

**Aurora KiwiSaver Scheme**  
**Financial Statements**  
**For the year ended 31 March 2024**

## Statements of Changes in Net Assets

\$	Note	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Income</b>											
Interest income on financial assets at amortised cost		6,440	4,051	14,254	5,151	31,297	7,582	5,549	3,020	57,540	19,804
Interest income on financial assets at fair value through profit or loss		644	-	994	-	867	(53)	401	-	2,906	(53)
Dividend and distribution income		1,278,671	583,704	1,012,603	-	271,019	307,867	935,746	233,051	3,498,039	1,124,622
Foreign exchange (losses)/gains		(38,583)	-	(36,772)	-	121,512	(10,891)	-	-	46,157	(10,891)
Net gain/(loss) on financial instruments at fair value through profit or loss		1,541,960	(833,511)	15,273,875	(841,926)	880,456	20,180	240,605	7,586	17,936,896	(1,647,671)
Other income		22,218	-	101,757	-	22,207	-	19,759	-	165,941	-
<b>Total profit/(loss)</b>		<b>2,811,350</b>	<b>(245,756)</b>	<b>16,366,711</b>	<b>(836,775)</b>	<b>1,327,358</b>	<b>324,685</b>	<b>1,202,060</b>	<b>243,657</b>	<b>21,707,479</b>	<b>(514,189)</b>
<b>Expenses</b>											
Management fees	10	339,704	67,805	1,132,631	170,088	221,220	191,574	64,598	3,597	1,758,153	433,064
Management fee rebates		(107,068)	(62,224)	(248,218)	(152,476)	(1,154)	(280)	(34,374)	(9,441)	(390,814)	(224,421)
Supervisor fees	10	8,909	8,900	24,606	15,118	3,445	10,280	5,800	2,466	42,660	36,764
Transaction costs		-	-	-	-	11,963	13,589	-	-	11,963	13,589
Other expenses		8,901	46,351	24,521	60,835	5,720	69,808	6,029	12,912	45,171	189,906
<b>Total operating expenses</b>		<b>250,346</b>	<b>60,832</b>	<b>933,540</b>	<b>93,565</b>	<b>241,194</b>	<b>284,971</b>	<b>42,053</b>	<b>9,534</b>	<b>1,467,133</b>	<b>448,902</b>
<b>Net profit/(loss) before membership activities</b>		<b>2,561,004</b>	<b>(306,588)</b>	<b>15,433,171</b>	<b>(930,340)</b>	<b>1,086,164</b>	<b>39,714</b>	<b>1,160,007</b>	<b>234,123</b>	<b>20,240,346</b>	<b>(963,091)</b>
<b>Contributions</b>											
Member contributions		4,202,062	2,130,296	10,965,209	3,686,918	1,575,085	2,292,686	2,578,753	861,962	19,321,109	8,971,862
Employer contributions		2,119,206	1,047,638	6,144,484	2,128,893	873,723	1,319,955	1,280,157	452,494	10,417,570	4,948,980
Crown contributions		553,908	290,718	1,081,196	487,271	741,816	303,021	341,368	80,906	2,718,288	1,161,916
Transfers from other Funds in the Scheme		3,078,911	1,118,923	51,145,289	657,265	179,381	3,636,488	1,010,458	3,155,909	-	-
Transfers from other schemes		26,207,475	13,663,519	53,006,765	26,220,756	10,732,340	20,008,667	22,063,636	11,131,777	112,010,216	71,024,719
<b>Total contributions</b>		<b>36,161,562</b>	<b>18,251,094</b>	<b>122,342,943</b>	<b>33,181,103</b>	<b>14,102,345</b>	<b>27,560,817</b>	<b>27,274,372</b>	<b>15,683,048</b>	<b>144,467,183</b>	<b>86,107,477</b>
<b>Withdrawals</b>											
Transfers to other Funds in the Scheme		1,892,754	2,665,007	3,021,696	4,353,707	48,845,785	1,053,708	1,653,804	496,163	-	-
Transfers to other schemes		4,121,303	1,936,010	9,116,004	2,040,268	1,072,356	1,310,069	1,840,743	612,861	16,150,406	5,899,208
Withdrawals on death		13,485	6,788	967	5,221	-	4,983	4,993	-	19,445	16,992
Withdrawals or transfers on permanent emigration		84,457	-	-	-	-	-	34,055	-	118,512	-
Invalid enrolment withdrawals		-	44	58,358	6,234	-	5,516	-	272	58,358	12,066
Retirement		451,759	101,080	154,756	62,551	37,261	62,270	136,396	-	780,172	225,901
Serious illness withdrawals		11,016	12,900	14,099	5,812	8,127	5,700	-	-	33,242	24,412
First home purchase withdrawals		2,812,271	1,688,035	677,030	201,170	64,388	208,209	6,548,748	2,016,309	10,102,437	4,113,723
Significant financial hardship withdrawals		436,260	116,992	734,857	128,974	82,685	83,674	178,074	60,977	1,431,876	390,617
Amounts required to be paid under other enactments		6,104	-	63,896	-	87,897	-	-	-	157,897	-
<b>Total benefits paid</b>		<b>9,829,409</b>	<b>6,526,856</b>	<b>13,841,663</b>	<b>6,803,937</b>	<b>50,198,499</b>	<b>2,734,129</b>	<b>10,396,813</b>	<b>3,186,582</b>	<b>28,852,345</b>	<b>10,682,919</b>
Administration fees		59,998	29,378	168,458	56,766	20,422	35,604	34,629	11,663	283,507	133,411
PIE tax		282,898	19,780	317,984	(134,732)	178,113	192,090	287,371	56,752	1,066,366	133,890
<b>Net membership activities</b>		<b>25,989,257</b>	<b>11,675,080</b>	<b>108,014,838</b>	<b>26,455,132</b>	<b>(36,294,689)</b>	<b>24,598,994</b>	<b>16,555,559</b>	<b>12,428,051</b>	<b>114,264,965</b>	<b>75,157,257</b>
<b>Members' accounts at the start of the year/period</b>		<b>25,979,062</b>	<b>14,610,570</b>	<b>49,295,466</b>	<b>23,770,674</b>	<b>35,208,525</b>	<b>10,569,817</b>	<b>12,662,174</b>	<b>-</b>	<b>123,145,227</b>	<b>48,951,061</b>
<b>Movement in Members' accounts for the year/period</b>		<b>28,550,261</b>	<b>11,368,492</b>	<b>123,448,009</b>	<b>25,524,792</b>	<b>(35,208,525)</b>	<b>24,638,708</b>	<b>17,715,566</b>	<b>12,662,174</b>	<b>134,505,311</b>	<b>74,194,166</b>
<b>Members' accounts at the end of the year/period</b>		<b>54,529,323</b>	<b>25,979,062</b>	<b>172,743,475</b>	<b>49,295,466</b>	<b>-</b>	<b>35,208,525</b>	<b>30,377,740</b>	<b>12,662,174</b>	<b>257,650,538</b>	<b>123,145,227</b>

\* The Future Focused Fund was terminated on 28 August 2023.

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

## Statements of Net Assets

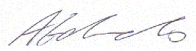
\$ As at 31 March	Note	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Members' Funds</b>		<b>54,529,323</b>	25,979,062	<b>172,743,475</b>	49,295,466	-	35,208,525	<b>30,377,740</b>	12,662,174	<b>257,650,538</b>	123,145,227
<b>Represented by:</b>											
<b>Assets</b>											
Cash and cash equivalents		70,126	158,381	390,824	52,322	-	291,131	122,960	324,147	583,910	825,981
Financial assets at fair value through profit or loss	6	54,808,976	25,612,058	173,323,289	48,919,630	-	35,208,672	30,408,137	12,157,619	258,540,402	121,897,979
Interest receivables		1,027	-	1,789	-	-	-	1,080	-	3,896	-
Management fee rebates receivable		26,870	23,279	96,872	59,421	-	310	11,087	2,699	134,829	85,709
Contributions receivable		360,833	240,725	598,235	240,639	-	143,776	199,047	231,875	1,158,115	857,015
Member attributed taxation		135	5,574	9,118	159,896	-	98	62	49	9,315	165,617
<b>Total assets</b>		<b>55,267,967</b>	26,040,017	<b>174,420,127</b>	49,431,908	-	35,643,987	<b>30,742,373</b>	12,716,389	<b>260,430,467</b>	123,832,301
<b>Liabilities</b>											
Financial liabilities at fair value through profit or loss	6	323,088	-	999,314	-	-	51,851	-	-	1,322,402	51,851
Due to brokers		-	-	-	-	-	160,011	-	-	-	160,011
Management fees payable		35,068	8,882	131,185	23,527	-	28,121	3,935	1,544	170,188	62,074
Supervisor fees payable		992	1,161	3,044	2,058	-	1,491	1,324	520	5,360	5,230
Withdrawals payable		100,790	4,997	199,721	16,113	-	13,654	115,348	1,879	415,859	36,643
Other payables		5,102	4,748	10,808	6,490	-	5,895	1,587	624	17,497	17,757
Member attributed taxation		273,604	41,167	332,580	88,254	-	174,439	242,439	49,648	848,623	353,508
<b>Total liabilities</b>		<b>738,644</b>	60,955	<b>1,676,652</b>	136,442	-	435,462	<b>364,633</b>	54,215	<b>2,779,929</b>	687,074
<b>Net assets available for benefits</b>		<b>54,529,323</b>	25,979,062	<b>172,743,475</b>	49,295,466	-	35,208,525	<b>30,377,740</b>	12,662,174	<b>257,650,538</b>	123,145,227

\* The Future Focused Fund was terminated on 28 August 2023.

