



# BNZ KiwiSaver Scheme

Financial Statements  
For the year ended 31 March 2025

# Directory

## **The Manager**

BNZ Investment Services Limited  
Level 16  
171 Featherston Street  
Wellington 6011  
New Zealand

Telephone: 0800 275 269

BNZ Investment Services Limited is the Manager  
and Issuer of the BNZ KiwiSaver Scheme.

Directors of BNZ Investment Services Limited as at 15 July 2025:

Richard Graham Ansell  
Andrew John Bascand  
Murray Mcleod Brown  
Emma Jane Dobson  
Nichola Jane Hiatt  
Christopher George Wilson

## **The Supervisor**

The New Zealand Guardian Trust Company Limited  
Level 6  
191 Queen Street  
PO Box 1934  
Auckland 1015

## **Auditor**

PricewaterhouseCoopers  
PwC Centre  
10 Waterloo Quay  
Pipitea  
Wellington 6011

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# Statements of Changes in Net Assets

For the year ended 31 March 2025

		Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
For the year ended 31 March	Notes	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Investment activities</b>									
Interest income on financial assets at amortised cost	7.5	48	33	57	35	126	84	117	69
Net gains on financial assets at fair value through profit or loss	7.5	18,339	19,121	20,340	23,853	49,698	63,875	48,191	75,168
<b>Net investment income</b>	7.5	<b>18,387</b>	19,154	<b>20,397</b>	23,888	<b>49,824</b>	63,959	<b>48,308</b>	75,237
<b>Expenses</b>									
Management fees	7.1	1,013	989	1,624	1,450	4,012	3,844	3,659	3,348
<b>Total expenses</b>		<b>1,013</b>	989	<b>1,624</b>	1,450	<b>4,012</b>	3,844	<b>3,659</b>	3,348
<b>Net profit attributable to Members</b>		<b>17,374</b>	18,165	<b>18,773</b>	22,438	<b>45,812</b>	60,115	<b>44,649</b>	71,889
<b>Membership activities</b>									
<b>Opening net assets available for benefits</b>		<b>332,244</b>	319,905	<b>343,322</b>	296,479	<b>877,602</b>	834,869	<b>788,237</b>	713,344
<b>Contributions into the Scheme</b>									
Member contributions		22,800	24,689	37,166	37,494	57,152	61,988	51,013	50,104
Employer contributions		11,647	12,549	19,255	19,457	29,526	32,740	23,659	24,482
Government’s contributions		4,110	4,460	6,708	6,759	10,197	11,501	7,917	8,367
Transfers in from other scheme providers		11,361	11,581	16,389	14,741	12,200	8,949	18,314	12,654
<b>Total contributions into the Scheme</b>		<b>49,918</b>	53,279	<b>79,518</b>	78,451	<b>109,075</b>	115,178	<b>100,903</b>	95,607
<b>Benefits paid from the Scheme</b>									
Transfers out to other scheme providers		(18,362)	(13,197)	(24,699)	(18,747)	(43,083)	(32,228)	(38,880)	(26,310)
Retirement		(16,383)	(19,622)	(1,336)	(1,209)	(34,168)	(38,220)	(30,541)	(31,958)
Death and disability		(1,229)	(1,366)	(642)	(351)	(3,620)	(3,873)	(4,379)	(2,525)
First home		(10,540)	(10,159)	(31,813)	(24,868)	(17,113)	(12,174)	(10,628)	(6,491)
Hardship		(4,144)	(2,634)	(4,188)	(2,839)	(5,893)	(4,485)	(3,627)	(2,848)
Other permitted withdrawals		(389)	(637)	(841)	(210)	(1,577)	(838)	(1,080)	(946)
<b>Total benefits paid from the Scheme</b>		<b>(51,047)</b>	(47,615)	<b>(63,519)</b>	(48,224)	<b>(105,454)</b>	(91,818)	<b>(89,135)</b>	(71,078)
<b>Switches within the BNZ KiwiSaver Scheme</b>									
Switches in from other BNZ KiwiSaver Funds		37,303	23,584	23,312	18,345	37,716	18,540	27,200	20,730
Switches out to other BNZ KiwiSaver Funds		(36,650)	(30,866)	(31,217)	(20,737)	(65,913)	(51,414)	(54,767)	(36,787)
<b>Total switches within the BNZ KiwiSaver Scheme</b>		<b>653</b>	(7,282)	<b>(7,905)</b>	(2,392)	<b>(28,197)</b>	(32,874)	<b>(27,567)</b>	(16,057)
<b>Other Member movements</b>									
Members’ PIE tax		(4,077)	(4,208)	(3,526)	(3,430)	(7,945)	(7,868)	(5,322)	(5,468)
<b>Total other Member movements</b>		<b>(4,077)</b>	(4,208)	<b>(3,526)</b>	(3,430)	<b>(7,945)</b>	(7,868)	<b>(5,322)</b>	(5,468)
<b>Net benefits accrued to Members</b>		<b>12,821</b>	12,339	<b>23,341</b>	46,843	<b>13,291</b>	42,733	<b>23,528</b>	74,893
<b>Closing net assets available for benefits</b>		<b>345,065</b>	332,244	<b>366,663</b>	343,322	<b>890,893</b>	877,602	<b>811,765</b>	788,237
<b>Units on issue (Units in thousands)</b>									
<b>Balance at the beginning of the year</b>		<b>251,119</b>	255,462	<b>261,626</b>	242,028	<b>584,076</b>	595,879	<b>444,638</b>	442,568
Contributions – units		64,528	60,542	77,194	78,201	95,562	94,251	70,619	70,468
Withdrawals – units		(67,923)	(64,885)	(73,665)	(58,603)	(116,603)	(106,054)	(82,142)	(68,398)
<b>Balance at the end of the year</b>		<b>247,724</b>	251,119	<b>265,155</b>	261,626	<b>563,035</b>	584,076	<b>433,115</b>	444,638

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

The unit price Net Asset Value ("NAV") is calculated daily using the last price of underlying investments or the latest available prices as at the close of business on the last balance day of the reporting period. The Financial Statement's NAV is based on the accounting policies as at the last day of the reporting period. The difference between the Financial Statements and unit prices is due to valuation methodology and timing, if any. As at 31 March 2025, the differences between the unit price NAV and Financial Statement's NAV were not material (31 March 2024: same).

