of the year		234,190	208,593	1,390,906	1,049,456	5,163,649	3,571,713	1,474,427	910,477
Members' funds at the end of the year		319,752	234,190	1,760,685	1,390,906	6,469,159	5,163,649	2,122,190	1,474,427

The Notes form an integral part of, and should be read in conjunction with, these Financial Statements.

Statements of Changes in Net Assets



\$ thousands	Note	Cash Fund		Moderate Fund		Plan Total*		
		2025	2024	2025	2024	2025	2024	
For the year ended 31 March								
Income								
Interest income on financial assets at amortised cost		157	88	219	154	7,261	5,575	
Dividend and distribution income		-	-	2,665	1,727	14,136	10,471	
Net foreign exchange gains on financial instruments at amortised cost		-	-	-	-	629	757	
Net gains on financial instruments at fair value through profit or loss		6,388	6,636	8,705	11,196	509,913	1,155,394	
Total income		6,545	6,724	11,589	13,077	531,939	1,172,197	
Expenses								
Interest expense on financial assets and liabilities at fair value through profit or loss		-	-	-	-	407	1,961	
Management fee (net of rebates)	8	6	2	20	(42)	62,343	45,221	
Performance fees	8	-	-	-	-	-	40,196	
Transaction costs		-	-	-	-	181	120	
Total expenses/(gains)		6	2	20	(42)	62,931	87,498	
Net profit before membership activities		6,539	6,722	11,569	13,119	469,008	1,084,699	

*Where the Milford KiwiSaver Balanced Fund and Milford KiwiSaver Moderate Fund have invested into other funds in the Milford KiwiSaver Plan, these amounts have been eliminated from the Plan Total.

The Notes form an integral part of, and should be read in conjunction with, these Financial Statements.

Statements of Changes in Net Assets



\$ thousands	Note	Cash Fund		Moderate Fund		Plan Total*	
		2025	2024	2025	2024	2025	2024
For the year ended 31 March		2025	2024	2025	2024	2025	2024
Membership activities							
Contributions							
Member contributions		4,893	5,054	8,161	6,598	417,463	315,866
Employer contributions		2,574	2,792	4,028	3,198	212,707	161,226
Crown contributions		591	612	991	816	45,958	35,315
Transfers from other Funds in the Plan		129,985	65,483	35,028	15,222	-	-
Transfers from other KiwiSaver and superannuation schemes		10,380	13,470	39,768	32,448	1,612,873	1,148,827
Lump sum and other voluntary contributions		5,699	3,248	5,672	1,821	231,713	117,039
Member attributed taxation		2	3	1	-	41	26
Other contributions		2	2	5	3	216	126
Total contributions		154,126	90,664	93,654	60,106	2,520,971	1,778,425
Withdrawals							
Transfers to other Funds in the Plan		89,968	70,094	29,320	19,166	-	-
Transfers to other KiwiSaver and superannuation schemes		3,012	2,534	3,893	1,474	127,107	66,724
Member attributed taxation		1,599	1,631	2,237	1,412	81,039	69,326
Withdrawals on death		1,191	61	449	138	12,171	8,338
Withdrawals or transfers on permanent emigration		298	452	237	32	7,684	3,528
Member eligible withdrawals		14,757	12,483	9,827	9,367	256,182	204,104
Serious illness withdrawals		226	81	213	95	6,933	5,163
First home purchase withdrawals		15,185	9,810	3,238	1,482	96,668	54,140
Significant financial hardship withdrawals		150	87	147	66	10,495	3,587
Other permitted withdrawals		445	517	14	61	5,310	2,755
Total withdrawals		126,831	97,750	49,575	33,293	603,589	417,665
Net membership activities		27,295	(7,086)	44,079	26,813	1,917,382	1,360,760
Movements in members' funds for the year		33,834	(364)	55,648	39,932	2,386,390	2,445,459
Members' funds at the start of the year		118,652	119,016	160,177	120,245	8,099,663	5,654,204
Members' funds at the end of the year		152,486	118,652	215,825	160,177	10,486,053	8,099,663

*Where the Milford KiwiSaver Balanced Fund and Milford KiwiSaver Moderate Fund have invested into other funds in the Milford KiwiSaver Plan, these amounts have been eliminated from the Plan Total.

The Notes form an integral part of, and should be read in conjunction with, these Financial Statements.



Statements of Net Assets

\$ thousands	Note	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
		2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March									
Members' Funds		319,752	234,190	1,760,685	1,390,906	6,469,159	5,163,649	2,122,190	1,474,427
<i>Represented by:</i>									
Assets									
Cash and cash equivalents		14,413	2,909	61,086	17,154	84,957	81,116	17,470	18,101
Trade and other receivables	9	1,885	730	16,074	13,569	17,494	8,537	6,340	4,095
Trade and other receivables from related parties	9	-	-	15,000	6,000	-	-	-	-
Member attributed taxation		-	-	5	1	3	9	8	1
Financial assets at fair value through profit or loss	4.1	307,619	233,448	1,713,546	1,367,528	6,448,650	5,165,266	2,112,600	1,463,129
Total assets		323,917	237,087	1,805,711	1,404,252	6,551,104	5,254,928	2,136,418	1,485,326
Liabilities									
Trade and other payables	10	963	537	2,009	2,253	4,933	2,284	3,193	768
Trade and other payables to related parties	10	9	1	20,673	503	20,184	44,115	22	14
Member attributed taxation		3,193	2,359	14,170	8,526	44,585	42,917	11,013	10,117
Financial liabilities at fair value through profit or loss	4.2	-	-	8,174	2,064	12,243	1,963	-	-
Total liabilities		4,165	2,897	45,026	13,346	81,945	91,279	14,228	10,899
Net assets available for benefits		319,752	234,190	1,760,685	1,390,906	6,469,159	5,163,649	2,122,190	1,474,427

The Directors of Milford Funds Limited authorised these Financial Statements for issue on 3 July 2025.

Director

Director

The Notes form an integral part of, and should be read in conjunction with, these Financial Statements.

Statements of Net Assets



\$ thousands As at 31 March	Note	Cash Fund		Moderate Fund		Plan Total*	
		2025	2024	2025	2024	2025	2024
Members' Funds		152,486	118,652	215,825	160,177	10,486,053	8,099,663
<i>Represented by:</i>							
Assets							
Cash and cash equivalents		1,307	1,051	4,874	3,394	184,107	123,725
Trade and other receivables	9	2,425	587	460	125	38,822	24,374
Trade and other receivables from related parties	9	-	-	-	4	-	6,004
Member attributed taxation		1	1	-	-	17	12
Financial assets at fair value through profit or loss	4.1	150,877	118,439	212,819	158,448	10,392,067	8,063,920
Total assets		154,610	120,078	218,153	161,971	10,615,013	8,218,035
Liabilities							
Trade and other payables	10	970	230	309	486	6,521	3,289
Trade and other payables to related parties	10	1	-	4	-	25,893	44,633
Member attributed taxation		1,153	1,196	2,015	1,308	76,129	66,423
Financial liabilities at fair value through profit or loss	4.2	-	-	-	-	20,417	4,027
Total liabilities		2,124	1,426	2,328	1,794	128,960	118,372
Net assets available for benefits		152,486	118,652	215,825	160,177	10,486,053	8,099,663

*Where the Milford KiwiSaver Balanced Fund and Milford KiwiSaver Moderate Fund have invested into other funds in the Milford KiwiSaver Plan, these amounts have been eliminated from the Plan Total.

The Directors of Milford Funds Limited authorised these Financial Statements for issue on 3 July 2025.

Director

Director

The Notes form an integral part of, and should be read in conjunction with, these Financial Statements.

Statements of Cash Flows



\$ thousands	Note	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
		2025	2024	2025	2024	2025	2024	2025	2024
For the year ended 31 March									
Cash flows from operating activities									
Cash was provided from:									
Proceeds from sale of investments		-	1,500	143,500	20,000	167,200	53,000	-	-
Proceeds from forward foreign exchange contracts and foreign exchange options		-	-	1,825,753	1,581,399	-	172,690	-	-
Transfers from margin accounts		-	-	118,712	81,589	35,884	-	-	-
Interest received/(paid)		298	188	1,419	(545)	3,262	3,024	992	725
Dividend and distribution income		-	-	-	-	-	-	1	-
Cash was applied to:									
Purchase of investments		(56,349)	(11,750)	(385,693)	(213,000)	(1,059,650)	(889,637)	(607,000)	(322,500)
Purchase and settlement of foreign exchange contracts and foreign exchange options		-	-	(1,819,623)	(1,582,842)	-	(172,924)	-	-
Transfers to margin accounts		-	-	(116,649)	(98,018)	(44,128)	-	-	-
Payment to suppliers		(43)	(29)	(6,881)	(5,278)	(78,933)	(38,683)	(205)	(135)
Net cash outflow from operating activities	11	(56,094)	(10,091)	(239,462)	(216,695)	(976,365)	(872,530)	(606,212)	(321,910)
Cash flows from financing activities									
Cash was provided from:									
Contributions		166,408	85,879	536,165	381,878	1,555,836	1,167,705	824,203	440,290
Cash was applied to:									
Withdrawals		(98,810)	(75,165)	(252,533)	(171,356)	(576,096)	(263,065)	(218,626)	(108,566)
Net cash inflow from financing activities		67,598	10,714	283,632	210,522	979,740	904,640	605,577	331,724
Net increase/(decrease) in cash and cash equivalents		11,504	623	44,170	(6,173)	3,375	32,110	(635)	9,814
Cash and cash equivalents at the beginning of the year		2,909	2,286	17,154	22,757	81,116	49,909	18,101	8,285
Effect of exchange rate fluctuations		-	-	(238)	570	466	(903)	4	2
Cash and cash equivalents at the end of the year		14,413	2,909	61,086	17,154	84,957	81,116	17,470	18,101

The Notes form an integral part of, and should be read in conjunction with, these Financial Statements.