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

These Financial Statements were authorised for issue by the Manager, FundRock NZ Limited.

Director



17 July 2024

Anthony Edmonds

Director



17 July 2024

Jeremy Valentine

## Statements of Cash Flows

\$	For the year/period ended 31 March	Note	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
			2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Cash flows from operating activities</b>												
			<b>30,172,613</b>	1,861,292	<b>51,704,969</b>	4,256,260	<b>50,509,623</b>	1,125,302	<b>480,087</b>	20,005	<b>132,867,292</b>	7,262,859
			(57,095,279)	(13,515,000)	(159,929,279)	(30,604,999)	(13,691,436)	(25,369,957)	(18,490,000)	(12,170,038)	(249,205,994)	(81,659,994)
			187,723	-	560,700	-	(940,611)	(404,155)	-	-	(192,188)	(404,155)
			681,744	-	545,743	-	271,019	315,735	935,746	233,051	2,434,252	548,786
			6,057	4,051	13,459	5,151	32,164	7,529	4,870	3,020	56,550	19,751
			103,477	47,311	210,767	111,611	1,154	(30)	25,986	6,742	341,384	165,634
			22,218	-	101,757	-	22,207	-	19,759	-	165,941	-
			(313,518)	(63,267)	(1,024,973)	(156,886)	(249,341)	(169,992)	(62,207)	(2,053)	(1,650,039)	(392,198)
			(17,525)	(53,611)	(43,823)	(74,240)	(28,514)	(89,310)	(10,062)	(14,234)	(99,924)	(231,395)
		<b>9</b>	<b>(26,252,490)</b>	(11,719,224)	<b>(107,860,680)</b>	(26,463,103)	<b>35,926,265</b>	(24,584,878)	<b>(17,095,821)</b>	(11,923,507)	<b>(115,282,726)</b>	(74,690,712)
<b>Cash flows from financing activities</b>												
			36,041,454	18,217,722	121,985,347	33,049,868	14,246,121	27,502,448	27,307,200	15,451,173	144,166,083	85,652,626
			(9,793,614)	(6,560,981)	(13,826,513)	(6,911,789)	(50,232,575)	(2,786,786)	(10,317,973)	(3,196,366)	(28,756,636)	(10,887,337)
			(45,022)	71,335	77,120	8,221	(352,454)	(59,033)	(94,593)	(7,153)	(414,949)	13,370
			<b>26,202,818</b>	11,728,076	<b>108,235,954</b>	26,146,300	<b>(36,338,908)</b>	24,656,629	<b>16,894,634</b>	12,247,654	<b>114,994,498</b>	74,778,659
			<b>(49,672)</b>	8,852	<b>375,274</b>	(316,803)	<b>(412,643)</b>	71,751	<b>(201,187)</b>	324,147	<b>(288,228)</b>	87,947
			158,381	149,529	52,322	369,125	291,131	230,271	324,147	-	825,981	748,925
			(38,583)	-	(36,772)	-	121,512	(10,891)	-	-	46,157	(10,891)
			<b>70,126</b>	158,381	<b>390,824</b>	52,322	-	291,131	<b>122,960</b>	324,147	<b>583,910</b>	825,981

\* The Future Focused Fund was terminated on 28 August 2023.

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

## Notes to the Financial Statements

### 1. General information

#### Reporting entity

These Financial Statements ('Financial Statements') are for the Aurora KiwiSaver Scheme (the 'Scheme') which comprises the following investment funds (each a "Fund", together the "Funds").

- Conservative Fund (commenced from 19 August 2021);
- Growth Fund (commenced from 19 August 2021);
- Future Focused Fund (commenced from 24 September 2021 and closed on 28 August 2023); and
- Liquidity Fund (commenced from 9 May 2022)

The Manager and Issuer of the Scheme is FundRock NZ Limited. The registered office for FundRock NZ Limited is Level 2, Woodward House, 1 Woodward Street, Wellington 6011. Aurora Capital Limited ('Aurora') is the Funds' Investment Manager. The Scheme is a defined contribution scheme under the KiwiSaver Act 2006, which means that members contribute to the Scheme over time and benefits payable depend on the amount of contributions made and any returns on contributions received.

The Scheme was established under a Trust Deed dated 21 May 2021. Establishment Deeds for the Conservative Fund and Growth Fund were issued on 21 May 2021, the Future Focused Fund on 22 June 2021 and the Liquidity Fund on 9 May 2022. The Scheme first received contributions from 19 August 2021 for the Conservative Fund and the Growth Fund, 24 September 2021 for the Future Focused Fund and 23 May 2022 for the Liquidity Fund.

The principal objectives of the Funds are described below:

- The objective of the Conservative Fund is to provide a investment returns exceeding the Consumer Price Index ("CPI") by 2.5% per annum before fees and tax over 3 to 5 years through investing in income assets. The underlying portfolio is actively managed and includes cash, fixed interest, property, Australasian equities and international equities. The Fund has a low to medium level of volatility.
- The objective of the Growth Fund is to provide a investment returns exceeding the CPI by 4% per annum before fees and tax over medium to long term through investing in growth assets. The underlying portfolio is actively managed and includes cash, fixed interest, property, Australasian equities and international equities. The Fund has a medium to high level of volatility.
- The objective of the Future Focused Fund is to provide a investment returns exceeding the CPI by 4% per annum before fees and tax over medium to long term through investing in broad range of global equity and fixed income securities. The Fund also targets a lower MSCI carbon intensity, than its market index over the medium to long term. The Fund has a low to medium level of volatility.
- On 13 July 2023, the Manager decided to wind up the Future Focused Fund, the Fund was closed on 28 August 2023. Refer to note 2.1 for further information.
- The objective of the Liquidity Fund is to provide a gross return above the return of the Bloomberg NZBond Bank Bill Index on a rolling 12 month basis. The Fund provides exposure to an actively managed portfolio of bank bills, floating rate notes and mainly short term deposits and securities, that target capital security and liquidity. The Fund has a low level of volatility.

#### Funding arrangements

Under the Trust Deed, contributions are made by Members of the Scheme, their employers and the Crown. Members can choose to contribute 3%, 4%, 6%, 8% or 10% of gross salary or wages. Members may, from time to time, make additional voluntary contributions to the Scheme. Employers are required to contribute 3% of Members' gross salary or wage to the Scheme if the Member contributes at least 3% of their gross salary or wages. Employer contributions to KiwiSaver are subject to Employer Superannuation Contribution Tax. The Crown will also contribute \$0.50 for every \$1.00 of member contributions annually up to a maximum of \$521.43 for qualifying Members.

#### Retirement benefits

Member benefits will generally be locked into the Scheme until the earlier of the date for reaching the qualifying age for New Zealand Superannuation or, for Members enrolled prior to 1 July 2019, the date on which the Member has been a member of any KiwiSaver Scheme, or a member of a Complying Superannuation Scheme, for a period of five years. Members may also be able to withdraw their funds under significant financial hardship, serious illness, permanent emigration and first home withdrawals. Retirement benefits are determined by contributions to the Scheme together with investment earnings net of fees and tax on these contributions over the period of membership.

#### Termination terms

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

#### Statutory base

The Scheme is registered under the Financial Markets Conduct Act 2013 (FMCA) as a KiwiSaver Scheme. The Scheme is a trust vehicle governed by a Trust Deed dated 21 May 2021.

## Notes to the Financial Statements

### 2. Summary of accounting policies

#### 2.1 Basis of preparation

The Financial Statements have been prepared in accordance with the Trust Deed governing the Scheme, the Kiwisaver Act 2006 and Section 7 of the FMCA. The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied throughout the period presented, unless otherwise stated.

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). For the purposes of complying with GAAP, the Scheme is a for-profit entity. These Financial Statements have been prepared in accordance with the New Zealand equivalents to International Financial Reporting Accounting Standards ('NZ IFRS') as issued by the New Zealand Accounting Standards Board and other applicable reporting standards. The Financial Statements also comply with International Financial Reporting Accounting Standards ('IFRS Accounting Standards') as issued by the International Accounting Standards Board. These Financial Statements have been prepared under the historical cost method, except for financial assets and liabilities at fair value through profit or loss, and have been prepared on the assumption that the Scheme operates on a going concern basis.

The preparation of Financial Statements in conformity with NZ IFRS and IFRS requires the use of certain critical accounting estimates. It also requires the Directors of the Manager to exercise their judgement in the process of applying the Scheme's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 3.

The Financial Statements are prepared for the year ended 31 March 2024 for the Conservative Fund, the Growth Fund and the Liquidity Fund and for period ended 28 August 2023 for the Future Focused Fund. The comparatives for the Conservative Fund, Growth Fund and Future Focused Fund are for the year ended 31 March 2023 and for the Liquidity Fund for the period 9 May 2022 to 31 March 2023.

#### Going concern

On 13 July 2023, the Manager decided to wind up the Future Focused Fund. The assets, liabilities and net assets available for benefits of the Future Focused Fund not already transferred to other funds or schemes were transferred to the Growth Fund prior to its closure on 28 August 2023.

The Manager has determined that the Future Focused Fund is no longer a going concern. Accordingly, the financial statements of the Future Focused Fund have been prepared on a realisation basis.

Under the realisation basis of accounting, assets and liabilities are measured at realisation value. This is the estimated amount of cash or cash equivalent that could be received/required to settle the obligation.