# Statements of Changes in Net Assets continued

For the year ended 31 March 2025

		Default Fund		Balanced Fund		Growth Fund		High Growth Fund*		Total BNZ KiwiSaver Scheme	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
For the year ended 31 March	Notes										
<b>Investment activities</b>											
Interest income on financial assets at amortised cost	7.5	110	54	136	73	283	142	26	1	903	491
Net gains on financial assets at fair value through profit or loss	7.5	44,119	72,007	56,940	99,311	121,471	231,206	6,462	3,808	365,560	588,349
<b>Net investment income</b>	7.5	<b>44,229</b>	<b>72,061</b>	<b>57,076</b>	<b>99,384</b>	<b>121,754</b>	<b>231,348</b>	<b>6,488</b>	<b>3,809</b>	<b>366,463</b>	<b>588,840</b>
<b>Expenses</b>											
Management fees	7.1	2,527	2,018	4,109	3,587	8,462	7,030	745	52	26,151	22,318
<b>Total expenses</b>		<b>2,527</b>	<b>2,018</b>	<b>4,109</b>	<b>3,587</b>	<b>8,462</b>	<b>7,030</b>	<b>745</b>	<b>52</b>	<b>26,151</b>	<b>22,318</b>
<b>Net profit attributable to Members</b>		<b>41,702</b>	<b>70,043</b>	<b>52,967</b>	<b>95,797</b>	<b>113,292</b>	<b>224,318</b>	<b>5,743</b>	<b>3,757</b>	<b>340,312</b>	<b>566,522</b>
<b>Membership activities</b>											
<b>Opening net assets available for benefits</b>		<b>657,851</b>	<b>508,561</b>	<b>869,009</b>	<b>751,953</b>	<b>1,760,323</b>	<b>1,399,267</b>	<b>62,814</b>	<b>-</b>	<b>5,691,402</b>	<b>4,824,378</b>
<b>Contributions into the Scheme</b>											
Member contributions		79,055	77,796	59,812	57,991	136,670	133,313	18,377	1,370	462,045	444,745
Employer contributions		46,123	46,052	26,439	27,218	66,370	67,852	8,839	695	231,858	231,045
Government’s contributions		15,017	13,764	8,184	8,402	20,402	20,430	1,812	3	74,347	73,686
Transfers in from other scheme providers		6,928	6,136	18,480	17,944	32,486	37,431	31,022	6,108	147,180	115,544
<b>Total contributions into the Scheme</b>		<b>147,123</b>	<b>143,748</b>	<b>112,915</b>	<b>111,555</b>	<b>255,928</b>	<b>259,026</b>	<b>60,050</b>	<b>8,176</b>	<b>915,430</b>	<b>865,020</b>
<b>Benefits paid from the Scheme</b>											
Transfers out to other scheme providers		(57,996)	(38,329)	(53,058)	(38,042)	(152,858)	(110,360)	(17,797)	(2,021)	(406,733)	(279,234)
Retirement		(7,211)	(6,133)	(17,449)	(23,068)	(10,111)	(10,455)	(246)	(18)	(117,445)	(130,683)
Death and disability		(1,876)	(950)	(2,888)	(2,581)	(2,921)	(2,284)	(444)	-	(17,999)	(13,930)
First home		(7,923)	(5,269)	(8,938)	(6,121)	(22,019)	(12,614)	(1,862)	(22)	(110,836)	(77,718)
Hardship		(2,600)	(1,611)	(3,068)	(2,285)	(8,584)	(5,598)	(835)	(27)	(32,939)	(22,327)
Other permitted withdrawals		(1,347)	(959)	(1,087)	(878)	(3,600)	(1,961)	(85)	(1)	(10,006)	(6,430)
<b>Total benefits paid from the Scheme</b>		<b>(78,953)</b>	<b>(53,251)</b>	<b>(86,488)</b>	<b>(72,975)</b>	<b>(200,093)</b>	<b>(143,272)</b>	<b>(21,269)</b>	<b>(2,089)</b>	<b>(695,958)</b>	<b>(530,322)</b>
<b>Switches within the BNZ KiwiSaver Scheme</b>											
Switches in from other BNZ KiwiSaver Funds		11,149	8,244	40,354	35,627	101,269	91,581	166,013	53,744	-	-
Switches out to other BNZ KiwiSaver Funds		(24,492)	(16,545)	(74,870)	(48,514)	(135,917)	(64,682)	(20,490)	(850)	-	-
<b>Total switches within the BNZ KiwiSaver Scheme</b>		<b>(13,343)</b>	<b>(8,301)</b>	<b>(34,516)</b>	<b>(12,887)</b>	<b>(34,648)</b>	<b>26,899</b>	<b>145,523</b>	<b>52,894</b>	<b>-</b>	<b>-</b>
<b>Other Member movements</b>											
Members’ PIE tax		(2,795)	(2,949)	(3,952)	(4,434)	(3,816)	(5,915)	373	76	(31,060)	(34,196)
<b>Total other Member movements</b>		<b>(2,795)</b>	<b>(2,949)</b>	<b>(3,952)</b>	<b>(4,434)</b>	<b>(3,816)</b>	<b>(5,915)</b>	<b>373</b>	<b>76</b>	<b>(31,060)</b>	<b>(34,196)</b>
<b>Net benefits accrued to Members</b>		<b>93,734</b>	<b>149,290</b>	<b>40,926</b>	<b>117,056</b>	<b>130,663</b>	<b>361,056</b>	<b>190,420</b>	<b>62,814</b>	<b>528,724</b>	<b>867,024</b>
<b>Closing net assets available for benefits</b>		<b>751,585</b>	<b>657,851</b>	<b>909,935</b>	<b>869,009</b>	<b>1,890,986</b>	<b>1,760,323</b>	<b>253,234</b>	<b>62,814</b>	<b>6,220,126</b>	<b>5,691,402</b>
<b>Units on issue (Units in thousands)</b>											
<b>Balance at the beginning of the year</b>		<b>628,909</b>	<b>546,419</b>	<b>427,877</b>	<b>416,431</b>	<b>740,203</b>	<b>676,181</b>	<b>56,295</b>	<b>-</b>	<b>3,394,743</b>	<b>3,174,968</b>
Contributions – units		146,802	158,530	72,848	78,965	144,296	163,325	191,647	59,060	863,496	763,342
Withdrawals – units		(98,824)	(76,040)	(78,331)	(67,519)	(137,213)	(99,303)	(35,304)	(2,765)	(690,005)	(543,567)
<b>Balance at the end of the year</b>		<b>676,887</b>	<b>628,909</b>	<b>422,394</b>	<b>427,877</b>	<b>747,286</b>	<b>740,203</b>	<b>212,638</b>	<b>56,295</b>	<b>3,568,234</b>	<b>3,394,743</b>