Statements of Cash Flows



\$ thousands	Note	Cash Fund		Moderate Fund		Plan Total*		
		2025	2024	2025	2024	2025	2024	
For the year ended 31 March								
Cash flows from operating activities								
Cash was provided from:								
Proceeds from sale of investments		25,600	27,845	-	-	321,300	102,345	
Proceeds from forward foreign exchange contracts and foreign exchange options		-	-	-	-	1,825,753	1,754,089	
Transfers from margin accounts		-	-	-	-	154,596	81,589	
Interest received		157	88	221	152	6,349	3,632	
Dividend and distribution income		-	-	-	-	1	-	
Cash was applied to:								
Purchase of investments		(51,650)	(21,350)	(43,001)	(27,782)	(2,103,143)	(1,428,738)	
Purchase and settlement of foreign exchange contracts and foreign exchange options		-	-	-	-	(1,819,623)	(1,755,766)	
Transfers to margin accounts		-	-	-	-	(160,777)	(98,018)	
Payment (to)/from suppliers		(5)	(2)	(12)	40	(86,079)	(44,087)	
Net cash (outflow)/inflow from operating activities	11	(25,898)	6,581	(42,792)	(27,590)	(1,861,623)	(1,384,954)	
Cash flows from financing activities								
Cash was provided from:								
Contributions		153,131	90,662	93,868	60,423	2,526,232	1,778,165	
Cash was applied to:								
Withdrawals		(126,977)	(97,561)	(49,596)	(31,935)	(604,459)	(356,257)	
Net cash inflow/(outflow) from financing activities		26,154	(6,899)	44,272	28,488	1,921,773	1,421,908	
Net increase/(decrease) in cash and cash equivalents		256	(318)	1,480	898	60,150	36,954	
Cash and cash equivalents at the beginning of the year		1,051	1,369	3,394	2,496	123,725	87,102	
Effect of exchange rate fluctuations		-	-	-	-	232	(331)	
Cash and cash equivalents at the end of the year		1,307	1,051	4,874	3,394	184,107	123,725	

*Where the Milford KiwiSaver Balanced Fund and Milford KiwiSaver Moderate Fund have invested into other funds in the Milford KiwiSaver Plan, these amounts have been eliminated from the Plan Total.

The Notes form an integral part of, and should be read in conjunction with, these financial statements.

1. General information

Reporting entities

These Financial Statements are for the Milford KiwiSaver Plan ("the Plan") which comprises the following six funds (each a "Fund", collectively the "Funds"):

- Milford KiwiSaver Conservative Fund ("Conservative Fund")
- Milford KiwiSaver Balanced Fund ("Balanced Fund")
- Milford KiwiSaver Active Growth Fund ("Active Growth Fund")
- Milford KiwiSaver Aggressive Fund ("Aggressive Fund")
- Milford KiwiSaver Cash Fund ("Cash Fund")
- Milford KiwiSaver Moderate Fund ("Moderate Fund")

The Manager of the Plan is Milford Funds Limited (the "Manager") and the Supervisor of the Plan is Trustees Executors Limited (the "Supervisor").

The Plan is registered and domiciled in New Zealand and the registered office of the Manager is Level 12, 50 Albert Street, Auckland 1010, New Zealand.

The Plan is a defined contribution scheme under the KiwiSaver Act 2006. This means that members contribute to the Plan over time and the benefits payable depend on the amount of contributions made and any returns generated. The Plan is registered under the Financial Markets Conduct Act 2013 ("FMCA") as a KiwiSaver Scheme, and is a trust vehicle governed by a Trust Deed dated 21 January 2021. The Plan is also registered as a Managed Investment Scheme in accordance with the FMCA.

The Plan commenced on 1 April 2010 under the Trust Deed dated 19 March 2010. The Trust Deed of the Plan and the Establishment Deeds for each of the Funds have been amended and restated effective 28 January 2021 in order to align with the Trusts Act. In accordance with the Trust Deed, the assets of one Fund cannot be used to meet the liabilities of another Fund.

The Financial Statements for the Plan cover the year ended 31 March 2025 and the comparatives cover the year ended 31 March 2024.

The principal activities of the Funds are described below:

- The Conservative Fund is a diversified fund that primarily invests in fixed interest securities, with a moderate allocation to equities.
- The Balanced Fund is a diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities.
- The Active Growth Fund is a diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities.
- The Aggressive Fund primarily invests in international equities, with a moderate allocation to Australasian equities.
- The Cash Fund primarily invests in New Zealand cash, short-dated debt securities and term deposits.
- The Moderate Fund is a diversified fund that primarily invests in fixed interest securities with a significant allocation to equities.

The Manager has prepared a Climate Statement for the Plan for the year ended 31 March 2025. The Climate Statement is a separate report from these Financial Statements and can be found on the Climate-related Disclosures Register on the NZ Companies Office.

2. Summary of material accounting policies

2.1 Basis of preparation

These Financial Statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for for-profit entities and comply with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

These Financial Statements have been prepared on the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. The methods used to measure fair values are discussed in Note 5. The accrual basis of accounting has been applied, as has the going concern assumption.

The results, positions and cash flows reported for the Plan are prepared on a consolidated basis, with the elimination of interfund transactions and balances.

(a) Presentation and functional currency, and rounding

These Financial Statements are presented in New Zealand dollars which is the Plan's functional currency reflecting that the Plan's investors are based mainly in New Zealand with contributions and withdrawals denominated in New Zealand dollars. All financial information has been rounded to the nearest thousand, unless otherwise stated.

2. Summary of material accounting policies (continued)

2.1 Basis of preparation (continued)

(b) New standards and amendments and changes to accounting policies

Disclosure of Fees for Audit Firms' Services - Amendments to FRS-44

Effective for annual periods beginning on or after 1 January 2024, the amendments to FRS-44 require entities to disclose fees incurred for services provided by their audit or review firm. These amendments aim to enhance the transparency and consistency of fee disclosures. The amendments have been applied to the Financial Statements of the Funds, and the fees have been disclosed in note 8.

NZ IFRS 18 - Presentation and Disclosure in Financial Statements

In May 2024, the XRB introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements (NZ IFRS 18) (effective for annual reporting periods beginning on or after 1 January 2027). This standard replaces NZ IAS 1 Presentation of Financial Statements (NZ IAS 1) and primarily introduces a defined structure for the statements of changes in net assets, disclosure of management-defined performance measures (a subset of non-GAAP measures) in a single note together with reconciliation requirements, and additional guidance on aggregation and disaggregation principles. The Plan has not early adopted this standard and is yet to assess its impacts.

There are no other standards, amendments to standards or interpretations that are effective for the annual period beginning on 1 April 2024 that have a material effect on the Financial Statements of the Plan.

A number of other new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2024, and have not been early adopted in preparing these Financial Statements. None of these are expected to have a material effect on the Financial Statements of the Plan.

The Plan has consistently applied the accounting policies to all periods presented in these Financial Statements.

2.2 Financial instruments

(a) Classification, recognition and measurement

The Funds recognise financial assets on the date they become party to the contractual agreement, and recognise financial liabilities when an obligation arises.

Financial instruments are recognised initially at fair value. After initial recognition, financial assets are measured at fair value or amortised cost, determined on the basis of both (a) the Plan's business model for managing the financial assets; and (b) the contractual cash flow characteristics of the financial asset.

(i) Financial assets at fair value through profit or loss

The portfolios of financial assets and financial liabilities which are managed, and performance is evaluated on a fair value basis, are subsequently classified at fair value through profit or loss. The Plan is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Transaction costs are expensed as incurred in the Statements of Changes in Net Assets.

Financial assets at fair value through profit or loss includes unlisted funds/unit trusts and derivatives.

Financial liabilities at fair value through profit or loss comprise derivative contracts that have a negative fair value.

Gains and losses arising from changes in fair value are recognised in the Statements of Changes in Net Assets when they arise.

(i) Financial assets at amortised cost consist of:

- (a) Cash and cash equivalents: this includes deposits held at call with banks in New Zealand dollars and foreign currencies.
- (b) Trade and other receivables: this balance can include unsettled investment sales relating to receivables for securities sold but not yet settled at balance date (including redemption of units in related party investment), margin accounts, accrued interest and contributions receivables. Cash collateral provided by the Plan is identified as margin accounts and is not included in cash and cash equivalents.

(ii) Financial liabilities at amortised cost consist of:

- (a) Unsettled investment trades: these are payables for securities purchased but not yet settled at balance date and are included in Trade and other payables.
- (b) Payables, other than unsettled investment trades, are amounts representing liabilities and accrued expenses owing by the Plan at balance date. These amounts include related party fees payable, overdrawn balances with brokers, distributions payable and withdrawals payable.

2. Summary of material accounting policies (continued)

2.2 Financial instruments (continued)

(b) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or when the rights to receive cash flows from financial assets have been transferred together with substantially all of their risks and rewards. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

Any gain or loss arising on derecognition of a financial asset or financial liability at fair value through profit or loss is included in the Statements of Changes in Net Assets in the period the item is derecognised. Gains or losses are calculated as the difference between the disposal proceeds and the carrying amount of the item.

(c) Impairment on financial assets amortised cost

At each reporting date, the Funds shall measure a loss allowance of the financial assets at amortised cost at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all criteria considered in determining the expected credit loss.

If the credit risk increases to the point that it is considered to be credit-impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Funds shall measure the loss allowance at an amount equal to 12 month expected credit losses.

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due or a counterparty credit rating which has fallen below BBB/Baa. Any contractual payment which is more than 90 days past due is considered credit-impaired.