The use of realisation basis in the preparation of the financial statements has not required adjustment to the amounts currently recognised in applying NZ IFRS.

All other funds and the Scheme are going concerns.

#### New standards and amendments

##### *Amendments to NZ IAS 1 'Presentation of Financial Statements' and amendments to IFRS Practice Statement 2 'Making Materiality Judgements'*

Effective 1 January 2023, the amendments replaced the requirement for entities to disclose significant accounting policies with a requirement to disclose material accounting policy information. There was no material impact on the Financial Statements of the Fund due to the amendments.

Other than above, there are no standards, amendments to standards or interpretations that are not yet effective for annual periods beginning on or after 1 April 2023, which have not been adopted, that will have a material effect on the financial statements of the Scheme.

#### Standards issued but not yet effective

##### *NZ IFRS 18*

NZ IFRS 18 Presentation and Disclosure in Financial Statements (NZ IFRS 18) was issued in May 2024 as replacement for NZ IAS 1 Presentation of Financial Statements (NZ IAS 1) and applies to an annual reporting period beginning on or after 1 January 2027. Most of the presentation and disclosure requirements would largely remain unchanged together with other disclosures carried forward from NZ IAS 1. NZ IFRS 18 primarily introduces the following:

- a defined structure for the statements of comprehensive income by classifying items into one of the five categories: operating, investing, financing, income taxes and discontinued operations. Entities will also present expenses in the operating category by nature, function, or a mix of both, based on facts and circumstances;
- disclosure of management-defined performance measures in a single note together with reconciliation requirements, and
- additional guidance on aggregation and disaggregation principles (applied to all primary financial statements and notes).

The Manager is currently assessing the impact of adopting the standard.

Other than above, there are no new standards, amendments to standards or interpretations that are not yet effective and have been early adopted that are expected to have a material effect on the Financial Statements of the Scheme.

#### *Climate change disclosure*

FundRock is a Climate Reporting Entity pursuant to the provisions of the Financial Markets Conduct Act 2013, as modified by the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021. Climate-related disclosures for the Funds will be prepared in accordance with Aotearoa New Zealand Climate Standards issued by External Reporting Board and will be available at the Climate-Related Disclosures Register.

The impacts of climate change have a high degree of uncertainty associated with them. FundRock and the investment manager have used and will continue to use scenario analysis and climate-related metrics (such as carbon emissions) to identify, assess, and monitor climate-related risks and opportunities for the Funds. FundRock has not attempted to quantify the impacts (or expected impacts) of said risks and opportunities because this poses substantial technical challenges; nonetheless, FundRock understands that the impacts may be significant.

For more details on climate-related risks and opportunities for the Funds and how FundRock manages them, please refer to the Climate-Related Statements.

## Notes to the Financial Statements

### 2. Summary of accounting policies (continued)

#### 2.1 Basis of preparation (continued)

##### (a) Presentation

The Financial Statements are presented in New Zealand dollars, which is the Scheme's functional currency. The functional currency reflects the currency of the economy in which the Scheme competes for funds and is regulated. All amounts are rounded to the nearest dollar unless otherwise stated.

#### 2.2 Investment entity

The Scheme meets the definition of investment entities per NZ IFRS 10 'Consolidated financial statements' as the following conditions exist:

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

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

1. it has more than one investment;
2. has more than one investor;
3. investors that are not related parties; and
4. ownership interest in the Scheme is represented by respective units held in the Funds.

#### 2.3 Financial instruments

##### (a) Classification

###### Assets

Financial assets are recognised initially at fair value plus transaction costs. After initial recognition, financial assets are measured at fair value or amortised cost, determined on the basis of both (a) the Fund'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

**Financial assets at fair value through profit or loss** can be either designated as such upon initial recognition or mandatorily measured at fair value in accordance with NZ IFRS 9. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Investment Manager is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Financial assets at fair value through profit or loss comprise of listed equities, listed trusts, unlisted trusts and forward foreign exchange contracts.

###### (ii) Financial assets at amortised cost

- (a) **Cash and cash equivalents** include cash in hand and deposits held at call with banks, denominated in New Zealand dollars and in foreign currencies.
- (b) **Receivables** are amounts representing assets owing to the Funds and may include amounts due for interest or dividends and amounts due for securities sold that have been contracted for but not yet settled or delivered at period end.

###### Liabilities

###### (i) Financial liabilities at fair value through profit or loss

**Financial liabilities at fair value through profit or loss** can be either designated as such upon initial recognition or mandatorily measured at fair value in accordance with NZ IFRS 9. The portfolio of financial liabilities is managed and performance is evaluated on a fair value basis. As there are no financial liabilities designated at fair value upon initial recognition in the Funds, all financial liabilities are mandatorily measured at fair value through profit or loss. Foreign exchange contracts that have a negative fair value are presented as financial liabilities at fair value through profit or loss.

###### (ii) Financial liabilities at amortised cost

- (a) **Payables** are amounts representing liabilities and accrued expenses owing by the Funds at period end and may include related party fees, withdrawals payable and amounts due to brokers for purchase of unsettled securities at period end.

##### (b) Recognition, measurement and derecognition

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

The Funds recognise financial assets and liabilities at fair value through profit or loss on the date they become parties to the contractual agreement. Financial assets and liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the Statement of Changes in Net Assets.

Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the Statement of Changes in Net Assets when they arise.

Financial assets at fair value through profit or loss are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all of the risks and rewards of ownership. Financial liabilities at fair value through profit or loss are derecognised when the obligation under the liability is discharged, cancelled or expires. Any gain or loss arising on derecognition of the financial asset or financial liability at fair value through profit or loss is included in the Statement of Changes in Net Assets in the year the item is derecognised.

## Notes to the Financial Statements

### 2. Summary of accounting policies (continued)

#### 2.3 Financial instruments (continued)

##### (b) Recognition, measurement and derecognition (continued)

###### (i) Financial assets and liabilities at amortised cost

The Funds recognise financial assets and liabilities at amortised cost on the date they become parties to the contractual agreement. Financial assets and liabilities at amortised cost are initially recognised at fair value plus/minus transaction costs.

Subsequent to initial recognition, all financial assets at amortised cost are measured at amortised cost less any impairment if applicable. Any impairment is recognised in the Statements of Changes in Net Assets as an expense. At each reporting date, the Funds shall measure the loss allowance of all 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. 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. See note 5.1.2 for further detail. If the credit risk increases to the point that it is considered to be credit impaired, interest will be calculated based on the gross carrying amount adjusted for the loss allowance. 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 Standard & Poor's rating of BBB/Baa. Any contractual payment which is more than 90 days past due is considered credit-impaired.

Financial assets at amortised cost are derecognised when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all of the risks and rewards of ownership. Financial liabilities at amortised cost are derecognised when the obligation under the liability is discharged, cancelled or expires. Any gain or loss arising on derecognition of the financial asset or financial liability at amortised cost is included in the Statements of Changes in Net Assets in the year the item is derecognised.

##### (c) Fair value measurement

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 each Fund within the Scheme had access at that date. The fair value of a liability reflects its non-performance risk.

###### *Financial assets and liabilities held at fair value through profit or loss*

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

###### *Fair value in an active market*

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The quoted market price used by the Funds is the last traded market price for both financial assets and financial liabilities where the last traded prices fall within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value. The quoted market price used for fixed interest securities is the current mid price.

###### *Fair value in an inactive or unquoted market*

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Manager uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of recent comparable market transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Funds' investments in other funds are subject to the terms and conditions of the respective funds' offering documentation. The investments in other funds are primarily valued based on the latest available redemption price of such units for each other fund investment, as determined by the other funds' administrators. The Manager reviews the details of the reported information obtained from the other funds and considers: the liquidity of the other fund or its underlying investments; the value date of the net asset value provided; and restrictions on redemptions.

The rights of the Funds to request redemption of their investments in other funds may vary in frequency from daily to weekly redemptions. As a result, the carrying values of the other funds may not be indicative of the values ultimately realised on redemption. In addition, the Funds may be materially affected by the actions of other investors who have invested in other funds in which the Funds have invested.

If necessary, the Funds within the Scheme make adjustments to the net asset value of various other fund investments to obtain the best estimate of fair value. Other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss in the statement of changes in net assets include the change in fair value of each other fund.

Fair value classifications of the Funds' financial assets and liabilities are detailed in Note 6. Fair value hierarchy is detailed in Note 5.3.

#### 2.4 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.

#### 2.5 Income recognition

- (a) Dividend and distribution income is recognised in the Statements of Changes in Net Assets when the Scheme's right to receive payment is established.
- (b) Interest income is recognised in the Statements of Changes in Net Assets as the interest accrues using the effective interest rate method. Interest income is earned on cash and cash equivalents.
- (c) Gains or losses of financial assets at fair value through profit or loss are recognised in the Statements of Changes in Net Assets as disclosed in Note 2.3.
- (d) Foreign exchange gains and losses on cash and financial instruments at fair value through profit or loss are recognised in the Statements of Changes in Net Assets as disclosed in Note 2.10.
- (e) 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 Portfolio Investment Entities regime.

#### 2.6 Expenses

The management fee, supervisory and custody fees and expense allowance is calculated on a daily basis based on the Gross Fund Value of the Scheme and paid monthly. Other expenses (including fund administration fees) are expensed in the Statements of Changes in Net Assets on an accrual basis. Member administration and registry fees are charged monthly per Member via a unit deduction payment when they arise.