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

\* Comparative reporting period was from the commencement date of 28 November 2023 to 31 March 2024.

The unit price Net Asset Value ("NAV") is calculated daily using the last price of underlying investments or the latest available prices as at the close of business on the last balance day of the reporting period. The Financial Statement's NAV is based on the accounting policies as at the last day of the reporting period. The difference between the Financial Statements and unit prices is due to valuation methodology and timing, if any. As at 31 March 2025, the differences between the unit price NAV and Financial Statement's NAV were not material (31 March 2024: same).

# Statements of Net Assets

As at 31 March 2025

		Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
As at 31 March	Notes	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Assets</b>									
Cash and cash equivalents		1,350	409	816	627	1,356	1,217	1,206	626
Contributions receivable		1,228	384	415	504	606	849	282	693
Other receivables		-	281	-	-	-	-	-	431
PIE tax receivable on behalf of Members		-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss	5	347,918	335,688	369,756	346,085	897,516	884,340	816,230	792,972
<b>Total assets</b>		<b>350,496</b>	<b>336,762</b>	<b>370,987</b>	<b>347,216</b>	<b>899,478</b>	<b>886,406</b>	<b>817,718</b>	<b>794,722</b>
<b>Liabilities</b>									
Management fees payable	7.1	88	85	141	131	343	336	314	300
Benefits payable		1,726	632	1,138	611	1,068	952	911	941
PIE tax payable on behalf of Members		3,617	3,801	3,045	3,152	7,174	7,516	4,728	5,244
<b>Total liabilities (excluding net assets attributable to Members)</b>		<b>5,431</b>	<b>4,518</b>	<b>4,324</b>	<b>3,894</b>	<b>8,585</b>	<b>8,804</b>	<b>5,953</b>	<b>6,485</b>
<b>Net assets attributable to Members</b>		<b>345,065</b>	<b>332,244</b>	<b>366,663</b>	<b>343,322</b>	<b>890,893</b>	<b>877,602</b>	<b>811,765</b>	<b>788,237</b>
<b>Represented by</b>									
<b>Net assets available for benefits</b>		<b>345,065</b>	<b>332,244</b>	<b>366,663</b>	<b>343,322</b>	<b>890,893</b>	<b>877,602</b>	<b>811,765</b>	<b>788,237</b>

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

# Statements of Net Assets continued

As at 31 March 2025

		Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
As at 31 March	Notes	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Assets</b>											
Cash and cash equivalents		1,402	836	1,400	938	3,806	2,669	254	119	11,590	7,441
Contributions receivable		306	829	1,568	975	769	1,989	1,670	763	1,809	4,821
Other receivables		-	-	-	-	-	-	-	-	-	712
PIE tax receivable on behalf of Members		-	-	-	-	-	-	391	76	391	76
Financial assets at fair value through profit or loss	5	753,669	659,906	913,025	872,729	1,892,859	1,764,260	251,313	61,919	6,242,286	5,717,899
<b>Total assets</b>		<b>755,377</b>	<b>661,571</b>	<b>915,993</b>	<b>874,642</b>	<b>1,897,434</b>	<b>1,768,918</b>	<b>253,628</b>	<b>62,877</b>	<b>6,256,076</b>	<b>5,730,949</b>
<b>Liabilities</b>											
Management fees payable	7.1	225	193	353	329	734	664	95	21	2,293	2,059
Benefits payable		1,104	673	2,285	1,029	2,808	2,300	299	42	6,304	5,015
PIE tax payable on behalf of Members		2,463	2,854	3,420	4,275	2,906	5,631	-	-	27,353	32,473
<b>Total liabilities (excluding net assets attributable to Members)</b>		<b>3,792</b>	<b>3,720</b>	<b>6,058</b>	<b>5,633</b>	<b>6,448</b>	<b>8,595</b>	<b>394</b>	<b>63</b>	<b>35,950</b>	<b>39,547</b>
<b>Net assets attributable to Members</b>		<b>751,585</b>	<b>657,851</b>	<b>909,935</b>	<b>869,009</b>	<b>1,890,986</b>	<b>1,760,323</b>	<b>253,234</b>	<b>62,814</b>	<b>6,220,126</b>	<b>5,691,402</b>
<b>Represented by</b>											
<b>Net assets available for benefits</b>		<b>751,585</b>	<b>657,851</b>	<b>909,935</b>	<b>869,009</b>	<b>1,890,986</b>	<b>1,760,323</b>	<b>253,234</b>	<b>62,814</b>	<b>6,220,126</b>	<b>5,691,402</b>