(d) Fair value estimation

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 measurement date in the principal or, in its absence, the most advantageous market to which the Plan had access at that date. The fair value of a liability includes its non-performance risk.

Fair value of unlisted funds or trusts

The Plan's investments in unlisted funds are subject to the terms and conditions of the respective funds' offer documentation. The investments in unlisted funds are primarily valued based on the latest available redemption price for each fund, as supplied by the fund's manager and/or administrator. The Plan reviews the reported information obtained from the unlisted funds and, in instances where the basis of accounting is other than fair value, considers: the liquidity of the unlisted fund or its underlying investments; the value date of the net asset value provided; restrictions on redemptions; the basis of accounting; and valuation information obtained from the unlisted funds' advisors.

The rights of the Plan to request redemption of its investments in unlisted funds are daily. The carrying values of the unlisted funds may not be indicative of the values ultimately realised on redemption. In addition, the Plan may be materially affected by the actions of other investors who are invested in the same funds.

If necessary, the Plan makes adjustments to the net asset value of unlisted fund investments to obtain the best estimate of fair value. Net changes in the fair value of financial instruments at fair value through profit or loss in the Statements of Changes in Net Assets include the change in fair value of each unlisted fund.

Derivatives

Forward foreign exchange contracts are primarily used by the Plan to economically hedge against foreign currency exchange rate risks on its non-New Zealand dollar denominated trading securities. The fair value of forward foreign exchange contracts is determined using valuation techniques based on spot exchange rates and forward points. The Plan recognises a gain or loss equal to the change in fair value at the balance date and is presented in the Statements of Changes in Net Assets.

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. The fair value of futures contracts is based on quoted market prices at balance date. When futures are closed, the amount paid or received, net of brokerage commissions, is recognised as a gain or loss and is presented in the Statements of Changes in Net Assets.

Options are contractual arrangements under which the seller (writer) grants the purchaser (holder) the right but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or financial instruments at a predetermined price. The fair value of option contracts is based on quoted market prices at balance date. When options are closed, the difference between the premium and the amount paid or received, net of brokerage commissions, or the full amount of the premium if the option expires worthless, is recognised as a gain or loss and is presented in the Statements of Changes in Net Assets.

An interest rate swap is an agreement between two parties to exchange their interest obligations (payments) or receipts at set intervals on a notional principal amount over an agreed time period. The fair value of interest rate swaps is the estimated amount that the Funds would receive or pay to terminate the swap at the balance date, taking into account current interest rates and the current creditworthiness of the swap counterparties. When interest rate swaps terminate, the amount paid or received is recognised as a gain or loss and is presented in the Statements of Changes in Net Assets.

Refer to Note 5 for further details regarding the fair value estimation of financial instruments at fair value through profit or loss.

2. Summary of material accounting policies (continued)

2.3 Investment entity

The Plan has direct investments in the Milford Wholesale Funds and in the Milford Investment Funds. The Plan meets the definition of an investment entity in accordance with the requirements of NZ IFRS 10 'Consolidated financial statements', and as such does not consolidate the entities it controls and instead accounts for these at fair value through profit or loss. The Plan meets the following conditions which are set out in NZ IFRS 10:

- (i) The Plan has obtained funds for the purpose of providing investors with investment management services.
- (ii) The Plan's business purpose, which is communicated directly to investors, is investing solely for returns from capital appreciation and investment income; and
- (iii) The performance of investments made through other funds managed by the Manager, is measured and evaluated on a fair value basis.

The Plan also displays all four typical characteristics that are associated with an investment entity:

1. the Plan invests directly, or via look through to the underlying investments in the Milford Wholesale Funds, Milford Investment Funds and funds within the Plan, which were formed to provide investment management services to the Funds of the Plan;
2. the Plan has more than one investor;
3. the Plan has investors that are not related parties; and
4. ownership interests in the Plan are represented by units in the Funds.

2.4 Foreign currencies

Transactions denominated in foreign currencies are recognised at the exchange rates prevailing at the date of the transactions. Assets and liabilities as at balance date denominated in foreign currencies are translated at the foreign currency exchange rates on that date. Realised and unrealised exchange gains and losses during the financial period are recognised in the Statements of Changes in Net Assets. Foreign exchange gains and losses on cash and cash equivalents, unsettled investment sales and investment purchases payable are included in 'Net foreign currency gains/(losses) on financial instruments at amortised cost' in the Statements of Changes in Net Assets.

2.5 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Net Assets when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.6 Revenue recognition

- (a) Dividend and distribution income is recognised in the Statements of Changes in Net Assets when the Plan's right to receive payment is established.
- (b) Interest income on financial assets at amortised cost is recognised on a time proportionate basis using the effective interest method and comprises interest earned on bank accounts and margin accounts.
- (c) Net interest income and expense on financial instruments at fair value through profit or loss is recognised on an accrual basis with reference to the respective financial instruments' interest rates and lifetime. It comprises of net interest from interest rate swaps. Net interest income is recognised as 'Interest income on financial assets and liabilities at fair value through profit or loss' within 'Total income' in the Statements of Changes in Net Assets. Net interest expense is recognised as 'Interest expense on financial assets and liabilities at fair value through profit or loss' within 'Total expenses' in the Statements of Changes in Net Assets.
- (d) Net gains or losses on financial instruments at fair value through profit or loss are recognised in the Statements of Changes in Net Assets as disclosed in Note 2.2.
- (e) Net foreign exchange gains or losses on financial instruments at amortised cost are recognised in the Statements of Changes in Net Assets as disclosed in Note 2.4.
- (f) Dividend and interest income is disclosed net of any resident withholding taxes deducted at source, as these tax credits are allocated to members under the PIE regime.

2.7 Expenses

The Manager pays registry, investment management, audit, supervisory, custody and administration expenses from the management fee charged to the Funds of the Plan. All expenses are recognised in the Statements of Changes in Net Assets on an accruals basis. The management fee is calculated on a daily basis based on the net asset value of the Fund and paid monthly. Performance fees are calculated and accrued daily if applicable and paid annually. Refer to Note 8(b) for further details.



2. Summary of material accounting policies (continued)

2.8 Taxation

The Plan is a Portfolio Investment Entity ("PIEs"). Under the PIE regime, income is effectively taxed in the hands of the members and therefore the Plan has no tax expense. Accordingly, no income tax expense is recognised in the Statements of Changes in Net Assets.

Under the PIE regime, the Manager attributes the taxable income of the Plan to members in accordance with the proportion of their overall interest in the Plan. The income attributed to each member is taxed at the member's "Prescribed Investor Rate" which is capped at 28%. The Manager accounts for tax on behalf of members and undertakes any necessary adjustments to the members' interests in the Plan to reflect that the Plan pays tax at varying rates on behalf of members.

Members' funds have been adjusted to reflect the impact of tax on the value of unit holdings.

The tax attributable to members is calculated on the basis of the tax laws enacted or substantively enacted at reporting date. Positions taken in attributing taxable income to members, with respect to situations in which applicable tax regulations are subject to interpretation, are evaluated by the Manager as required.

The amount of tax paid or refunded during the year is included in the Statements of Changes in Net Assets. Members' net tax (refunds)/liabilities are recognised in the Statements of Net Assets as "Member attributed taxation" receivable or payable.

2.9 Goods and Services Tax (GST)

The Plan is not registered for GST. All items in the Statements of Changes in Net Assets and the Statements of Net Assets are stated inclusive of GST.

2.10 Statements of Cash Flows

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represents the Plan's main income generating activity.

Financing activities are those activities that result in changes in the size and composition of members' funds. Operating activities are those that are not included in financing activities.

2.11 Net assets available for benefits

The net assets attributable to members represents the liability for promised retirement benefits. The Funds of the Plan issue units that are redeemable at the members' discretion and do not have identical features and are therefore classified as financial liabilities and are measured at amortised cost. Units are redeemed for the purpose of permitted withdrawals (such as reaching the retirement age of 65 or enduring significant hardship), transferred to another Fund within the Plan or a separate KiwiSaver scheme and which are equal to a proportionate share of the respective Fund's net asset value which is the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable at the period end date if members exercise their right to redeem units back to the Funds.

As stipulated in the Trust Deed, each unit represents a right to an individual share in the respective Fund and does not extend to a right in the underlying assets of the respective Fund nor other funds within the Plan. The Trust Deed also stipulates that assets held for a Fund of the Plan shall not be made available to meet the liabilities incurred in relation to any other Fund of the Plan. The Funds' net asset value per unit is calculated by dividing the net assets attributable to all holders of units in the Fund by the total number of units on issue of each Fund.

3. Accounting estimates and judgements

The preparation of Financial Statements requires the Manager to exercise its judgement in the process of applying the Plan's accounting policies. The Manager has followed the applicable accounting guidance in selecting the accounting policy to designate financial assets at fair value through profit or loss at initial recognition. This policy has a significant impact on the amounts disclosed in the Financial Statements.

The Manager has used judgement in the categorisation of its financial assets and liabilities at fair value through profit or loss in accordance with the fair value hierarchy under NZ IFRS 13 'Fair value measurement'. Refer to Note 5 for further detail.