## Notes to the Financial Statements

### 2. Summary of accounting policies (continued)

#### 2.7 Taxation

The Funds are Portfolio Investment Entities (PIEs). Under the PIE regime, income is effectively taxed in the hands of the members and therefore the Funds have 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 Funds to Members in accordance with the proportion of their overall interest in the Funds. 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 Funds to reflect that the Scheme 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 the 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.

#### 2.8 Goods and services tax (GST)

The Scheme 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.

#### 2.9 Statements of cash flows

Definitions of the terms used in the Statements of Cash Flows are:

- (a) 'For the purposes of the Statement of Cash Flows, proceeds from the sale and purchase of investments at fair value through profit or loss and proceeds from realisation of derivatives are considered operating activities. The sales and purchases of investment securities maintain the operating capability of the Fund even though the investments may not be acquired specifically for resale or trading.; and
- (b) 'Financing activities' are those activities that result in changes in the size and composition of Members' funds.
- (c) The Scheme undertook no Investing activities during the reporting period.

#### 2.10 Foreign currencies

##### *Transactions and balances*

Transactions denominated in foreign currencies are recognised at the exchange rates on the date of the transactions. Assets and liabilities at the reporting date denominated in foreign currencies are translated at the foreign currency exchange rates on that date. Realised and unrealised exchange gains and losses during each reporting period are recognised in the Statements of Changes in Net Assets.

#### 2.11 Net assets attributable to Members

The net assets available for benefits represents the liability for promised retirement benefits and are measured at amortised cost. The Funds issue units that are redeemable at the Members' option and do not have identical features and are therefore classified as financial liabilities. 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 Scheme 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 Scheme. The Trust Deed also stipulates that assets held for a Fund of the Scheme shall not be made available to meet the liabilities incurred in relation to any other Fund of the Scheme. The Funds' net asset value 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.

#### 2.12 Related parties

A party is related to the Scheme if:

- (a) directly or indirectly through one or more of its intermediaries, it controls, is controlled by, or is under common control with, the Scheme;
- (b) it is a parent, subsidiary or fellow subsidiary of a party, defined in (a) above;
- (c) it has an interest in or relationship with the Scheme that gives it significant influence over the Scheme;
- (d) the Scheme has an interest in or relationship with the party that gives it significant influence over the party; or
- (e) they are a member of the Manager's or Investment Manager's key management personnel.

#### 2.13 Restatement of comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the Financial Statements. Note 8. Offsetting is added for 31 March 2024. Comparatives are added for the 31 March 2023.

### 3. Accounting estimates and judgements

The Manager of the Funds makes estimates and assumptions that affect the reported amounts of assets and liabilities. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below. Estimates are continually evaluated and are based on historical experience among other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### *Fair value of securities not quoted in an active market*

The valuation models employed use observable data, to the extent practicable. However, areas such as credit risk, volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The fair value of investments in other funds have been fair valued in accordance with the policies set out above in note 2.3 (c).

For certain other financial instruments, including amounts due from/to unsettled trades, accounts payable and accrued expenses, the carrying amounts approximate fair value due to the short term nature of these financial instruments.

The Manager continues to monitor the liquidity requirements of the Funds and concluded that there is sufficient liquidity to meet liabilities when due under current conditions.

The adoption of the going concern assumption remains appropriate; except for the Future Focused Fund. The Future Focused Fund ceased operations on 28 August 2023 and is no more going concern.

## Notes to the Financial Statements

### 4. Derivatives

#### 4.1 Forward foreign currency contracts

Forward foreign currency contracts are contractual obligations to buy or sell one currency on a future date in exchange for a second currency at a specified forward foreign exchange rate which is established in an organised market. The forward contracts are agreed between the parties to the contract and are not traded on an exchange. The Scheme's open positions in forward contracts at each reporting date are outlined below:

\$ As at 31 March	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Forward exchange contracts (notional value in NZ\$)</b>										
Sell AUD/Buy NZD	16,324,036	-	20,996,143	-	-	883,686	-	-	37,320,179	883,686
Sell EUR/Buy NZD	-	-	6,305,965	-	-	1,893,408	-	-	6,305,965	1,893,408
Sell GBP/Buy NZD	-	-	1,008,960	-	-	443,323	-	-	1,008,960	443,323
Sell USD/Buy NZD	-	-	27,729,814	-	-	14,824,765	-	-	27,729,814	14,824,765
Sell CAD/Buy NZD	-	-	1,147,005	-	-	681,856	-	-	1,147,005	681,856
Sell NZD/Buy CAD	-	-	(20,748)	-	-	-	-	-	(20,748)	-
Sell CHF/Buy NZD	-	-	597,990	-	-	263,898	-	-	597,990	263,898
Sell JPY/Buy NZD	-	-	2,900,546	-	-	773,288	-	-	2,900,546	773,288
Sell NZD/Buy CHF	-	-	-	-	-	(3,106)	-	-	-	(3,106)
Sell NZD/Buy JPY	-	-	(5,477)	-	-	(6,598)	-	-	(5,477)	(6,598)
Sell NZD/Buy USD	-	-	(461,051)	-	-	-	-	-	(461,051)	-
<b>Forward exchange contracts (fair value in NZ\$)</b>										
Sell AUD/Buy NZD	(323,088)	-	(385,352)	-	-	13,212	-	-	(708,440)	13,212
Sell EUR/Buy NZD	-	-	(89,762)	-	-	(24,575)	-	-	(89,762)	(24,575)
Sell GBP/Buy NZD	-	-	(15,791)	-	-	(5,035)	-	-	(15,791)	(5,035)
Sell USD/Buy NZD	-	-	(17,315)	-	-	120,630	-	-	(17,315)	120,630
Sell CAD/Buy NZD	-	-	(873)	-	-	1,843	-	-	(873)	1,843
Sell NZD/Buy CAD	-	-	(20,714)	-	-	-	-	-	(20,714)	-
Sell CHF/Buy NZD	-	-	3,862	-	-	(346)	-	-	3,862	(346)
Sell JPY/Buy NZD	-	-	(3,027)	-	-	(1,441)	-	-	(3,027)	(1,441)
Sell NZD/Buy CHF	-	-	-	-	-	(3,101)	-	-	-	(3,101)
Sell NZD/Buy JPY	-	-	(5,468)	-	-	(6,588)	-	-	(5,468)	(6,588)
Sell NZD/Buy USD	-	-	(460,287)	-	-	-	-	-	(460,287)	-

### 5. Financial risk management

#### 5.1 Financial risk factors

The Trust Deed for the Scheme requires the Manager to invest the assets of each Fund of the Scheme in accordance with the Scheme's Statements of Investment Policy and Objectives ('SIPO'), in order to manage risk. The Scheme's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk. The Scheme's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Scheme is exposed and seeks to minimise potential adverse effects on the Scheme's financial performance.

All securities investments present a risk of loss of capital. The Funds of the Scheme hold various financial instruments such as listed equities and trusts where the maximum loss of capital is limited to the carrying value of those positions. The maximum loss of capital on forward foreign exchange contracts is limited to the notional amount of currency that is contracted to be delivered under each contract.

The Scheme is exposed directly and indirectly to price risks through its holdings of equity and trust investments. The unlisted investments have underlying securities comprising primarily domestic, international equity instruments and fixed interest securities.

In addition to internal risk management carried out by the Manager, financial risk is also managed by the setting of an investment policy, agreed with and monitored by the Supervisor and set out in the SIPO. The Manager regularly reviews investment assets of the funds against Asset Allocation profiles of the SIPO together with the liquidity and concentration restrictions of the SIPO.

#### 5.1.1 Market risk

FundRock considers that the market prices of the investments factor in climate change impacts and, as such, no adjustment has been made to balances or transactions in these financial statements as a result of climate changes.

##### (a) Price risk

Price risk is the risk that the fair value or future cash flows of monetary and non-monetary 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. All investments in listed trusts, unlisted trusts and forward foreign exchange contracts 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 managers of the underlying trusts moderate this risk through careful asset selection and diversification of investments, daily monitoring of the positions and adherence to their investment policies. Price risks are managed by ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits. Any price risk associated with monetary instruments such as the fixed interest securities is considered to be part of the risk captured under interest rate risk and credit risk.

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

For non-monetary financial instruments, for example, equities and trusts 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 Scheme holds trusts which in turn invest in securities denominated in foreign currencies, the value of the unit trust will be indirectly affected by fluctuations in foreign exchange rates. Paragraph (b) 'Foreign exchange risk' below sets out how this component of price risk is managed and measured.

## Notes to the Financial Statements

### 5. Financial risk management (continued)

#### 5.1.1 Market risk (continued)

##### Sensitivity Analysis

A variable of 10% was selected for price risk as this is a reasonably expected movement based on historic trends in unit prices. If investments in financial instruments subject to unit price risk at that date increased/decreased by 10% with all other variables held constant, this would have had the following impact on the net profit/(loss) before membership activities and the net assets available for benefits:

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
As at 31 March										
10% increase in prices	5,448,589	2,561,206	17,232,398	4,891,963	-	3,515,682	3,040,814	1,215,762	25,721,801	12,184,613
10% decrease in prices	(5,448,589)	(2,561,206)	(17,232,398)	(4,891,963)	-	(3,515,682)	(3,040,814)	(1,215,762)	(25,721,801)	(12,184,613)

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 Scheme is exposed to currency risk on monetary instruments through holdings of non-New Zealand dollar cash and cash equivalents, receivables, payables and by entering into forward foreign exchange contracts. The Manager may hedge the exposure to currency fluctuations.