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

The Board of Directors of BNZ Investment Services Limited authorised these Financial Statements for issue on 15 July 2025.

For and on behalf of the Manager



Director  
Graham Ansell



Director  
Andrew Bascand

# Statements of Cash Flows

For the year ended 31 March 2025

		Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
For the year ended 31 March	Notes	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>									
<b>Cash was provided from:</b>									
Proceeds from sale of financial assets at fair value through profit or loss		33,044	27,261	29,251	21,333	77,605	71,593	63,866	37,021
Purchase of financial assets at fair value through profit or loss		(26,654)	(22,524)	(32,582)	(46,914)	(41,084)	(60,367)	(38,502)	(44,856)
Interest income received		48	33	57	35	127	83	117	69
<b>Cash was applied to:</b>									
Operating expenses paid		(1,010)	(986)	(1,614)	(1,431)	(4,005)	(3,823)	(3,645)	(3,316)
<b>Net cash inflows/(outflows) from operating activities</b>	8	<b>5,428</b>	3,784	<b>(4,888)</b>	(26,977)	<b>32,643</b>	7,486	<b>21,836</b>	(11,082)
<b>Cash flows from financing activities</b>									
<b>Cash was provided from:</b>									
Contributions and switches in		86,377	76,871	102,919	96,740	147,034	133,499	128,514	116,092
<b>Cash was applied to:</b>									
Benefits paid and switches out		(86,603)	(78,105)	(94,209)	(68,752)	(171,251)	(142,767)	(143,932)	(107,408)
Members' PIE tax (paid)/refunded		(4,261)	(2,421)	(3,633)	(875)	(8,287)	2,090	(5,838)	1,876
<b>Net cash (outflows)/inflows from financing activities</b>		<b>(4,487)</b>	(3,655)	<b>5,077</b>	27,113	<b>(32,504)</b>	(7,178)	<b>(21,256)</b>	10,560
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>941</b>	129	<b>189</b>	136	<b>139</b>	308	<b>580</b>	(522)
Cash and cash equivalents at the beginning of the year		409	280	627	491	1,217	909	626	1,148
<b>Cash and cash equivalents at the end of the year</b>		<b>1,350</b>	409	<b>816</b>	627	<b>1,356</b>	1,217	<b>1,206</b>	626

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.



# Statements of Cash Flows continued

For the year ended 31 March 2025

		Default Fund		Balanced Fund		Growth Fund		High Growth Fund*		Total BNZ KiwiSaver Scheme	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
For the year ended 31 March	Notes										
<b>Cash flows from operating activities</b>											
<b>Cash was provided from:</b>											
Proceeds from sale of financial assets at fair value through profit or loss		34,242	9,469	73,460	24,394	138,344	76,590	3,846	-	453,658	267,661
Purchase of financial assets at fair value through profit or loss		(83,887)	(90,457)	(56,817)	(48,658)	(145,473)	(214,156)	(186,778)	(58,111)	(611,777)	(586,043)
Interest income received		111	53	137	72	284	140	26	1	907	486
<b>Cash was applied to:</b>											
Operating expenses paid		(2,495)	(1,972)	(4,085)	(3,539)	(8,392)	(6,887)	(671)	(31)	(25,917)	(21,985)
<b>Net cash inflows/(outflows) from operating activities</b>	8	<b>(52,029)</b>	<b>(82,907)</b>	<b>12,695</b>	<b>(27,731)</b>	<b>(15,237)</b>	<b>(144,313)</b>	<b>(183,577)</b>	<b>(58,141)</b>	<b>(183,129)</b>	<b>(339,881)</b>
<b>Cash flows from financing activities</b>											
<b>Cash was provided from:</b>											
Contributions and switches in		158,795	151,721	152,676	146,908	358,417	350,110	225,156	61,157	915,572	862,703
<b>Cash was applied to:</b>											
Benefits paid and switches out		(103,014)	(69,623)	(160,102)	(120,642)	(335,502)	(206,424)	(41,502)	(2,897)	(691,799)	(526,223)
Members' PIE tax (paid)/refunded		(3,186)	908	(4,807)	1,699	(6,541)	1,749	58	-	(36,495)	5,026
<b>Net cash (outflows)/inflows from financing activities</b>		<b>52,595</b>	<b>83,006</b>	<b>(12,233)</b>	<b>27,965</b>	<b>16,374</b>	<b>145,435</b>	<b>183,712</b>	<b>58,260</b>	<b>187,278</b>	<b>341,506</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>566</b>	<b>99</b>	<b>462</b>	<b>234</b>	<b>1,137</b>	<b>1,122</b>	<b>135</b>	<b>119</b>	<b>4,149</b>	<b>1,625</b>
Cash and cash equivalents at the beginning of the year		836	737	938	704	2,669	1,547	119	-	7,441	5,816
<b>Cash and cash equivalents at the end of the year</b>		<b>1,402</b>	<b>836</b>	<b>1,400</b>	<b>938</b>	<b>3,806</b>	<b>2,669</b>	<b>254</b>	<b>119</b>	<b>11,590</b>	<b>7,441</b>

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

\* Comparative reporting period was from the commencement date of 28 November 2023 to 31 March 2024.