4. Financial instruments at fair value through profit or loss

4.1 Financial assets at fair value through profit or loss

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March								
Derivative assets: Equity index futures	-	-	281	642	-	-	-	-
Fixed interest index futures	-	-	1,431	-	-	-	-	-
Equity index options	-	-	3,242	824	2,984	-	-	-
Foreign exchange options	-	-	-	587	-	-	-	-
Forward foreign exchange contracts	-	-	835	111	705	-	-	-
Interest rate swaps	-	-	5,235	1,486	-	-	-	-
	-	-	11,024	3,650	3,689	-	-	-
Related party unlisted funds/unit trusts	307,619	233,448	1,702,522	1,363,878	6,444,961	5,165,266	2,112,600	1,463,129
Total financial assets at fair value through profit or loss	307,619	233,448	1,713,546	1,367,528	6,448,650	5,165,266	2,112,600	1,463,129

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
As at 31 March						
Derivative assets: Equity index futures	-	-	-	-	281	642
Fixed interest index futures	-	-	-	-	1,431	-
Equity index options	-	-	-	-	6,226	824
Foreign exchange options	-	-	-	-	-	587
Forward foreign exchange contracts	-	-	-	-	1,540	111
Interest rate swaps	-	-	-	-	5,235	1,486
	-	-	-	-	14,713	3,650
Related party unlisted funds/unit trusts	150,877	118,439	212,819	158,448	10,377,354	8,060,270
Total financial assets at fair value through profit or loss	150,877	118,439	212,819	158,448	10,392,067	8,063,920

4. Financial instruments at fair value through profit or loss (continued)

4.2. Financial liabilities at fair value through profit or loss

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March								
Derivative liabilities Equity index futures	-	-	(527)	(1,461)	-	-	-	-
Fixed interest index futures	-	-	(1,842)	(408)	-	-	-	-
Equity index options	-	-	(695)	(31)	(1,911)	-	-	-
Forward foreign exchange contracts	-	-	(5,110)	(164)	(10,332)	(1,963)	-	-
Total financial liabilities at fair value through profit or loss	-	-	(8,174)	(2,064)	(12,243)	(1,963)	-	-

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
As at 31 March						
Derivative liabilities Equity index futures	-	-	-	-	(527)	(1,461)
Fixed interest index futures	-	-	-	-	(1,842)	(408)
Equity index options	-	-	-	-	(2,606)	(31)
Forward foreign exchange contracts	-	-	-	-	(15,442)	(2,127)
Total financial liabilities at fair value through profit or loss	-	-	-	-	(20,417)	(4,027)

5. Fair value measurement

Financial assets and financial liabilities at fair value through profit or loss are categorised into a three level hierarchy that reflects the significance of the inputs used in making the measurements. The Plan recognises transfers between levels of the fair value hierarchy as at the end of the financial reporting period during which the change has occurred.

Level 1 - fair value in an active market

Fair values of financial assets and liabilities trading in an active market are based on quoted market prices the Funds can access without any deduction for estimated future selling costs. Financial assets and liabilities are priced at last traded prices. Where the last traded price falls outside the bid-ask spread for a particular security, the price will be adjusted to be within the bid-ask spread.

The fair value of equity index futures, fixed interest index futures and equity index options is determined using quoted market prices in an active market. This measurement basis falls within Level 1 of the fair value hierarchy.

Level 2 - fair value in an inactive or unquoted market using valuation techniques and observable market data

Where quoted market prices are not available, fair values of financial assets and liabilities are determined using valuation techniques for which all significant inputs are based on observable market data.

The fair value of forward foreign exchange contracts, foreign exchange options, interest rate swaps and investments in other funds is measured in accordance to the accounting policies set out in note 2.2 (d) above. This measurement basis falls within Level 2 of the fair value hierarchy as all inputs used to calculate the fair value are based on observable market data.

Level 3 - fair value in an inactive or unquoted market using valuation techniques without observable market data

Level 3 financial assets and liabilities are not traded in an active market, and their fair value is determined using valuation techniques for which any significant input is not based on observable market data.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement.



5. Fair value measurement (continued)

The determination of what constitutes 'observable' requires significant judgement by the Manager. The Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market.

All financial assets and liabilities not measured at fair value through profit or loss are carried at amortised cost and their carrying values are a reasonable approximation of fair value.

The following table provides an analysis of financial instruments that are measured at fair value subsequent to initial recognition, grouped into levels 1 to 3 based on the degree to which the fair value is observable. There are no level 3 financial instruments. There have been no transfers between levels.

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March								
Level 1 Assets								
<i>Financial assets at fair value through profit or loss</i>								
Equity index futures	-	-	281	642	-	-	-	-
Fixed interest index futures	-	-	1,431	-	-	-	-	-
Equity index options	-	-	3,242	824	2,984	-	-	-
Total Level 1 Assets	-	-	4,954	1,466	2,984	-	-	-
Level 2 Assets								
<i>Financial assets at fair value through profit or loss</i>								
Foreign exchange options	-	-	-	587	-	-	-	-
Forward foreign exchange contracts	-	-	835	111	705	-	-	-
Interest rate swaps	-	-	5,235	1,486	-	-	-	-
Related party unlisted funds/unit trusts	307,619	233,448	1,702,522	1,363,878	6,444,961	5,165,266	2,112,600	1,463,129
Total Level 2 Assets	307,619	233,448	1,708,592	1,366,062	6,445,666	5,165,266	2,112,600	1,463,129
Level 1 Liabilities								
<i>Financial liabilities at fair value through profit or loss</i>								
Equity index futures	-	-	(527)	(1,461)	-	-	-	-
Fixed Interest index futures	-	-	(1,842)	(408)	-	-	-	-
Equity index options	-	-	(695)	(31)	(1,911)	-	-	-
Total Level 1 Liabilities	-	-	(3,064)	(1,900)	(1,911)	-	-	-
Level 2 Liabilities								
<i>Financial liabilities at fair value through profit or loss</i>								
Forward foreign exchange contracts	-	-	(5,110)	(164)	(10,332)	(1,963)	-	-
Total Level 2 Liabilities	-	-	(5,110)	(164)	(10,332)	(1,963)	-	-



5. Fair value measurement (continued)

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
As at 31 March						
Level 1 Assets						
<i>Financial assets at fair value through profit or loss</i>						
Equity index futures	-	-	-	-	281	642
Fixed interest index futures	-	-	-	-	1,431	-
Equity index options	-	-	-	-	6,226	824
Total Level 1 Assets	-	-	-	-	7,938	1,466
Level 2 Assets						
<i>Financial assets at fair value through profit or loss</i>						
Foreign exchange options	-	-	-	-	-	587
Forward foreign exchange contracts	-	-	-	-	1,540	111
Interest rate swaps	-	-	-	-	5,235	1,486
Related party unlisted funds/unit trusts	150,877	118,439	212,819	158,448	10,377,354	8,060,270
Total Level 2 Assets	150,877	118,439	212,819	158,448	10,384,129	8,062,454
Level 1 Liabilities						
<i>Financial liabilities at fair value through profit or loss</i>						
Equity index futures	-	-	-	-	(527)	(1,461)
Fixed interest index futures	-	-	-	-	(1,842)	(408)
Equity index options	-	-	-	-	(2,606)	(31)
Total Level 1 Liabilities	-	-	-	-	(4,975)	(1,900)
Level 2 Liabilities						
<i>Financial liabilities at fair value through profit or loss</i>						
Forward foreign exchange contracts	-	-	-	-	(15,442)	(2,127)
Total Level 2 Liabilities	-	-	-	-	(15,442)	(2,127)



6. Financial risk management

6.1 Financial risk factors

The Trust Deed for the Plan requires the Manager to invest the assets of the Plan in accordance with the Statement of Investment Policy and Objectives (“SIPO”). The Manager monitors compliance with the investment policies on a daily basis as part of its operational risk and mandate monitoring processes. The Manager reviews the appropriateness of the Funds’ permitted investments as outlined in the SIPO on an annual basis, or more frequently if market conditions change, or changes to the nature or characteristics of the authorised investments, warrant it.

The Plan is subject to a number of financial risks which arise as a result of its activities, including: market risk, liquidity risk and credit risk. The Plan’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Plan’s financial performance.

6.1.1 Market risk

(a) Price risk

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices, whether those changes are caused by factors specific to an issuer, or factors affecting all similar financial instruments traded in the market.

Financial instruments which potentially subject the Plan to price risk are investments in unit trusts and exchange traded futures and options. All investments in equities and unit trusts present a risk of loss of capital often due to factors beyond the Manager’s control such as competition, regulatory changes, commodity price changes and changes in general economic climate domestically and internationally. The risk associated with the underlying unit trusts is moderated through stock selection and diversification of unit trust investments, daily monitoring of the unit trusts’ market position and adherence to the unit trusts’ investment policy. The unlisted investments have underlying securities comprising domestic and international equity instruments and fixed interest securities that are subject to price risk.

For direct investments in listed derivatives, the Manager moderates this risk through careful selection and diversification, daily monitoring of the Plan’s market position and adherence to the Plan’s investment policies.

The maximum market risk resulting from financial instruments is determined by their fair value.

Where financial instruments are denominated in currencies other than NZD, the price initially expressed in foreign currency and then converted into NZD will also fluctuate because of changes in foreign exchange rates. In addition, where the Plan holds unit trusts which in turn invest in securities denominated in foreign currencies, the value of the unit trust will be affected by fluctuations in foreign exchange rates. Paragraph (b) ‘Foreign exchange risk’ sets out how this component of price risk is managed and measured.

The Manager considers the main risk of climate change to be the indirect impact on the fair value of investments. The Manager considers that the market prices of investments factor in climate change impacts and considers climate-related risks and opportunities as part of the investment process. As such, no specific adjustment has been made to balances or transactions in these Financial Statements as a result of climate change.

Sensitivity Analysis

The following tables set out the impact on the Statements of Changes in Net Assets if investments in financial instruments increased or decreased by 10% with all other variables held constant. A variable of 10% was selected for price risk as this is a reasonably expected movement based on historic trends in unit prices.