The Scheme is also exposed to currency risk on non-monetary instruments through investments in equity securities and trusts.

At the reporting date, the Scheme had the following foreign currency exposures due to holdings of monetary assets and liabilities (expressed in NZD equivalents):

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
As at 31 March										
<b>Monetary assets/(liabilities)</b>										
Australian Dollar (AUD)	(16,616,344)	-	(21,344,158)	-	-	(855,118)	-	-	(37,960,502)	(855,118)
Euro (EUR)	-	-	(6,386,726)	-	-	(1,913,890)	-	-	(6,386,726)	(1,913,890)
Great British Pound (GBP)	-	-	(1,024,613)	-	-	(448,028)	-	-	(1,024,613)	(448,028)
United States Dollar (USD)	-	-	(27,748,358)	-	-	(14,834,075)	-	-	(27,748,358)	(14,834,075)
Canadian Dollar (CAD)	-	-	(1,147,307)	-	-	(679,636)	-	-	(1,147,307)	(679,636)
Swiss Franc (CHF)	-	-	(591,705)	-	-	(263,135)	-	-	(591,705)	(263,135)
Japanese Yen (JPY)	-	-	(2,887,088)	-	-	(770,040)	-	-	(2,887,088)	(770,040)

A variable of 10% was selected for foreign exchange risk as this is the Manager's best estimate of a reasonable possible shift in exchange rates with regard to historical volatility. If the exchange rates between the New Zealand dollar and the foreign currencies increased/decreased by 10% with all other variables held constant, this would have had the following impact on the net profit/(loss) before membership activities and the net assets available for benefits:

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
As at 31 March										
<b>Monetary assets/(liabilities)</b>										
Increase of 10%	1,510,577	-	5,557,269	-	-	1,796,720	-	-	7,067,846	1,796,720
Decrease of 10%	(1,846,260)	-	(6,792,217)	-	-	(2,195,991)	-	-	(8,638,477)	(2,195,991)

At the reporting date the Scheme had the following foreign currency exposures due to holdings of non-monetary assets and liabilities (expressed in NZD equivalents):

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
As at 31 March										
<b>Non-monetary assets/(liabilities)</b>										
Australian Dollar (AUD)	16,369,222	-	18,037,116	-	-	-	-	-	34,406,338	-
United States Dollars (USD)	-	-	-	-	-	33,413,452	-	-	-	33,413,452

A variable of 10% was selected for foreign exchange risk as this is the Manager's best estimate of a reasonable possible shift in exchange rates with regard to historical volatility. If the exchange rates between the New Zealand dollar and the foreign currencies increased/decreased by 10% with all other variables held constant, this would have had the following impact on the net profit/(loss) before membership activities and the net assets available for benefits:

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
As at 31 March										
<b>Non-monetary assets/(liabilities)</b>										
Increase of 10%	(1,488,111)	-	(1,639,738)	-	-	(3,037,587)	-	-	(3,127,849)	(3,037,587)
Decrease of 10%	1,818,802	-	2,004,124	-	-	3,712,606	-	-	3,822,926	3,712,606

## Notes to the Financial Statements

### 5. Financial risk management (continued)

#### 5.1.1 Market risk (continued)

##### (c) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities, and future cash flows. The Funds hold cash and cash equivalents that expose the Funds to cash flow interest rate risk.

The following table represents the maturity profile of financial instruments subject to interest rate risk at 31 March:

\$ As at 31 March	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Cash and cash equivalents</b>										
On Call	70,126	158,381	390,824	52,322	-	291,131	122,960	324,147	583,910	825,981

##### (i) Cash flow sensitivity analysis

The Scheme holds cash and cash equivalents in New Zealand dollars that expose the Funds to cash flow interest rate risk.

A movement of 100 basis points (1%) was selected as this is a reasonably expected movement based on past overnight cash rate movements. A change in interest rates impacts the cash flow of the Scheme's cash and cash equivalents by increasing or decreasing the amount of interest received. If investments in financial instruments subject to interest rate risk at that date increased/decreased by 1% with all other variables held constant, this would have had the following impact on the net profit/(loss) before membership activities and the net assets available for benefits:

\$ As at 31 March	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Increase of 1%	701	1,584	3,908	523	-	2,911	1,230	3,241	5,839	8,259
Decrease of 1%	(701)	(1,584)	(3,908)	(523)	-	(2,911)	(1,230)	(3,241)	(5,839)	(8,259)

In addition to the Scheme's direct exposure to interest rate changes on the cash flow sensitivity of financial asset and liabilities and on the cash flows of cash and cash equivalents shown above, the Funds may be indirectly affected by the impact of interest rate changes on the earnings of their investments in unlisted trusts, which forms part of the Price Risk sensitivity (see above). Therefore, the above sensitivity analysis may not fully indicate the total effect on the Scheme's net assets attributable to Members of future movements in interest rates.

#### 5.1.2 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 Scheme. Financial instruments that subject the Scheme to credit risk consist primarily of cash and cash equivalents and other receivables.

The Funds measure credit risk and expected credit losses using the probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any expected credit loss and monitors credit risk within the terms of the Schemes' Statement of Investment Policies and Objectives (SIPO). This predominantly requires a minimum credit rating of 'investment grade' for issuers of fixed interest securities, or where unrated, for the investment committee to believe the issuer is of a credit quality equivalent to investment grade. For bank deposits, the bank is required to be investment grade.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. There is a limited risk of default relating to contributions receivable by the Scheme as this receivable has arisen only due to timing between the date of receipt of the funds and when the units are allocated and the receipts processed. Derivative contracts can only be held with banks with a minimum S&P credit rating of AA-. Forward foreign exchange contracts are held with Bank of New Zealand who have a S&P credit rating of AA-.

The maximum credit risk of financial instruments is considered to be the carrying amount on the statement of net assets. The risk of non-recovery of monetary assets is considered by the Manager to be minimal due to the quality of counterparties dealt with. The Scheme does not require collateral or other security to support financial instruments with credit risk. Cash and cash equivalents are held with Bank of New Zealand.

As at 31 March 2024 there were no financial assets past due or impaired. As such, no loss allowance is deemed necessary on 12-month expected credit losses.

The following table sets out the Standard and Poor's credit rating for cash and cash equivalents and fixed interest securities held by the Scheme:

\$ As at 31 March		Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Cash and cash equivalents</b>											
Bank of New Zealand	AA-	70,126	158,381	390,824	52,322	-	291,131	122,960	324,147	583,910	825,981

## Notes to the Financial Statements

### 5. Financial risk management (continued)

#### 5.1.3 Liquidity risk

Liquidity risk represents the risk that the Scheme may not have the financial ability to meet its contractual obligations. The Scheme evaluates its liquidity requirements on an on-going basis and maintains an investment in cash and cash equivalents to cover the possibility of any member withdrawals.

The Funds within the Scheme invest predominantly in liquid investments and hence have daily applications and redemptions. Market conditions can, however, change resulting in some assets becoming difficult to sell. Hence if any Fund within the Scheme were to experience liquidity problems the Manager may defer or suspend redemptions for a period of time.

The following table analyses each of the Funds' financial liabilities and derivative financial instruments in a loss position based on a contractual maturity basis rather than on an expected maturity basis, as the expected maturities for such contracts are not considered to be essential to an understanding of the timing of cash flows. The amounts in the table are the contractual undiscounted cash flows.

\$ As at 31 March	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Financial liabilities measured at fair value through profit or loss</b>										
0-2 months	323,088	-	999,314	-	-	51,851	-	-	1,322,402	51,851
<b>Outstanding settlements payable</b>										
Less than 7 days	-	-	-	-	-	160,011	-	-	-	160,011
<b>Related party payables</b>										
7 days to 1 month	36,060	10,043	134,229	25,585	-	29,612	5,259	2,064	175,548	67,304
<b>Withdrawals payable</b>										
Less than 7 days	100,790	4,997	199,721	16,113	-	13,654	115,348	1,879	415,859	36,643
<b>Other payables</b>										
7 days to 1 month	5,102	4,748	10,808	6,490	-	5,895	1,587	624	17,497	17,757
	<b>465,040</b>	19,788	<b>1,344,072</b>	48,188	-	261,023	<b>122,194</b>	4,567	<b>1,931,306</b>	333,566

The required cash outflow to settle the forward currency contracts which are in a liability position at each reporting date will be the fair value as at 31 March 2024, if it was settled on that date. It is expected that the actual undiscounted cash flows will be different, given that the instrument is marked to market. All the open currency contracts which are in a loss position at 31 March 2024 mature within 3 months after each reporting date.

#### 5.2 Capital risk management

Net assets available to pay Member benefits are considered to be the Scheme's capital for the purposes of capital management not withstanding net assets available for benefits is classified as a liability for accounting. The Scheme does not have to comply with externally imposed capital requirements. The Scheme's objectives when managing capital are to ensure it meets all present and future obligations, and to maximise value for Members. In order to meet its objectives for capital management the Scheme's management monitors the Scheme's performance on a regular basis. Compliance with investment mandates is also monitored by the Manager and the Supervisor. There have been no breaches of these mandate limits during the year.