# Notes to and Forming Part of the Financial Statements

For the year ended 31 March 2025

## 1. General information

### 1.1 Reporting entities

These Financial Statements are for the BNZ KiwiSaver Scheme (the “Scheme”) which comprises the following eight funds (each a “Fund”, together the “Funds”):

- Cash Fund
- First Home Buyer Fund
- Conservative Fund
- Moderate Fund
- Default Fund
- Balanced Fund
- Growth Fund and the
- High Growth Fund.

Each Member of the Scheme owns units in the Fund or Funds chosen by them.

The Scheme was established and initially governed by a Trust Deed between BNZ Investment Services Limited (“BNZISL”) (the “Manager”) and The New Zealand Guardian Trust Company Limited, dated 8 January 2013. The Scheme was registered under the KiwiSaver Act 2006 (the “KiwiSaver Act”) on 16 January 2013. The Scheme began accepting Members on 11 February 2013. The First Home Buyer Fund was established on 16 September 2015, and began accepting Members on 17 September 2015. The Default Fund was established on 10 September 2021 and began accepting Members on 1 December 2021. On 19 August 2016, the governing Trust Deed was substituted with a KiwiSaver Scheme Governing Deed (“Governing Document”) in order to comply with the requirements of the Financial Markets Conduct Act 2013 (“FMCA”), the KiwiSaver Act and all other relevant legislation and to make a number of other minor amendments to the Trust Deed as a consequence of the introduction of the FMCA and the amendments to other legislation or for more efficient operation of the Scheme. On 1 September 2023, another amendment was made to the Deed of Establishment to add the High Growth Fund to the Scheme. The High Growth Fund was established on 1 November 2023 and began accepting Members on 28 November 2023.

The Scheme is a defined contribution scheme under the KiwiSaver Act and is designed to help Members save for their retirement. The Scheme enables Members to invest into one of the eight available Funds, or to spread their contributions among several Funds. With the exception of the Cash Fund, each Fund invests across a number of investment sectors, countries, and companies, through other unit trusts. Each Fund offers a different investment mix and different levels of potential return. The principal activity of the Scheme is investment. The Scheme is domiciled in New Zealand.

BNZISL is a wholly-owned subsidiary of Harbour Asset Management Limited (“Harbour”) and part of a group of investment and advisory businesses ultimately owned by FirstCape Group Limited (“FirstCape”). FirstCape is jointly owned by National Australia Bank Limited (“NAB”), Jarden Wealth and Asset Management Holdings Limited (“Jarden”) and funds managed by Pacific Equity Partners (“PEP”). NAB is a registered bank in Australia and is the parent company of Bank of New Zealand (“BNZ”).

The Manager was sold by BNZ to FirstCape on 30 April 2024.

The registered office of the Manager is Level 16, 171 Featherston Street, Wellington 6011.

The Manager is the issuer of membership interests in the Scheme for the purpose of the FMCA and is responsible to Members for managing and administering the Scheme.

The Supervisor of the Scheme is The New Zealand Guardian Trust Company Limited (the “Supervisor”). The registered office of the Supervisor is Level 6, 191 Queen Street, Auckland 1010. The Supervisor is the external supervisor of the Scheme, responsible for supervising the performance of the Manager and for the custody of Scheme assets as well as assessing financial hardship and serious illness based withdrawal applications.

The Manager may terminate or close any Funds, subject to providing prior written notice to the Supervisor.

The principal activity of the Funds is investment via investments in other managed funds.

# Notes to and Forming Part of the Financial Statements continued

## 1. General information continued

### 1.1 Reporting entities continued

The objectives of the Funds are as follows:

- Cash Fund: Invests in income assets including New Zealand short-term cash securities and cash equivalent securities. It aims to achieve stable returns over the short term.
- First Home Buyer Fund: Invests mostly in income assets. It also has a small allocation to growth assets. It aims to achieve relatively stable returns over the short to medium term.
- Conservative Fund: Invests mostly in income assets. It also has a modest allocation to growth assets. It aims to achieve relatively stable returns over the short to medium term.
- Moderate Fund: Invests largely in income assets. It also has a sizeable allocation to growth assets. It aims to achieve moderate returns over the medium term.
- Default Fund: Invests largely in growth assets. It also has a sizeable allocation to income assets. It aims to achieve a medium level of return over the medium to long term.
- Balanced Fund: Invests largely in growth assets. It also has a sizeable allocation to income assets. It aims to achieve a medium level of return over the medium to long term.
- Growth Fund: Invests mostly in growth assets. It also has a modest allocation to income assets. It aims to achieve higher returns over the long term.
- High Growth Fund: Invests primarily in growth assets. It may also allocate investments to income assets. It aims to achieve the highest returns of the Funds over the long term.

### 1.2 Statutory base

The Scheme is a KiwiSaver Scheme registered under the FMCA and is subject to the provisions of that Act.

Contributions are made by Members on a voluntary basis. The Funds are unitised products. Unit prices are calculated each business day. As a registered KiwiSaver Scheme units in the Scheme are offered under a Product Disclosure Statement.

The Financial Statements have been prepared in accordance with the requirements of the FMCA, the KiwiSaver Act and the Governing Document.