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March								
Unlisted funds/unit trusts								
Carrying amount	307,619	233,448	1,702,522	1,363,878	6,444,961	5,165,266	2,112,600	1,463,129
Impact of a -10% change in prices	(30,762)	(23,345)	(170,252)	(136,388)	(644,496)	(516,527)	(211,260)	(146,313)
Impact of a +10% change in prices	30,762	23,345	170,252	136,388	644,496	516,527	211,260	146,313
Equity index and fixed interest index futures and options								
Carrying amount	-	-	1,890	(434)	1,073	-	-	-
Impact of a -10% change in prices	-	-	(18,359)	5,308	(9,419)	-	-	-
Impact of a +10% change in prices	-	-	29,854	(3,214)	13,924	-	-	-



6. Financial risk management (continued)

6.1 Financial risk factors (continued)

6.1.1 Market risk (continued)

(a) Price risk (continued)

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
As at 31 March						
Unlisted funds/unit trusts						
Carrying amount	150,877	118,439	212,819	158,448	10,377,354	8,060,270
Impact of a -10% change in prices	(15,088)	(11,844)	(21,282)	(15,845)	(1,037,735)	(806,027)
Impact of a +10% change in prices	15,088	11,844	21,282	15,845	1,037,735	806,027
Equity and fixed interest index futures and options						
Carrying amount	-	-	-	-	2,963	(434)
Impact of a -10% change in prices	-	-	-	-	(27,778)	5,308
Impact of a +10% change in prices	-	-	-	-	43,777	(3,214)

Members' funds would be impacted by the same amount less the PIE tax adjustment that would be attributed to members.

(b) Foreign exchange risk

Foreign exchange 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 Plan is exposed to foreign exchange risk primarily through holding foreign currency denominated financial instruments.

The Plan is also exposed indirectly to foreign exchange risk through its holdings in the Milford Wholesale Funds and the Milford Investment Funds.

In accordance with the Plan's policies, the Manager monitors the Plan's foreign exchange exposures on a daily basis, and the Board of the Manager reviews these exposures periodically. The Manager may enter into foreign exchange derivatives to hedge the foreign exchange risk in accordance with the Plan's policies set out in the SIPO.

At the balance date the Plan had the following net foreign currency exposures (expressed in NZD equivalents):

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March								
Currency								
Australian Dollar (AUD)	-	-	13,505	12,707	-	-	-	-
Swiss Franc (CHF)	-	-	34	32	-	-	-	-
Euro (EUR)	-	-	21,225	(28,898)	-	-	-	-
United States Dollar (USD)	-	-	(103,571)	5,191	(169,260)	(150,988)	75	69
Japanese Yen (JPY)	-	-	7,486	(14,137)	-	-	7	6
Great British Pound (GBP)	-	-	(41,049)	(12,381)	-	-	-	-



6. Financial risk management (continued)

6.1 Financial risk factors (continued)

6.1.1 Market risk (continued)

(b) Foreign exchange risk (continued)

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
As at 31 March						
Currency						
Australian Dollar (AUD)	-	-	-	-	13,505	12,707
Swiss Franc (CHF)	-	-	-	-	34	32
Euro (EUR)	-	-	-	-	21,225	(28,898)
United States Dollar (USD)	-	-	-	-	(272,756)	(145,728)
Japanese Yen (JPY)	-	-	-	-	7,493	(14,131)
Great British Pound (GBP)	-	-	-	-	(41,049)	(12,381)

The table below summarises the impact on the Statements of Changes in Net Assets on monetary and non-monetary assets and liabilities at balance date, had the exchange rates between the New Zealand dollar and the foreign currencies increased or decreased by 10% with all other variables held constant. The analysis is based on the Manager's best estimate of a reasonable possible shift in exchange rates with regard to historical volatility.

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March								
Currency								
Exchange rates increased by 10%								
Australian Dollar (AUD)	-	-	(1,228)	(1,155)	-	-	-	-
Swiss Franc (CHF)	-	-	(3)	(3)	-	-	-	-
Euro (EUR)	-	-	(1,930)	2,627	-	-	-	-
United States Dollar (USD)	-	-	9,416	(472)	15,387	13,726	(7)	(6)
Japanese Yen (JPY)	-	-	(681)	1,285	-	-	(1)	(1)
Great British Pound (GBP)	-	-	3,732	1,126	-	-	-	-
Exchange rates decreased by 10%								
Australian Dollar (AUD)	-	-	1,501	1,412	-	-	-	-
Swiss Franc (CHF)	-	-	4	4	-	-	-	-
Euro (EUR)	-	-	2,358	(3,211)	-	-	-	-
United States Dollar (USD)	-	-	(11,508)	577	(18,807)	(16,776)	8	8
Japanese Yen (JPY)	-	-	832	(1,571)	-	-	1	1
Great British Pound (GBP)	-	-	(4,561)	(1,376)	-	-	-	-



6. Financial risk management (continued)

6.1 Financial risk factors (continued)

6.1.1 Market risk (continued)

(b) Foreign exchange risk (continued)

\$ thousands As at 31 March	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
Currency						
Exchange rates increased by 10%						
Australian Dollar (AUD)	-	-	-	-	(1,228)	(1,155)
Swiss Franc (CHF)	-	-	-	-	(3)	(3)
Euro (EUR)	-	-	-	-	(1,930)	2,627
United States Dollar (USD)	-	-	-	-	24,796	13,248
Japanese Yen (JPY)	-	-	-	-	(681)	1,285
Great British Pound (GBP)	-	-	-	-	3,732	1,126
Exchange rates decreased by 10%						
Australian Dollar (AUD)	-	-	-	-	1,501	1,412
Swiss Franc (CHF)	-	-	-	-	4	4
Euro (EUR)	-	-	-	-	2,358	(3,211)
United States Dollar (USD)	-	-	-	-	(30,306)	(16,192)
Japanese Yen (JPY)	-	-	-	-	833	(1,570)
Great British Pound (GBP)	-	-	-	-	(4,561)	(1,376)

(c) 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 Plan holds cash and cash equivalents and interest rate swaps which expose it to cash flow interest rate risk. The Plan can hold cash in New Zealand dollars or internationally (short term investments only), and therefore interest income and investment valuations are subject to changes in New Zealand and international interest rates. The Plan has no material direct exposure to fair value interest rate risk. The Manager monitors cash flow interest rate risk on a daily basis, and may enter into derivative contracts to hedge the exposure to interest rate fluctuations.

A change in interest rates impacts the cash flow of the Plan's cash and cash equivalents by increasing or decreasing the amount of interest received. The tables below provide an interest rate repricing profile for these financial instruments and shows the impact on interest received should a change in interest rate of 100 basis points (1%) occur. A variable of 100 basis points (1%) was selected as this is a reasonably expected movement based on past overnight cash rate movements.

\$ thousands As at 31 March	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
Increase of 1%	144	29	611	172	850	811	175	181
Decrease of 1%	(144)	(29)	(611)	(172)	(850)	(811)	(175)	(181)

\$ thousands As at 31 March	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
Increase of 1%	13	11	49	34	1,841	1,237
Decrease of 1%	(13)	(11)	(49)	(34)	(1,841)	(1,237)

In addition to the Plan's direct exposure to interest rate changes shown above, the Plan is indirectly affected by the impact of interest rate changes on the value of their investments in the Milford Wholesale Funds and Milford Investment Funds. These indirect exposures form part of the Price risk sensitivity (refer to Note 6.1.1 (a)).

6. Financial risk management (continued)

6.1 Financial risk factors (continued)

6.1.2 Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of counterparties to honour fully the terms and conditions of a contract with the Plan. Financial instruments that subject the Plan to credit risk consist primarily of cash and cash equivalents, margin accounts and trade and other receivables.

The Plan measures credit risk and expected credit losses using the probability of default, exposure at default and loss given default. At balance date, the credit risk has not increased significantly for any of the financial assets at amortised cost since initial recognition. As such, the Manager measured the loss allowance at an amount equal to 12 month expected credit losses. The Manager, depending on the nature and type of financial assets at amortised cost, considers both the historical and forward looking information, the duration of the instrument, and the credit ratings of the counterparty in determining any expected credit losses. The Manager considers the expected credit losses for all the financial assets held at amortised cost to be close to zero. As a result no loss allowance has been recognised based on the 12-month expected credit losses as any such impairment would be wholly insignificant to the Plan.

The maximum credit risk of financial instruments is considered to be the carrying amount on the Statements of Net Assets. In accordance with the Plan's policy, the Manager monitors the Plan's credit positions on a daily basis and the Investment Management Committee reviews it on a monthly basis.

The Plan typically invests with financial institutions that have a minimum credit rating of BBB-/Baa3 or higher, as designated by a well-known rating agency. The Plan may also invest in unrated assets to the extent that it is permissible by the Plan's mandate. At 31 March 2025, cash and cash equivalents and the majority of investments are placed in custody with HSBC Bank Australia Limited which had a credit rating of A+ (31 March 2024: A+). Balances due from brokers (i.e. for unsettled investment sales) have no credit risk given in the event of non-performance (i.e. the trade not settling), the Plan would retain the investment. Additionally, margin accounts are held with UBS, ANZ, Morgan Stanley, Commonwealth Bank of Australia, JPMorgan Chase and Westpac which had Standard and Poor's credit ratings of A+, AA-, A-, AA-, AA- and AA-, respectively (31 March 2024: UBS, ANZ, Morgan Stanley, Commonwealth Bank of Australia, JPMorgan Chase and Westpac which had Standard and Poor's credit ratings of A+, AA-, A-, AA-, A- and AA-). It is expected that all securities and other deposits with custodians or brokers will be clearly identified as assets of the Plan and therefore the Plan should not be exposed to credit risk with respect to such parties. Should this segregation not be possible, the Plan may experience an increase in exposure to credit risk associated with the applicable custodians or brokers.