#### 5.2.1 Units on Issue

Units As at 31 March	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Units on issue at the start of the year/period	28,074,097	15,398,808	56,012,621	25,356,283	37,155,152	10,770,531	12,318,305	-	133,560,175	51,525,622
Total contributions for the year/period	38,685,492	19,976,347	135,305,993	38,711,466	14,580,093	29,595,880	26,282,083	15,627,965	214,853,661	103,911,658
Total withdrawals for the year/period	(11,021,218)	(7,301,058)	(15,872,483)	(8,055,128)	(51,735,245)	(3,211,259)	(10,568,934)	(3,309,660)	(89,197,880)	(21,877,105)
<b>Units on issue at the end of the year</b>	<b>55,738,371</b>	28,074,097	<b>175,446,131</b>	56,012,621	-	37,155,152	<b>28,031,454</b>	12,318,305	<b>259,215,956</b>	133,560,175

#### 5.3 Fair value estimation

The carrying amounts of the Scheme's assets and liabilities at the reporting date are their fair values. Fair value measurements are categorised into a three level hierarchy that reflects the significance of the inputs used in making the measurements. The Scheme recognises transfers between levels of the fair value hierarchy as at the end of the financial year during which the change has occurred.

##### Level 1 - fair value in an active market

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the reporting date without any deduction for estimated future selling costs. Financial assets and liabilities are priced at last sale prices.

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

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques for which all significant inputs are based on observable market data, either directly (that is, as prices) or indirectly (that is, derived from prices).

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

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques for which any significant input is not based on observable market data. 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, not proprietary, and provided by independent sources that are actively involved in the relevant market.

## Notes to the Financial Statements

### 5. Financial risk management (continued)

#### 5.3 Fair value estimation (continued)

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.

\$ As at 31 March	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Level 1</b>										
<i>Financial assets at fair value through profit or loss</i>										
Listed trusts	-	-	-	-	-	33,413,452	-	-	-	33,413,452
<b>Total level 1 assets</b>	-	-	-	-	-	33,413,452	-	-	-	33,413,452
<b>Level 2</b>										
<i>Financial assets at fair value through profit or loss</i>										
Forward foreign exchange contracts	-	-	4,588	-	-	146,253	-	-	4,588	146,253
Unlisted trusts	54,808,976	25,612,058	173,318,701	48,919,630	-	1,648,967	30,408,137	12,157,619	258,535,814	88,338,274
<b>Total level 2 assets</b>	54,808,976	25,612,058	173,323,289	48,919,630	-	1,795,220	30,408,137	12,157,619	258,540,402	88,484,527
<b>Level 2</b>										
<i>Financial liabilities at fair value through profit or loss</i>										
Forward foreign exchange contracts	323,088	-	999,314	-	-	51,851	-	-	1,322,402	51,851
<b>Total level 2 liabilities</b>	323,088	-	999,314	-	-	51,851	-	-	1,322,402	51,851

The fair value of listed equities and listed trusts are determined using quoted market prices in an active market. This measurement basis falls within Level 1 of the fair value hierarchy.

The fair value of forward foreign exchange contracts is calculated from spot exchange rates and forward points supplied by WM/Reuters. 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.

The Scheme uses valuation models to derive fair value of forward exchange contracts which may have various settlement dates. These valuations may incorporate inputs for counterparty risk, foreign exchange spot and forward rates and interest rate curves. For these financial instruments, significant inputs used are market observable and have been classified as Level 2.

The fair value of unlisted trusts is determined using the redemption price, based on the valuation of its underlying investments, as supplied by the third party administrators on a daily basis. This measurement basis falls within Level 2 of the fair value hierarchy as all significant inputs used to calculate the fair value are based on observable market data.

There were no transfers between levels during the year ended 31 March 2024.

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

## Notes to the Financial Statements

### 6. Financial assets and liabilities at fair value through profit or loss

#### 6.1 Financial assets and liabilities classification

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>As at 31 March</b>										
<b>Financial assets measured at fair value through profit or loss</b>										
Forward foreign exchange contracts	-	-	4,588	-	-	146,253	-	-	4,588	146,253
Listed trusts	-	-	-	-	-	33,413,452	-	-	-	33,413,452
Unlisted trusts	54,808,976	25,612,058	173,318,701	48,919,630	-	1,648,967	30,408,137	12,157,619	258,535,814	88,338,274
<b>Total financial assets at fair value through profit or loss</b>	<b>54,808,976</b>	<b>25,612,058</b>	<b>173,323,289</b>	<b>48,919,630</b>	<b>-</b>	<b>35,208,672</b>	<b>30,408,137</b>	<b>12,157,619</b>	<b>258,540,402</b>	<b>121,897,979</b>
<b>Financial liabilities measured at fair value through profit or loss</b>										
Forward foreign exchange contracts	323,088	-	999,314	-	-	51,851	-	-	1,322,402	51,851
<b>Total financial liabilities at fair value through profit or loss</b>	<b>323,088</b>	<b>-</b>	<b>999,314</b>	<b>-</b>	<b>-</b>	<b>51,851</b>	<b>-</b>	<b>-</b>	<b>1,322,402</b>	<b>51,851</b>

#### 6.2 Trading securities exceeding 5% of net assets available for benefits

As at 31 March 2024	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	\$	%	\$	%	\$	%	\$	%	\$	%
Affirmative Global Impact Bond Fund - Class A	16,369,222	30.02%	18,037,116	10.44%	-	-	-	-	34,406,338	13.35%
Dimensional Global Sustainability PIE Fund	3,605,877	6.61%	52,351,452	30.31%	-	-	-	-	55,957,329	21.72%
First Sentier Responsible List Infrastructure Fund	-	-	11,567,510	6.70%	-	-	-	-	11,567,510	4.49%
Mercer Macquarie NZ Cash Fund	10,243,415	18.79%	9,828,117	5.69%	-	-	30,408,137	100%	50,479,669	19.59%
Mercer Macquarie NZ Fixed Interest Fund	16,640,740	30.52%	11,654,007	6.75%	-	-	-	-	28,294,747	10.98%
Mint New Zealand SRI Equity Fund	3,404,792	6.24%	35,338,598	20.46%	-	-	-	-	38,743,390	15.04%
Stewart Investors WLS Fund	-	-	34,541,901	20.00%	-	-	-	-	34,541,901	13.41%

As at 31 March 2023	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	\$	%	\$	%	\$	%	\$	%	\$	%
Mint Diversified Income Fund	25,612,058	98.59%	-	-	-	-	-	-	25,612,058	20.80%
Mint Diversified Growth Fund	-	-	48,919,630	99.24%	-	-	-	-	48,919,630	39.73%
iShares Global Green Bond ETF	-	-	-	-	3,569,598	10.14%	-	-	3,569,598	2.90%
iShares Global Clean Energy	-	-	-	-	2,387,511	6.78%	-	-	2,387,511	1.94%
iShares Global Water UCITS ETF USD (Dist)	-	-	-	-	2,361,626	6.71%	-	-	2,361,626	1.92%
iShares Global Timber & Forestry ETF	-	-	-	-	2,334,781	6.63%	-	-	2,334,781	1.90%
iShares Sust Msci Em Sri	-	-	-	-	2,584,521	7.34%	-	-	2,584,521	2.10%
iShares USD TIPS UCITS ETF (Acc)	-	-	-	-	4,676,361	13.28%	-	-	4,676,361	3.80%
iShares MSCI World SRI UCITS ETF	-	-	-	-	14,129,651	40.13%	-	-	14,129,651	11.47%
Mercer Macquarie NZ Cash Fund	-	-	-	-	-	-	12,157,619	96.02%	12,157,619	9.87%

## Notes to the Financial Statements

### 6. Financial assets and liabilities at fair value through profit or loss (continued)

#### 6.3 Trading securities exceeding 5% of asset class

As at 31 March 2024	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	\$	%	\$	%	\$	%	\$	%	\$	%
<b>Unlisted trusts</b>										
Affirmative Global Impact Bond Fund - Class A	16,369,222	29.87%	18,037,116	10.41%	-	-	-	-	34,406,338	13.31%
Dimensional Global Sustainability PIE Fund (NZD Hedged)	3,605,877	6.58%	52,351,452	30.21%	-	-	-	-	55,957,329	21.64%
First Sentier Responsible Listed Infrastructure Fund	-	-	11,567,510	6.67%	-	-	-	-	11,567,510	4.47%
Mercer Macquarie NZ Cash Fund	10,243,415	18.69%	9,828,117	5.67%	-	-	30,408,137	100.00%	50,479,669	19.53%
Mercer Macquarie NZ Fixed Interest Fund	16,640,740	30.36%	11,654,007	6.72%	-	-	-	-	28,294,747	10.94%
Mint New Zealand SRI Equity Fund	3,404,792	6.21%	35,338,598	20.39%	-	-	-	-	38,743,390	14.99%
Stewart Investors Worldwide Leaders Sustainability Fund	-	-	34,541,901	19.93%	-	-	-	-	34,541,901	13.36%

As at 31 March 2023	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	\$	%	\$	%	\$	%	\$	%	\$	%
<b>International unit trusts and listed investment companies</b>										
iShares Global Green Bond ETF	-	-	-	-	3,569,598	10.68%	-	-	3,569,598	10.68%
iShares Global Clean Energy	-	-	-	-	2,387,511	7.15%	-	-	2,387,511	7.15%
iShares USD TIPS UCITS ETF (Acc)	-	-	-	-	4,676,361	14.00%	-	-	4,676,361	14.00%
iShares Global Water UCITS ETF USD (Dist)	-	-	-	-	2,361,626	7.07%	-	-	2,361,626	7.07%
iShares Sust Msci Em Sri	-	-	-	-	2,584,521	7.73%	-	-	2,584,521	7.73%
iShares MSCI World SRI UCITS ETF	-	-	-	-	14,129,651	42.29%	-	-	14,129,651	42.29%
iShares Global Timber & Forestry ETF	-	-	-	-	2,334,781	6.99%	-	-	2,334,781	6.99%
<b>Unlisted trusts</b>										
Mint Diversified Income Fund	25,612,058	100.00%	-	-	-	-	-	-	25,612,058	28.99%
Mint Diversified Growth Fund	-	-	48,919,630	100.00%	-	-	-	-	48,919,630	55.38%
Mercer Macquarie NZ Cash Fund	-	-	-	-	1,648,967	100.00%	12,157,619	100.00%	13,806,586	15.63%