These Financial Statements were authorised for issue by the Board of Directors of the Manager on 15 July 2025.

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# Notes to and Forming Part of the Financial Statements continued

## 2. Summary of material accounting policy information

The material accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied throughout the reporting periods presented, unless otherwise stated.

### 2.1 Basis of preparation

The Financial Statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (“NZ GAAP”) and the requirements of the FMCA and other relevant legislative requirements as appropriate for For-profit entities. The Scheme is a Tier 1 entity and the Financial Statements comply with New Zealand Equivalents to International Financial Reporting Standards (“NZ IFRS”), other New Zealand accounting standards and authoritative notices as appropriate for For-profit entities; and comply with International Financial Reporting Standards 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 at fair value through profit or loss. The accrual basis of accounting has been applied, as has the going concern assumption.

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

The Financial Statements have been prepared for the year ended 31 March 2025 with comparative information for the year ended 31 March 2024, except for the High Growth Fund, for which comparative information is presented for the reporting period from 28 November 2023 (date of commencement of operations) to 31 March 2024.

#### (a) Presentation

The Financial Statements are presented in New Zealand dollars, which is the Scheme’s functional currency and reflects the currency of the primary economic environment in which the Funds operate, compete for funds and are regulated. Units are denominated in New Zealand dollars and the performance of the Funds is also measured in New Zealand dollars. All amounts are rounded to the nearest thousand unless otherwise stated.

#### (b) Standards and amendments to existing standards effective 1 April 2024

##### Disclosure of Fees for Audit Firms’ Services – Amendments to FRS-44

Effective for annual periods beginning on or after 1 January 2024, the amendments to FRS-44 require entities to disclose fees incurred for services provided by their audit or review firm. These amendments aim to enhance the transparency and consistency of fee disclosures. The amendments have been applied to the Financial Statements of the Scheme, and the fees have been disclosed in Note 7.2.

Other than the above mentioned amendment there are no standards, amendments to standards or interpretations that are effective for the year commencing on 1 April 2024 that have a material effect on the Financial Statements of the Scheme and the Funds.

#### (c) Standards not yet effective and not early adopted

##### NZ IFRS 18 Presentation and Disclosure in Financial Statements

In May 2024, the External Reporting Board (“XRB”) introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements (“NZ IFRS 18”) (effective for annual reporting periods beginning on or after 1 January 2027). This standard replaces NZ IAS 1 Presentation of Financial Statements (“NZ IAS 1”) and primarily introduces a defined structure for the Statements of Changes in Net Assets, disclosure of management-defined performance measures (a subset of non-GAAP measures) in a single note together with reconciliation requirements and additional guidance on aggregation and disaggregation principles in the Financial Statements. NZ IFRS 18 will be applicable to the Scheme’s Financial Statements to the extent that it is not superseded by NZ IAS 26 Accounting and Reporting by Retirement Benefit Plans. The Scheme has not early adopted NZ IFRS 18 and is yet to assess its impacts.

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

# Notes to and Forming Part of the Financial Statements continued

## 2. Summary of material accounting policy information continued

### 2.2 Financial instruments

#### (a) Classification

The Funds classify their investments based on both the Funds' business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Funds are primarily focused on fair value information and use that information to assess the assets' performance and to make decisions. The Funds' financial assets are categorised as financial assets at fair value through profit or loss and financial assets at amortised cost as follows:

**Financial assets at fair value through profit or loss** comprise of **unlisted funds** as these investments are managed and evaluated on a fair value basis.

Financial assets whose cash flows are solely payments of principal and interest and which meet the hold to collect criteria are categorised as **financial assets at amortised cost**. These consist of:

1. **Cash and cash equivalents** includes cash in hand and deposits held at call with banks, denominated in New Zealand dollars.
2. **Receivables** includes amounts due for contribution receivables and other receivables.

**Financial liabilities at amortised cost** comprise of **payables** including related party fees and benefits payable.

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

The Funds recognise financial assets and financial liabilities on the date that they become party to the contractual agreement. Regular purchases and sales of investments are recognised on the trade date – the date on which a Fund commits to purchase or sell the investment. All financial assets and financial liabilities are initially recognised at fair value. Transaction costs on financial assets at fair value through profit or loss are expensed as incurred in the Statements of Changes in Net Assets. Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value with gains or losses recognised in the Statements of Changes in Net Assets when they arise. Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method, less any impairment for expected credit losses. Any impairment charge is recognised in the Statements of Changes in Net Assets. Financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest method.

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

#### (c) Fair value estimation

Fair value is the price that would either be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of units held by the Scheme in unlisted unit trusts is determined by reference to published bid prices at the close of business on the reporting date being the redemption price established by the underlying fund manager. The Manager may make adjustments to the reported redemption price of the unlisted unit trusts based on considerations such as the liquidity of the unlisted unit trust or its underlying investments, the value date of the NAV provided, and any restrictions on redemptions.

### 2.3 Net assets attributable to Members

The Net assets attributable to Members represent the liability for promised retirement benefits and are the Scheme's present obligation to pay benefits to Members, and are measured at amortised cost. The Scheme issues units in each Fund that are redeemable at the Member's option subject to the requirements of the KiwiSaver Act and the Governing Document, and do not have identical features; they are therefore classified as financial liabilities. The units can be put back to the Funds at any time for purposes of permitted withdrawals (such as, but not limited to, reaching the retirement age of 65 years or significant financial hardship), transferred to another Fund within the Scheme or to a separate KiwiSaver Scheme and which are equal to a proportionate share of the respective Fund's NAV, which is the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) as at the reporting date if Members exercise their right to put the units back to the Funds.