The Plan also restricts its exposure to credit losses on the trading derivatives it holds by entering into International Swap and Derivatives Association (ISDA) arrangements with their counterparties with whom it undertakes derivative transactions. The arrangements do not result in an offset of the assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with favourable contracts is reduced by the arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The overall exposure to credit risk on derivative instruments subject to such arrangements can change substantially within a short period, as it is affected by each transaction subject to the arrangement. As at 31 March 2025 and 31 March 2024, the forward foreign exchange contracts, foreign exchange options and interest rate swaps are with banks with a AA- and A+ Standard and Poor's credit ratings.

Investments in unlisted funds are held in funds managed by the Manager (refer to Note 8(e)). The Manager considers that all the unlisted funds held at balance date have a strong capacity to meet their contractual obligations in accordance with the respective offering documents.

As at 31 March 2025 and 31 March 2024, all other receivable balances and amounts due from brokers are due to be settled within 1 month and are held with counterparties which the Manager considers have a strong capacity to meet their contractual obligations in the near term. In addition the clearing and depository operations for the Plan's security transactions are via multiple brokers with strong capacity to meet their obligations.

The Plan is indirectly exposed to credit risk through its investments in unlisted unit trusts, which in turn, invest in direct assets such as debt instruments issued by domestic and international companies and governments. This exposure forms part of the price risk sensitivity in Note 6.1.1(a).

6.1.3 Liquidity risk

Liquidity risk is the risk that the Plan will experience difficulty in either realising assets or raising sufficient funds to settle its obligations in full as they fall due. The Plan's financial liabilities consist of trade and other payables, derivatives and net assets available for benefits.

Liquidity risk is managed by holding sufficient liquid investments to generate cash in a timely manner to enable the Plan to meet its financial commitments including normal levels of withdrawals. The Plan invests in various funds managed by Milford Funds Limited, which in turn, maintain sufficient liquidity in their portfolios to cover reasonably foreseeable withdrawals under normal market conditions. Monies received from member contributions may be used to offset withdrawals and the Manager may in certain circumstances suspend withdrawals from the Plan and/or various funds represented by Milford Funds Limited in which the Plan invests.

Members are able to transfer their balances to other KiwiSaver schemes subject to consent (if required) of the Manager or Supervisor of that scheme, and any transfer provisions of that scheme. As such, the net assets available for benefits are deemed to be repayable on demand.

The Plan's trade and other payables balances are short-term in nature and fall due within 12 months as at 31 March 2025 and 31 March 2024.

The required cash outflow to settle the forward exchange contracts, futures and options which are in a loss position at balance date as disclosed in Note 4.2, is the fair value as at 31 March 2025 and 31 March 2024, if these contracts were settled on those respective dates. It is expected that the actual future undiscounted cash flows will be different, given that the instruments are marked to market.

As at 31 March 2025, the contractual maturities of derivative liabilities were between 1 to 12 months of balance date (31 March 2024: between 1 to 12 months).



6. Financial risk management (continued)

6.2 Capital Risk Management

Net assets available to pay benefits are considered to be the Plan's capital for the purposes of capital management. The Plan's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its members and maximise the Plan's members' values as well as ensuring its net assets available to pay benefits are sufficient to meet all present and future obligations. In order to meet its objectives for capital management, the Manager monitors the Plan's performance on a regular basis. The Plan does not have to comply with externally imposed capital requirements.

6.2.1 Units on Issue

Units thousands For the year ended 31 March	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
Units on issue at the start of the year	112,221	107,480	418,493	352,193	865,822	705,381	884,358	662,851
Total unit contributions for the year	76,885	43,480	156,296	124,275	252,488	217,178	477,021	301,775
Total unit withdrawals for the year	(46,034)	(38,739)	(74,637)	(57,975)	(93,359)	(56,737)	(128,784)	(80,268)
Units on issue at the end of the year	143,072	112,221	500,152	418,493	1,024,951	865,822	1,232,595	884,358

Units thousands For the year ended 31 March	Cash Fund		Moderate Fund	
	2025	2024	2025	2024
Units on issue at the start of the year	107,620	114,119	123,735	101,667
Total unit contributions for the year	136,255	84,791	70,029	49,456
Total unit withdrawals for the year	(112,420)	(91,290)	(37,229)	(27,388)
Units on issue at the end of the year	131,455	107,620	156,535	123,735



6. Financial risk management (continued)

6.3 Swing pricing

The impact of swing pricing is reflected in the Funds' year-to-date swing amounts and recorded within applications and withdrawals in the Statements of Changes in Net Assets. Swing adjustment amounts pertaining to any unsettled capital activity at balance date are included either in contributions receivable or withdrawals payable in the Statements of Changes in Net Assets. Swing pricing has been applied to all the Funds during the year.

Swing pricing aims to protect investors by mitigating the effects of dilution in value of their unitholding as a result of transaction costs brought about by other investors buying or selling units in the Fund. A swing factor adjustment is calculated for each Fund that, subject to a threshold being met, is applied daily when setting the price for applications and withdrawals. If net flows are positive, the unit price will swing up and if net flows are negative, the unit price will swing down. The NAV per unit calculated for each fund is adjusted for capital processing, if certain pre-established thresholds are met.

The Manager can at its discretion change the swing factors and/or the thresholds.

The table below outlines the swing factors and the thresholds applicable to each Fund at balance date:

As at 31 March	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
Swing factor	0.10%	0.11%	0.11%	0.11%	0.10%	0.10%	0.09%	0.09%
Threshold as a percentage of the net asset value	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%

As at 31 March	Cash Fund		Moderate Fund	
	2025	2024	2025	2024
Swing factor	0.00%	0.00%	0.10%	0.11%
Threshold as a percentage of the net asset value	0.01%	0.01%	0.01%	0.01%

At 31 March 2025, all the Funds of the Plan subject to swing pricing during the year have met their threshold and therefore swing factors have been applied to the NAV based prices (31 March 2024: all the Funds of the Plan subject to swing pricing during the year have no pending trades therefore swing factors have not been applied).

7. Concentration of investments

As at 31 March 2025, no funds directly held securities exceeding 5% of the security class other than those related party investments described below (31 March 2024: nil).

Certain Funds invest into the Milford Investment Funds, the Milford Wholesale Funds and other Funds in the KiwiSaver Plan. These investments individually exceed 5% of the security class and net assets available for benefits. For further information on these related party investments, refer to Note 8.

8. Related parties

(a) General

A party is related to the Funds if:

- (i) directly or indirectly through one or more of its intermediaries, it controls, is controlled by, or is under common control with, the Funds;
- (ii) it is a parent, subsidiary or fellow subsidiary of a party defined in (i) above;
- (iii) it has an interest in or relationship with the Funds that gives it significant influence over the Funds;
- (iv) the Funds have an interest in or relationship with the party that gives significant influence over the party; or
- (v) they are a member of the Manager's key management personnel.

The following are considered to be related parties of the Funds:

- Milford Funds Limited (Manager of the Funds)
- Milford Asset Management Limited (parent of the Manager) and its subsidiaries
- Milford Wholesale Funds (managed by the Manager)
- Milford Investment Funds (managed by the Manager)
- Milford Australian Retail Funds (investment manager is Milford Australia Pty Limited, a fellow subsidiary of the Manager)
- Trustees Executors Limited (supervisor of the Funds)
- Directors of the Manager and their immediate family members (key management personnel).

(b) Management and performance fees

The Manager is entitled to receive management fees for its services which are calculated daily, based on net asset values, and paid monthly. Management fees are used to cover the operational costs of the Plan including investment management, registry, fund accounting, supervisory, audit and legal costs, and other appropriate expenses incurred by the Plan. The management fees per annum are as follows for the years ended 31 March 2025 and 2024:

Milford KiwiSaver Cash Fund	0.20% per annum
Milford KiwiSaver Conservative Fund	0.85% per annum
Milford KiwiSaver Moderate Fund	0.95% per annum
Milford KiwiSaver Balanced Fund	1.05% per annum
Milford KiwiSaver Active Growth Fund	1.05% per annum
Milford KiwiSaver Aggressive Fund	1.15% per annum

The Manager is also entitled to be paid a performance fee for the KiwiSaver Active Growth Fund in respect of the 12 month period ending 31 March in any period that the investment performance is above the benchmark and the high water mark. The performance fee is equal to 15% of the amount that the return of the Fund (after the deduction of the base fund fee, but before tax) exceeds the benchmark for the same period. The benchmark is 10% per annum. The payment of the performance fee is then made if the net asset value per unit exceeds the high watermark, which is the Fund's previous highest ever net asset value per unit on the performance payment review date. Absolute performance losses are carried forward into the next performance period. A performance fee cap of 0.95% of average daily NAV is applied to the Fund. The cap is reset at the end of the respective 12 month period and any excess over the cap is not carried over into the next period.

The Milford KiwiSaver Balanced Fund and the Milford KiwiSaver Moderate Fund may invest into related Milford Funds which are subject to performance fees payable to the Manager.

Refer to the Statements of Changes in Net Assets for the management and performance fees received by the Manager during the reporting period. Management and performance fees payable at the end of the reporting period are disclosed in Note 10 Trade and other payables including payables to related parties. The management fees disclosed in the Statement of Changes in Net Assets are reported net of any rebates that arise due to the Funds investing in other Funds.



8. Related parties (continued)

(c) Other transactions with related parties

From time to time, the Manager undertakes certain trades of investments between the Funds of the Plan and various funds managed by the Manager without incurring brokerage costs. In the opinion of the Manager, these transactions were made at fair value. There were no such transactions during the year (31 March 2024: \$ nil).

The Directors of the Manager and key management personnel of the Manager may be members of the Plan. They contribute on the same basis and have the same rights as other members.

The tables below set out the audit and supervisor fees incurred by the Plan and paid by the Manager on behalf of the Plan. There were no non-audit services provided by the auditor.