## Notes to the Financial Statements

### 7. Financial instruments by category

\$ As at 31 March	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Financial assets at fair value through profit and loss</b>										
Financial assets at fair value through profit or loss	54,808,976	25,612,058	173,323,289	48,919,630	-	35,208,672	30,408,137	12,157,619	258,540,402	121,897,979
<b>Financial assets at amortised cost</b>										
Cash and cash equivalents	70,126	158,381	390,824	52,322	-	291,131	122,960	324,147	583,910	825,981
Management fee rebates receivable	26,870	23,279	96,872	59,421	-	310	11,087	2,699	134,829	85,709
Interest receivables	1,027	-	1,789	-	-	-	1,080	-	3,896	-
Contributions receivable	360,833	240,725	598,235	240,639	-	143,776	199,047	231,875	1,158,115	857,015
<b>Total financial assets at amortised cost</b>	<b>458,856</b>	<b>422,385</b>	<b>1,087,720</b>	<b>352,382</b>	<b>-</b>	<b>435,217</b>	<b>334,174</b>	<b>558,721</b>	<b>1,880,750</b>	<b>1,768,705</b>
<b>Total financial assets</b>	<b>55,267,832</b>	<b>26,034,443</b>	<b>174,411,009</b>	<b>49,272,012</b>	<b>-</b>	<b>35,643,889</b>	<b>30,742,311</b>	<b>12,716,340</b>	<b>260,421,152</b>	<b>123,666,684</b>

\$ As at 31 March	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Financial liabilities at fair value through profit and loss</b>										
Financial liabilities at fair value through profit or loss	323,088	-	999,314	-	-	51,851	-	-	1,322,402	51,851
<b>Financial liabilities at amortised cost</b>										
Due to brokers	-	-	-	-	-	160,011	-	-	-	160,011
Management fees payable	35,068	8,882	131,185	23,527	-	28,121	3,935	1,544	170,188	62,074
Supervisor fees payable	992	1,161	3,044	2,058	-	1,491	1,324	520	5,360	5,230
Withdrawals payable	100,790	4,997	199,721	16,113	-	13,654	115,348	1,879	415,859	36,643
Other payables	5,102	4,748	10,808	6,490	-	5,895	1,587	624	17,497	17,757
Net assets available for benefits	54,529,323	25,979,062	172,743,475	49,295,466	-	35,208,525	30,377,740	12,662,174	257,650,538	123,145,227
<b>Total financial liabilities at amortised cost</b>	<b>54,671,275</b>	<b>25,998,850</b>	<b>173,088,233</b>	<b>49,343,654</b>	<b>-</b>	<b>35,417,697</b>	<b>30,499,934</b>	<b>12,666,741</b>	<b>258,259,442</b>	<b>123,426,942</b>
<b>Total financial liabilities</b>	<b>54,994,363</b>	<b>25,998,850</b>	<b>174,087,547</b>	<b>49,343,654</b>	<b>-</b>	<b>35,469,548</b>	<b>30,499,934</b>	<b>12,666,741</b>	<b>259,581,844</b>	<b>123,478,793</b>

## Notes to the Financial Statements

### 8. Offsetting

As at 31 March 2024, The Conservative Fund and the Growth Fund were subject to International Swaps and Derivatives Association (ISDA) arrangements with their derivative counterparty, BNZ ("Bank of New Zealand"). According to the terms of the ISDA arrangements with the respective counterparties all the derivatives are settled on a net basis.

The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements.

		Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Financial assets:</b>											
Amounts subject to offsetting:	Gross assets	-	-	4,588	-	-	146,253	-	-	4,588	146,253
	Gross liabilities offset	-	-	-	-	-	-	-	-	-	-
	<b>Net amounts presented</b>	-	-	4,588	-	-	146,253	-	-	4,588	146,253
Amounts not offsetting:	Financial instruments	-	-	-	-	-	(51,851)	-	-	-	(51,851)
	Cash collateral	-	-	-	-	-	-	-	-	-	-
	<b>Net amount</b>	-	-	4,588	-	-	94,402	-	-	4,588	94,402
<b>Financial liabilities:</b>											
Amounts subject to offsetting:	Gross liabilities	(323,088)	-	(999,314)	-	-	(51,851)	-	-	(1,322,402)	(51,851)
	Gross assets offset	-	-	-	-	-	-	-	-	-	-
	<b>Net amounts presented</b>	(323,088)	-	(999,314)	-	-	(51,851)	-	-	(1,322,402)	(51,851)
Amounts not offsetting:	Financial instruments	-	-	4,588	-	-	-	-	-	4,588	-
	Cash collateral	-	-	-	-	-	-	-	-	-	-
	<b>Net amount</b>	(323,088)	-	(994,726)	-	-	(51,851)	-	-	(1,317,814)	(51,851)

Each party has the option to settle all open contracts on a net basis in the event of default by the other party. Per the terms of the ISDA agreement, an event of default includes the following:

\* failure by a party to make a payment when due

\* failure by a party to perform an obligation required by the agreement (other than payment) if such failure is not remedied within 30 days after such notice of such failure is given to the party

\* bankruptcy

The related amounts not set-off in the statement of financial position represent amounts that have not been offset in the statement of financial position but could be expected to be offset in the event of default by either the Fund or its counterparty to the derivative contract. For financial instruments this is the maximum value of assets and liabilities that could be offset. For cash collateral this is the value of cash that could be withheld by the counterparty to settle derivative liabilities.

### 9. Reconciliation of net profit before membership activities to net cash outflows from operating activities

		Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Net profit/(loss) before membership activities</b>											
		2,561,004	(306,588)	15,433,171	(930,340)	1,086,164	39,714	1,160,007	234,123	20,240,346	(963,091)
<b>Adjustments for non cash items:</b>											
	Unrealised changes in the fair value of financial instruments	(2,792,666)	684,380	(14,212,240)	208,973	(2,785,330)	(424,378)	(235,818)	(7,330)	(20,026,054)	461,645
	Unrealised foreign exchange gains/(losses) on cash at bank	38,583	-	36,772	-	(121,512)	10,891	-	-	(46,157)	10,891
	Dividends reinvested	(596,927)	(583,704)	(466,860)	-	-	-	-	-	(1,063,787)	(583,704)
	<b>Total adjustments for non cash items</b>	(3,351,010)	100,676	(14,642,328)	208,973	(2,906,842)	(413,487)	(235,818)	(7,330)	(21,135,998)	(111,168)
<b>Movements in working capital items:</b>											
	(Increase)/decrease in net cost of investments	(25,484,237)	(11,504,577)	(108,725,245)	(25,715,786)	37,782,450	(24,244,612)	(18,014,700)	(12,150,289)	(114,441,732)	(73,615,264)
	(Increase)/decrease in receivables	(4,618)	(14,913)	(39,240)	(40,865)	-	7,558	(9,468)	(2,699)	(53,326)	(50,919)
	Increase/(decrease) in payables	26,371	6,178	112,962	14,915	(35,507)	25,949	4,158	2,688	107,984	49,730
	<b>Net cash flow from working capital items</b>	(25,462,484)	(11,513,312)	(108,651,523)	(25,741,736)	37,746,943	(24,211,105)	(18,020,010)	(12,150,300)	(114,387,074)	(73,616,453)
	<b>Net cash (outflow)/inflow from operating activities</b>	(26,252,490)	(11,719,224)	(107,860,680)	(26,463,103)	35,926,265	(24,584,878)	(17,095,821)	(11,923,507)	(115,282,726)	(74,690,712)

## Notes to the Financial Statements

### 10. Related parties

#### 10.1 Manager and Supervisor

The Manager of the Scheme is FundRock NZ Limited. The Manager is responsible for the administration of the Scheme. Aurora is the Funds' Investment Manager. No transactions were made between the Scheme and Aurora.

Management fees are a related party expense paid to the Manager which includes fees paid to the Investment Manager and are shown in the Statements of Net Assets under Management fees. Where the Funds have invested in other funds, the management fees and other in-fund costs charged to those funds are rebated and are shown in management fee rebates in the Statements of Changes in Net Assets. Management fee rebates are mainly settled by the allocation of additional units in the underlying investments. Management fees payable and management fee rebates receivable, if any, are shown in the Statements of Net Assets.

The fund administration and registry provider for the Funds is Apex Investment Administration (NZ) Ltd. For the period ended 31 March 2024 total fee charged to the Fund amounted to \$86,252 excluding GST (31 March 2023: \$195,482 excluding GST).

As outlined in the Funds PDS, the Funds incur following annual fund charges including GST, as a percentage of the net asset value per annum. The annual fund charges include any fees within underlying funds or securities that the Funds may invest into, as well as fees paid to the Manager, Investment Manager, the Supervisor, the Auditor, the Custodian, the Administration Manager, bank charges, ongoing advice fee, and other various costs and expenses incurred.