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. Each unit has the same rights attached to it as all other units in the respective Fund.

Contributions received for units in the Funds are recorded net of a buy spread (if any). Redemptions from the Funds are recorded gross of a sell spread (if any). Units are issued and redeemed at the Members' option at prices based on either the Funds' NAV per unit at the time of issue or redemption adjusted for a buy/sell spread ranging from 0bps to 13bps (31 March 2024: 0bps to 12bps). The buy/sell spreads on contributions and redemptions are to cover transaction costs that each Fund is expected to incur when it transacts. Each Fund's NAV per unit is calculated by dividing Net assets attributable to the Members for each Fund by the total units on issue of the respective Fund.



# Notes to and Forming Part of the Financial Statements continued

## 2. Summary of material accounting policy information continued

### 2.4 Investment entity

The Scheme has direct investments in the BNZ Wholesale Funds and meets the definition of an investment entity in accordance with the requirements of NZ IFRS 10 Consolidated Financial Statements (“NZ IFRS 10”), and as such does not consolidate the entities that it controls, but instead, accounts for these at fair value through profit or loss. The Scheme meets the following conditions which are set out in NZ IFRS 10:

- obtaining funds from one or more Members for the purpose of providing those Members with a managed investment product
- committing to its Members via its documented investment strategy that its business purpose is to invest funds solely for returns from capital appreciation, investment income or a combination of both and
- measuring the performance of its investments on a fair value basis.

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

- holding more than one investment
- having several investors that are not related parties
- having more than one investor/Member and
- ownership interest in the Scheme is represented by units of Members’ interests.

### 2.5 Investment income

#### Interest income

Interest earned on financial assets at amortised cost, including cash and cash equivalents, is recognised in the Statements of Changes in Net Assets using the effective interest method.

#### Net gains/(losses) on financial assets at fair value through profit or loss

Realised and unrealised gains or losses on investments are recorded in the Statements of Changes in Net Assets as Net gains/(losses) on financial assets at fair value through profit or loss.

### 2.6 Expenses

All expenses, including the Schemes’ management fees are recognised in the Statements of Changes in Net Assets on an accruals basis.

### 2.7 Foreign currency translation

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the London 4pm World Market Reuters exchange rate prevailing as at the reporting date.

Foreign exchange gains or losses resulting from translation are included in the Statements of Changes in Net Assets.

Foreign exchange gains or losses relating to the financial assets and financial liabilities at fair value through profit or loss are presented in the Statements of Changes in Net Assets within Net gains/(losses) on financial assets at fair value through profit or loss.

### 2.8 Income tax

The Scheme qualifies as, and has elected to be, a Portfolio Investment Entity (“PIE”) for tax purposes. Under the PIE regime income is effectively taxed in the hands of the Members, and therefore, the Scheme has no income tax expense. Accordingly, no income tax expense is recognised in the Statements of Changes in Net Assets. Income is disclosed gross of any resident and foreign withholding taxes deducted at source and the taxes are included in Members’ PIE tax in the Statements of Changes in Net Assets.

Under the PIE regime, the Manager attributes the taxable income of each of the Funds to Members in accordance with the proportion of their interest in the Funds. The income attributed to each Member is taxed at the Member’s “prescribed investor rate” on redemptions and annually on or around 31 March each year.

Scheme Members’ tax liabilities disclosed in the Statements of Changes in Net Assets consist of withdrawals to meet Scheme Members’ tax liabilities under the PIE regime and any resident and foreign withholding taxes deducted at source.

# Notes to and Forming Part of the Financial Statements continued

## 2. Summary of material accounting policy information continued

### 2.9 Goods and services tax (“GST”)

The Scheme is not registered for GST and consequently all components of the Financial Statements are stated inclusive of GST where applicable.

### 2.10 Statements of cash flows

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

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

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## 3. Critical accounting estimates and judgements

The preparation of the Financial Statements in conformity with NZ IFRS and IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Scheme’s accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumption and estimates are significant to the Financial Statements.

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## 4. Financial risk management

### 4.1 Financial risk factors

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

The Funds’ activities expose them to a variety of financial risks: market risk (including price risk, foreign exchange risk, cash flow, and fair value interest rate risk), credit risk, and liquidity risk. The Funds’ overall risk management programme seeks to maximise the returns derived for the level of risk to which the Funds are exposed and seeks to minimise potential adverse effects on the Funds’ financial performance. This includes, where relevant, holding a diversified investment portfolio across asset classes, countries, sectors, security types, and styles of investing through its ownership of unlisted unit trusts managed by the Manager.

All securities investments present a risk of loss of capital. The Funds hold unlisted unit trusts where the maximum loss of capital is limited to the carrying value of those positions.

The Funds are also indirectly exposed to risk factors such as liquidity risk, credit risk, foreign exchange risk, and interest rate risk via their investments in the underlying investment funds. However, under NZ IFRS, the risk management section outlined below is not prepared on a look-through basis. This means that the explanation of risks is limited to the Fund’s direct investments and does not take account of the specific risks in the underlying investment funds.

The Manager is a climate reporting entity pursuant to the provisions of the FMCA, as modified by the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021. The Manager’s climate statements for the Scheme will be available on the Climate-related Disclosures Register. For more details on climate-related risks and opportunities for the Scheme and how the Manager manages them, please refer to the climate statements.

In addition to internal risk management, which is carried out by the Manager and the underlying investment managers, financial risk is also managed by the setting of an investment policy, agreed with and monitored by the Supervisor and set out in the Funds’ SIPO.

The Funds use different methods to measure and manage the various types of risk to which the Funds are exposed; these methods are explained below.