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
For the year ended 31 March								
Trustees Executors Limited - Supervisor fees	9	10	53	54	197	190	61	51
PricewaterhouseCoopers New Zealand - Audit fees	20	19	20	19	20	19	16	15

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
For the year ended 31 March						
Trustees Executors Limited - Supervisor fees	4	5	6	6	330	316
PricewaterhouseCoopers New Zealand - Audit fees	13	13	13	13	101	98

Holdings in the Plan by Directors and key management personnel of the Manager and their immediate family members that are directly or indirectly held:

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March								
Holdings	-	-	-	-	2,548	2,695	1,102	368

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
As at 31 March						
Holdings	555	533	-	-	4,205	3,595

(d) Unconsolidated subsidiaries

From time to time, the Plan invests in other funds managed by the Manager. An investment holding of 75% and greater is considered a controlling interest. As the Plan is an investment entity, it need not consolidate the entities it controls, rather these investments are accounted for at fair value through profit or loss.

As at 31 March 2025, Milford KiwiSaver Aggressive Fund held a controlling interest of 78% in the Milford Aggressive Fund (part of the Milford Investment Funds) which is domiciled in New Zealand (31 March 2024: 83%).



8. Related parties (continued)

(e) Investments by the Plan in related parties

During the years ended 31 March 2025 and 2024, the Plan purchased and sold investments in related parties. All such transactions were carried out in the ordinary course of the Plan's activities and were executed at the prevailing unit prices at the time of the transaction. The level of investment between related parties is appropriately disclosed below.

The following table shows the value of the Plan's investments in related parties at balance date:

\$ thousands As at 31 March	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
Milford Wholesale Funds								
Milford Active Growth Wholesale Fund	-	-	-	-	5,862,507	4,621,702	-	-
Milford Dynamic Wholesale Fund	-	-	55,114	50,217	-	-	-	-
Milford Income Wholesale Fund	-	-	653,242	510,711	-	-	-	-
Milford NZ Equities Wholesale Fund	-	-	47,545	31,516	112,260	21,913	-	-
Milford Australian Equities Wholesale Fund	-	-	37,456	37,794	60,934	23,395	-	-
Milford Global Select Wholesale Fund	-	-	248,606	78,943	259,812	198,883	-	-
Milford Global Real Asset Wholesale Fund	-	-	-	-	28,294	25,163	-	-
Milford Global Opportunities Wholesale Fund	-	-	52,907	146,475	121,154	274,210	-	-
Milford Investment Funds								
Milford Trans-Tasman Bond Fund	-	-	78,852	68,852	-	-	-	-
Milford Global Corporate Bond Fund	-	-	57,468	27,576	-	-	-	-
Milford Conservative Fund	307,619	233,448	-	-	-	-	-	-
Milford Australian Absolute Growth Fund	-	-	16,898	42,718	-	-	-	-
Milford Cash Fund	-	-	6,752	6,418	-	-	-	-
Milford Aggressive Fund	-	-	-	-	-	-	2,112,600	1,463,129
Milford KiwiSaver Funds								
Milford KiwiSaver Active Growth Fund	-	-	414,366	352,965	-	-	-	-
Milford KiwiSaver Aggressive Fund	-	-	33,316	9,693	-	-	-	-
Total	307,619	233,448	1,702,522	1,363,878	6,444,961	5,165,266	2,112,600	1,463,129



8. Related parties (continued)

(e) Investments by the Plan in related parties (continued)

The following table shows the value of the Plan's investments in related parties at balance date:

\$ thousands As at 31 March	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
Milford Wholesale Funds						
Milford Active Growth Wholesale Fund	-	-	-	-	5,862,507	4,621,702
Milford Dynamic Wholesale Fund	-	-	-	-	55,114	50,217
Milford Income Wholesale Fund	-	-	-	-	653,242	510,711
Milford NZ Equities Wholesale Fund	-	-	-	-	159,805	53,429
Milford Australian Equities Wholesale Fund	-	-	-	-	98,390	61,189
Milford Global Select Wholesale Fund	-	-	-	-	508,418	277,826
Milford Global Real Asset Wholesale Fund	-	-	-	-	28,294	25,163
Milford Global Opportunities Wholesale Fund	-	-	-	-	174,061	420,685
Milford Investment Funds						
Milford Trans-Tasman Bond Fund	-	-	-	-	78,852	68,852
Milford Global Corporate Bond Fund	-	-	-	-	57,468	27,576
Milford Conservative Fund	-	-	106,457	78,768	414,076	312,216
Milford Australian Absolute Growth Fund	-	-	-	-	16,898	42,718
Milford Cash Fund	150,877	118,439	-	-	157,629	124,857
Milford Aggressive Fund	-	-	-	-	2,112,600	1,463,129
Milford KiwiSaver Funds						
Milford KiwiSaver Balanced Fund	-	-	106,362	79,680	-	-
Total	150,877	118,439	212,819	158,448	10,377,354	8,060,270



8. Related parties (continued)

(e) Investments by the Plan in related parties (continued)

The following table shows the income earned or (loss) incurred by the Plan from their investments in related parties in the year ended.

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
For the year ended 31 March								
Milford Wholesale Funds								
Milford Active Growth Wholesale Fund	-	-	-	-	373,354	733,141	-	-
Milford Dynamic Wholesale Fund	-	-	897	8,867	-	-	-	-
Milford Income Wholesale Fund	-	-	47,029	38,135	-	-	-	-
Milford NZ Equities Wholesale Fund	-	-	1,028	1,753	347	1,913	-	-
Milford Australian Equities Wholesale Fund	-	-	(338)	4,227	(2,461)	3,395	-	-
Milford Global Select Wholesale Fund	-	-	7,641	13,613	20,930	28,707	-	-
Milford Global Real Asset Wholesale Fund	-	-	-	-	3,131	(489)	-	-
Milford Global Opportunities Wholesale Fund	-	-	1,432	26,263	(8,056)	45,202	-	-
Milford Investment Funds								
Milford Trans-Tasman Bond Fund	-	-	5,000	4,385	-	-	-	-
Milford Global Corporate Bond Fund	-	-	1,993	2,503	-	-	-	-
Milford Conservative Fund	17,822	16,189	-	-	-	-	-	-
Milford Australian Absolute Growth Fund	-	-	(820)	3,095	-	-	-	-
Milford Cash Fund	-	-	335	346	-	-	-	-
Milford Aggressive Fund	-	-	-	-	-	-	42,472	237,685
Milford KiwiSaver Funds								
Milford KiwiSaver Active Growth Fund	-	-	22,701	50,261	-	-	-	-
Milford KiwiSaver Aggressive Fund	-	-	(1,377)	1,707	-	-	-	-
Total	17,822	16,189	85,521	155,155	387,245	811,869	42,472	237,685



8. Related parties (continued)

(e) Investments by the Plan in related parties (continued)

The following table shows the income earned or (loss) incurred by the Plan from their investments in related parties in the year ended.

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
For the year ended 31 March						
Milford Wholesale Funds						
Milford Active Growth Wholesale Fund	-	-	-	-	373,354	733,141
Milford Dynamic Wholesale Fund	-	-	-	-	897	8,867
Milford Income Wholesale Fund	-	-	-	-	47,029	38,135
Milford NZ Equities Wholesale Fund	-	-	-	-	1,375	3,666
Milford Australian Equities Wholesale Fund	-	-	-	-	(2,799)	7,622
Milford Global Select Wholesale Fund	-	-	-	-	28,571	42,320
Milford Global Real Asset Wholesale Fund	-	-	-	-	3,131	(489)
Milford Global Opportunities Wholesale Fund	-	-	-	-	(6,624)	71,465
Milford Investment Funds						
Milford Trans-Tasman Bond Fund	-	-	-	-	5,000	4,385
Milford Global Corporate Bond Fund	-	-	-	-	1,993	2,503
Milford Conservative Fund	-	-	6,188	5,131	24,010	21,320
Milford Australian Absolute Growth Fund	-	-	-	-	(820)	3,095
Milford Cash Fund	6,388	6,636	-	-	6,723	6,982
Milford Aggressive Fund	-	-	-	-	42,472	237,685
Milford KiwiSaver Funds						
Milford KiwiSaver Balanced Fund	-	-	5,182	7,792	-	-
Total	6,388	6,636	11,370	12,923	524,312	1,180,697



9. Trade and other receivables including receivables from related parties

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March								
Accrued interest	-	1	48	17	6	39	-	9
Futures margin accounts	-	-	11,279	11,267	5,908	-	-	-
Contributions receivable	1,885	729	4,747	2,285	11,580	8,498	6,340	4,086
Total trade and other receivables	1,885	730	16,074	13,569	17,494	8,537	6,340	4,095
Trade receivables from related parties								
Receivable on the redemption of units in related party investment	-	-	15,000	6,000	-	-	-	-
Total trade receivables from related parties	-	-	15,000	6,000	-	-	-	-

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
As at 31 March						
Accrued interest	-	-	-	2	54	68
Futures margin accounts	-	-	-	-	17,187	11,267
Contributions receivable	2,425	587	460	123	21,581	13,039
Total trade and other receivables	2,425	587	460	125	38,822	24,374
Trade receivables from related parties						
Management fee rebates receivable	-	-	-	4	-	4
Receivable on the redemption of units in related party investment	-	-	-	-	-	6,000
Total trade receivables from related parties	-	-	-	4	-	6,004

All trade and other receivables balances are carried at amortised cost and their carrying values approximate fair value.