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund			
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023		
Annual Fund Charges	1.25%	1.25%	1.50%	1.50%	-	1.50%	0.40%	0.40%		
\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023

#### Included in the Statements of Changes in Net Assets

Management fees charged during the year/period	339,704	67,805	1,132,631	170,088	221,220	191,574	64,598	3,597	1,758,153	433,064
Management fee rebates earned during the year/period from the Manager	107,068	62,224	248,218	152,476	1,154	280	34,374	9,441	390,814	224,421

#### Included in the Statements of Net Assets

Management fees payable to the Manager	35,068	8,882	131,185	23,527	-	28,121	3,935	1,544	170,188	62,074
Management fees rebates receivable from the Manager	26,870	23,279	96,872	59,421	-	310	11,087	2,699	134,829	85,709

The Supervisor of the Scheme is Public Trust. The Custodian of the Scheme is Adminis NZ Limited, and is appointed by Public Trust, to hold the assets of the Scheme on behalf of investors. The Supervisor is entitled to receive a fee from the Manager for supervisory services.

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023

#### Included in the Statements of Changes in Net Assets

Supervisor fees charged during the year/period	8,809	8,900	24,606	15,118	3,445	10,280	5,800	2,466	42,660	36,764
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#### Included in the Statements of Net Assets

Supervisor fees payable	992	1,161	3,044	2,058	-	1,491	1,324	520	5,360	5,230
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#### 10.2 Related party holdings

Related parties of the Manager held units in the Aurora KiwiSaver Scheme in the following proportions:

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Directors and key personnel	-	-	299,062	56,013	-	56,693	-	80,697	299,062	193,403

Investments held in related party investors by the Funds at year end:

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Dimensional Global Sustainability PIE Fund (NZD Hedged)	3,605,877	-	52,351,452	-	-	-	-	-	55,957,329	-
First Sentier Responsible Listed Infrastructure Fund	2,171,636	-	11,567,510	-	-	-	-	-	13,739,146	-
Stewart Investors Worldwide Leaders Sustainability Fund	2,373,294	-	34,541,901	-	-	-	-	-	36,915,195	-

Income earned/(losses) incurred by the Funds from their investments in related parties

\$	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Dimensional Global Sustainability PIE Fund (NZD Hedged)	536,345	-	7,784,979	-	-	-	-	-	8,321,324	-
First Sentier Responsible Listed Infrastructure Fund	78,714	-	375,040	-	-	-	-	-	453,754	-
Stewart Investors Worldwide Leaders Sustainability Fund	279,570	-	3,949,828	-	-	-	-	-	4,229,398	-

FundRock NZ Limited is the manager of the Dimensional Global Sustainability PIE Fund, First Sentier Responsible List Infrastructure Fund and Stewart Investors WLS Fund, hence, is a related party.

## Notes to the Financial Statements

### 11. Auditors remuneration

The table below sets out the audit fees incurred by the Scheme:

\$ As at 31 March	Conservative Fund		Growth Fund		Future Focused Fund*		Liquidity Fund		Scheme Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
PricewaterhouseCoopers New Zealand audit fees (including GST)	17,876	16,233	17,876	16,235	8,050	16,233	17,736	16,100	61,538	64,801

### 12. Contingent liabilities

There were no contingent liabilities as at 31 March 2024 (31 March 2023: nil).

### 13. Events after reporting date

There are no other significant subsequent events that require adjustment to or disclosure in these financial statements as at 31 March 2024 or on the results and cash flows of the Funds for the reporting period ended on that date.



## Independent auditor's report

To the members of Aurora KiwiSaver Scheme (the Scheme) which comprises:

- Conservative Fund
- Growth Fund
- Liquidity Fund

(Collectively referred to as the Funds); and

- Future Focused Fund (the Closed Fund, which was closed on 28 August 2023)

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### Our opinion

In our opinion, the accompanying financial statements of the Funds and the Scheme present fairly, in all material respects, the financial position of the Funds and the Scheme as at 31 March 2024 and the Closed Fund as at 28 August 2023, their financial performance and their cash flows for the periods 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).

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### What we have audited

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

- the statements of net assets as at 31 March 2024;
- 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.

The Closed Fund's financial statements comprise:

- the statement of net assets as at 28 August 2023;
- the statement of changes in net assets for the period then ended;
- the statement of cash flows for the period then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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### 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.

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### Independence

We are independent of the Funds, the Closed Fund and the Scheme 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.



We have audited the financial statements of certain other funds managed by FundRock NZ Limited, the Manager. In addition, we have reported to the Trustee in respect of certain Wholesale funds managed by the Manager. Subject to certain restrictions, employees of our firm may invest in the Funds, the Closed Fund and the Scheme on normal terms within the ordinary course of trading activities of the Funds, the Closed Fund and the Scheme. These services and relationships have not impaired our independence as auditor of the Funds, the Closed Fund and the Scheme.

**Emphasis of Matter**

We draw attention to Note 2.1 to the financial statements, which discloses that the Future Focused Fund was closed on 28 August 2023. As a result, the financial statements of the Future Focused Fund have been prepared on a realisation basis. The financial statements of all other Funds and the Scheme have been prepared on the going concern basis. Our opinion is not modified in respect of this matter.

**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. We have determined that there are no key audit matters relating to the Closed Fund.

Description of the key audit matter	How our audit addressed the key audit matter
<p><b>Valuation and existence of financial assets and financial liabilities at fair value through profit or loss</b></p> <p>Refer to note 5 to the financial statements for the reported values of financial assets and financial liabilities (financial instruments) 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 members’ funds of the Funds and the Scheme.</p> <p><b>Valuation</b></p> <p>The fair value of the financial instruments that are not traded in an active market are determined using valuation techniques. The valuation technique depends on the underlying financial instrument and includes assumptions that are based on market conditions existing as at the reporting date.</p> <p>Such financial instruments with inputs to the valuation that are observable either directly or indirectly are categorised as Level 2 in the fair value hierarchy.</p> <p>For financial instruments quoted in foreign currencies, these are translated to New Zealand dollars using the exchange rates as at the reporting date.</p>	<p>We assessed the processes employed by the Manager for recording and valuing the financial instruments 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 report over investment accounting provided by the Administrator.</p> <p>We evaluated the evidence provided by the internal controls report over the design and operating effectiveness of the relevant controls operated by the Administrator.</p> <p>For financial instruments 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"> <li>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</li> <li>agreed the redemption price at the reporting date, to the confirmation provided by the unlisted trust’s administrator. We evaluated the redemption price represents fair value by comparing the redemption price at the reporting date to recent transactions to support the fair value of the unlisted trusts and comparing the Net Asset Value per unit calculated based on the latest audited</li> </ul>



Description of the key audit matter	How our audit addressed the key audit matter
<p><b>Existence</b>            Holdings of financial instruments at fair value through profit or loss are held by the custodian on behalf of the Fund (the Custodian).</p>	<p>financial statements of the underlying unlisted trusts to the published unit price on that date to provide evidence on reliability of unit pricing.</p> <p>We have assessed the reasonableness of the exchange rates used to translate financial instruments quoted in foreign currencies.</p> <p>We obtained confirmation from the Custodian of the holdings and positions of the financial instruments at fair value through profit or loss as recognised by the Funds and the Scheme as at the reporting date.</p>

**Our audit approach**

Overview	
<p><b>Materiality</b></p>	<p>We determined materiality for each Fund and the Scheme separately. Our materiality for each Fund and the Scheme is calculated based on approximately 1% of members' funds for each Fund and the Scheme.</p> <p>We chose members' funds as the benchmark because, in our view, the objective of the Funds and the Scheme is to provide members with a total return on the Funds' and the Scheme's net assets, taking into account both capital and income returns.</p> <p>For the Closed Fund, we chose average members' funds. All the underlying assets have been realised, liabilities settled and members redeemed with no balances remaining on the date of closure. The object of the Closed Fund was to provide a total return on the Closed Fund up to the date of closure, therefore it was appropriate to average the members' funds at 31 March 2023 and 28 August 2023.</p>
<p><b>Key audit matters</b></p>	<p>As reported above, we have one key audit matter, being valuation and existence of financial instruments at fair value through profit or loss for the Funds and the Scheme. For the Closed Fund, we have not identified any key audit matters from our audit.</p>

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



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, the Closed Fund and the Scheme 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, the Closed Fund and the Scheme as a whole.

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#### **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, the Closed Fund and the Scheme as a whole, taking into account the structure of each Fund, the Closed Fund and the Scheme, the Funds, the Closed Fund and the Scheme's investments and the accounting and registry processes and controls.

The Manager is responsible for the governance and control activities of the Funds, the Closed Fund and the Scheme. The Funds' and the Scheme's investments are held by the Custodian. The Manager has outsourced investment accounting (Administrator) and registry services (Registrar) to a third party service provider.

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#### **Other information**

The Manager is responsible for the other information. The other information comprises the information included in the annual report and climate-related statements, but does not include the financial statements and our auditor's report thereon which the annual report refers to.

Our opinion on the financial statements does not cover the other information and we do 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.

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#### **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 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, the Closed Fund and the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate a Fund, the Closed Fund or the Scheme or to cease operations, or has no realistic alternative but to do so.

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#### **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/assurance-standards/auditors-responsibilities/audit-report-1/>

This description forms part of our auditor's report.

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#### **Who we report to**

This report is made solely to the Scheme'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 Scheme's members, as a body, for our audit work, for this report or for the opinions we have formed.

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

For and on behalf of:

*PricewaterhouseCoopers*

Chartered Accountants  
17 July 2024

Wellington