10. Trade and other payables including payables to related parties

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
As at 31 March								
Trade and other payables								
Redemptions payable	963	537	2,009	2,253	4,933	2,284	3,193	768
Total trade and other payables	963	537	2,009	2,253	4,933	2,284	3,193	768
Trade and other payables to related parties								
Management fees payable	9	1	673	503	5,184	3,919	22	14
Performance fees payable	-	-	-	-	-	40,196	-	-
Redemptions payable	-	-	-	-	15,000	-	-	-
Unsettled investment trades	-	-	20,000	-	-	-	-	-
Total trade and other payables to related parties	9	1	20,673	503	20,184	44,115	22	14



10. Trade and other payables including payables to related parties (continued)

\$ thousands	Cash Fund		Moderate Fund				Plan Total	
	2025	2024	2025	2024			2025	2024
As at 31 March								
Trade and other payables								
Redemptions payable	970	230	309	486			6,521	3,289
Total trade and other payables	970	230	309	486			6,521	3,289
Trade and other payables to related parties								
Management fees payable	1	-	4	-			5,893	4,437
Performance fees payable	-	-	-	-			-	40,196
Unsettled investment trades	-	-	-	-			20,000	-
Total trade and other payables to related parties	1	-	4	-			25,893	44,633

All trade and other payable balances are carried at amortised cost and their carrying values approximate fair value.

11. Reconciliation of net profit before tax and membership activities to net cash flows from operating activities

\$ thousands	Conservative Fund		Balanced Fund		Active Growth Fund		Aggressive Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
For the year ended 31 March								
Net profit before membership activities	18,068	16,349	89,081	138,083	327,011	731,905	43,246	238,281
Adjustments for non-cash items:								
Unrealised changes in the fair value of financial instruments at fair value through profit or loss	(10,103)	(10,539)	(53,402)	(155,443)	(352,706)	(806,129)	(42,472)	(237,685)
Unrealised foreign exchange losses/(gains) on cash at bank	-	-	238	(570)	(466)	903	(4)	(2)
Distributions re-invested	(7,719)	(5,578)	(3,752)	(3,166)	-	-	-	-
Other non-cash income and expenses	-	-	(292)	191	(45)	-	-	-
	(17,822)	(16,117)	(57,208)	(158,988)	(353,217)	(805,226)	(42,476)	(237,687)
Movements in working capital items:								
Decrease/(increase) in trade and other receivables	1	(1)	(207)	(3,528)	32	(38)	10	(9)
Increase/(decrease) in trade and other payables	8	-	20,170	83	(23,931)	41,243	8	5
Increase in cost of investments	(56,349)	(10,322)	(291,298)	(192,345)	(926,260)	(840,414)	(607,000)	(322,500)
	(56,340)	(10,323)	(271,335)	(195,790)	(950,159)	(799,209)	(606,982)	(322,504)
Net cash outflow from operating activities	(56,094)	(10,091)	(239,462)	(216,695)	(976,365)	(872,530)	(606,212)	(321,910)

11. Reconciliation of net profit before tax and membership activities to net cash flows from operating activities (continued)

\$ thousands	Cash Fund		Moderate Fund		Plan Total	
	2025	2024	2025	2024	2025	2024
For the year ended 31 March						
Net profit before membership activities	6,539	6,722	11,569	13,119	469,008	1,084,699
Adjustments for non-cash items:						
Unrealised changes in the fair value of financial instruments at fair value through profit or loss	(4,098)	(5,429)	(8,705)	(11,196)	(448,567)	(1,166,661)
Unrealised foreign exchange (gains)/losses on cash at bank	-	-	-	-	(232)	331
Distributions re-invested	-	-	(2,665)	(1,727)	(14,136)	(10,471)
Other non-cash income and expenses	-	-	-	-	(337)	191
	(4,098)	(5,429)	(11,370)	(12,923)	(463,272)	(1,176,610)
Movements in working capital items:						
Decrease/(increase) in trade and other receivables	-	-	2	(2)	(162)	(3,578)
Increase/(decrease) in trade and other payables	1	-	8	(2)	(3,736)	41,329
(Increase)/decrease in cost of investments	(28,340)	5,288	(43,001)	(27,782)	(1,863,461)	(1,330,794)
	(28,339)	5,288	(42,991)	(27,786)	(1,867,359)	(1,293,043)
Net cash (outflow)/inflow from operating activities	(25,898)	6,581	(42,792)	(27,590)	(1,861,623)	(1,384,954)

12. Capital commitments and contingent liabilities

There were no material capital commitments or contingent liabilities as at 31 March 2025 (31 March 2024: nil).

13. Events after balance date

On 22 May 2025, the government announced changes to government contributions and the default employee and employer contribution rates for KiwiSaver. These changes have no impact on the Plan's financial statements for 31 March 2025.

There have been no other material events or conditions that have occurred since balance date which would require recognition or additional disclosure in these Financial Statements.



Independent auditor's report

To the members of Milford KiwiSaver Plan which comprises:

- Milford KiwiSaver Conservative Fund
- Milford KiwiSaver Balanced Fund
- Milford KiwiSaver Active Growth Fund
- Milford KiwiSaver Aggressive Fund
- Milford KiwiSaver Cash Fund
- Milford KiwiSaver Moderate Fund

(Collectively referred to as the Funds and the Plan)

Our opinion

In our opinion, the accompanying financial statements of the Funds and the Plan present fairly, in all material respects, the financial positions of the Funds and the Plan as at 31 March 2025, their financial performance, and their 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 Accounting Standards (IFRS Accounting Standards).

What we have audited

The Funds' and the Plan's financial statements comprise:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). 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.

Independence

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

In our capacity as auditor and assurance practitioner, our firm provides other assurance, agreed-upon procedures and other services in respect of the Funds and the Plan for Milford Funds Limited (the Manager). Our firm carries out other assignments in the areas of tax compliance and tax advisory services in respect of the Funds and the Plan for the Manager. Subject to certain restrictions, partners and employees of our firm may invest in the Funds and the Plan on normal terms within the ordinary course of trading activities of the Funds and the Plan. The firm has no other relationship with, or interests in, the Manager in respect of the Funds and the Plan.

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 of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the key audit matter	How our audit addressed the key audit matter
<p>Valuation and existence of financial assets and financial liabilities at fair value through profit or loss</p> <p>Refer to note 4 to the financial statements for the reported values of financial assets and financial liabilities at fair value through profit or loss.</p> <p>This was an area of focus for our audit as it represents the majority of the net assets available for benefits of the Funds and the Plan, and requires judgement in selecting and applying certain valuation techniques.</p> <p>These financial assets and financial liabilities are categorised as Level 1 and Level 2 within the fair value hierarchy.</p> <p>Refer to note 5 which describes how fair value is determined.</p> <p>For financial assets and financial liabilities quoted in foreign currencies, these are translated to New Zealand dollars using the exchange rates at the reporting date.</p> <p>Financial assets and financial liabilities at fair value through profit or loss are held by the Custodian on behalf of the Funds and the Plan, or the position is recorded by the counterparty.</p>	<p>We assessed the processes employed by the Manager for recording and valuing the financial assets and financial liabilities at fair value through profit or loss, including the relevant controls operated by a third-party service organisation, the Administrator. Our assessment of the processes included obtaining the internal controls reports over investment accounting and unit pricing provided by the Administrator.</p> <p>We evaluated the evidence provided by the internal controls reports over the design and operating effectiveness of the relevant controls operated by the Administrator.</p> <p>For financial assets and financial liabilities where quoted market prices in an active market were available, we compared the market price at the reporting date to independent third-party pricing sources.</p> <p>For financial assets and financial liabilities that are not traded in an active market and with inputs that are observable either directly or indirectly, we:</p> <ul style="list-style-type: none"> agreed the observable inputs to third-party pricing sources and used our PwC valuation experts to evaluate the fair value, using independent valuation models, or agreed the redemption price at the reporting date to the confirmation provided by the unlisted investment fund's administrator. We evaluated whether the redemption price represents fair value by comparing the net asset value per unit calculated based on the latest audited financial statements of the underlying unlisted funds to the published unit price on that date to provide evidence of the reliability of unit pricing. <p>We have assessed the reasonableness of the exchange rates used to translate financial assets and financial liabilities quoted in foreign currencies.</p>



We obtained confirmation from the Custodian, or counterparties, of the holdings and positions of all financial assets and financial liabilities at fair value through profit or loss as recognised by the Funds and the Plan as at the reporting date.

Our audit approach

Overview

Materiality We determined materiality for each Fund and the Plan separately. Our materiality for each Fund and the Plan is calculated based on approximately 1% of net assets available for benefits for each Fund and the Plan.

We chose net assets available for benefits as the benchmark because, in our view, the objective of the Funds and the Plan is to provide members with a total return on the Funds' and the Plan's net assets, taking into account both capital and income returns.

Key audit matters As reported above, we have one key audit matter, being:

- Valuation and existence of financial assets and financial liabilities at fair value through profit or loss

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatement. Misstatements may arise due to 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.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements of each Fund and the Plan as a whole as set out above. These, together with qualitative considerations, helped us to determine the scope of our audit, the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements of each Fund and the Plan as a whole.

How we tailored our audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements of each Fund and the Plan as a whole, taking into account the structure of each Fund and the Plan, the Funds' and the Plan's investments and the accounting and registry processes and controls.



The Manager is responsible for the governance and control activities of the Funds and the Plan. The Manager has outsourced investment accounting (Administrator) and registry services (Registrar) to a third-party service provider.

Other information

The Manager is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon, which the annual report will refer to. The other information we obtained prior to the date of this auditor's report comprised the climate statement. The remaining other information comprising the annual report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of audit opinion or 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 to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and use our professional judgement to determine the appropriate action to take.

Responsibilities of the Manager for the financial statements

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

In preparing the financial statements, the Manager is responsible for assessing each Fund's and the Plan'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 Manager either intends to liquidate a Fund or the Plan or to cease operations, or has 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 (NZ) and ISAs 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 at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/>

This description forms part of our auditor's report.



Who we report to

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

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

For and on behalf of:

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive script.

PricewaterhouseCoopers

Auckland

3 July 2025