# Notes to and Forming Part of the Financial Statements continued

## 4. Financial risk management continued

### 4.1 Financial risk factors continued

#### 4.1.1 Market risk

##### (a) Price risk

The Funds are exposed to price risk due to their investments in unlisted unit trusts, for which prices in the future are uncertain. This risk includes, but is not limited to, indirect foreign currency exposure, indirect interest rate exposure, and indirect valuation exposure. The Funds manage their price risk by ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits. No adjustment has been made to the carrying amount of financial instruments as a result of climate change.

The table below summarises the sensitivity of the Scheme's and the Funds profit/(loss) attributable to Members and Net assets attributable to Members to price movements in non-monetary assets as at the reporting date (units in unlisted unit trusts). The analysis is based on a price movement of 5% which represents the Manager's best estimate of a reasonable shift in prices with regard to historic volatility. If prices for the Schemes' investments which the Funds invest in as at the reporting date had either increased or decreased by 5% with all other variables held constant, this would have had the following impact on both the Schemes' and the Funds Profit/loss attributable to Members and Net assets attributable to Members by approximately:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund			
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000		
<b>As at 31 March</b>										
Prices increased by 5%	<b>17,396</b>	16,784	<b>18,488</b>	17,304	<b>44,876</b>	44,217	<b>40,812</b>	39,649		
Prices decreased by 5%	<b>(17,396)</b>	(16,784)	<b>(18,488)</b>	(17,304)	<b>(44,876)</b>	(44,217)	<b>(40,812)</b>	(39,649)		

  

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>As at 31 March</b>										
Prices increased by 5%	<b>37,683</b>	32,995	<b>45,651</b>	43,636	<b>94,643</b>	88,213	<b>12,566</b>	3,096	<b>312,115</b>	285,894
Prices decreased by 5%	<b>(37,683)</b>	(32,995)	<b>(45,651)</b>	(43,636)	<b>(94,643)</b>	(88,213)	<b>(12,566)</b>	(3,096)	<b>(312,115)</b>	(285,894)

The Funds also manage their exposure to price risk by analysing, monitoring, and adjusting where necessary the weighting to various investment sectors within investment management guidelines. The Fund's policy is to concentrate the investment portfolios in sectors where the Manager believes the Funds can maximise the returns derived for the level of risk to which the respective Fund is exposed. This is achieved largely through investing into other unit trusts. A breakdown of concentrations is disclosed in Note 7.

##### (b) Foreign exchange risk

Foreign exchange risk, as defined in NZ IFRS 7 Financial Instruments: Disclosure ("NZ IFRS 7"), arises on monetary assets that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. Foreign currency exposure arising from the underlying fund that the Funds invest into, is considered as a component of market price risk (which forms part of the Price risk sensitivity (see Note 4.1.1(a) Price risk), not foreign currency risk).

In accordance with the NZ IFRS 7 definition, the Scheme held no direct monetary assets denominated in foreign currency as at the reporting date. The Funds are indirectly exposed to foreign exchange risk when their holdings in underlying unlisted unit trusts, have investment securities denominated in a foreign currency. The Manager and the investment manager of the underlying Fund monitors this exposure on a daily basis and may enter into foreign exchange derivatives to hedge the foreign exchange risk in accordance with the policies included within the SIPO and agreed with the Supervisor.

As at the reporting date the Scheme and the Funds had no direct foreign currency exposure (31 March 2024: Nil).

# Notes to and Forming Part of the Financial Statements continued

## 4. Financial risk management continued

### 4.1 Financial risk factors continued

#### 4.1.1 Market risk continued

##### (c) Cash flow and fair value interest rate risk

###### 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 financial liabilities and future cash flows.

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

The table below summarises the sensitivity impact on both the Scheme's and the Funds' Profit/(loss) attributable to Members and Net assets attributable to Members had the relevant interest rates either increased or decreased by 1% as at the reporting date with all other variables held constant. The analysis is based on the Manager's best estimate of a reasonable possible shift in interest rates with regard to historical volatility.

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund			
As at 31 March	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000		
Interest rate increased by 1%	14	4	8	6	14	12	12	6		
Interest rate decreased by 1%	(14)	(4)	(8)	(6)	(14)	(12)	(12)	(6)		

  

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
As at 31 March	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Interest rate increased by 1%	14	8	14	9	38	27	3	1	117	73
Interest rate decreased by 1%	(14)	(8)	(14)	(9)	(38)	(27)	(3)	(1)	(117)	(73)

These movements arise substantially from the cash flow variability from cash and cash equivalents, held in on-call bank accounts with BNZ.

In addition to the Scheme's direct exposure to interest rate changes on the cash flows of cash and cash equivalents shown above, the Scheme is indirectly affected predominately by the impact of interest rate changes on the value of its investments in the unlisted unit trusts that have exposure to interest-bearing financial instruments. These indirect exposures form part of the Price risk sensitivity (see Note 4.1.1(a) Price risk). Therefore, the above sensitivity analysis may not fully indicate the total effect on the Fund's Net assets attributable to Members of future movements in interest rates. The Manager and the investment manager of the underlying unlisted unit trusts manage the interest risk of the unlisted unit trusts.

#### 4.1.2 Credit risk

Credit risk is the risk that a counterparty or issuer of a security will be unable to pay amounts in full when they fall due (known as default risk). The Funds are primarily invested in unlisted unit trusts, and as such, their direct exposure to credit risk is limited to their bank account balances held with BNZ. BNZ has a credit rating of AA- as at 31 March 2025 (31 March 2024: AA-), as measured by Standard & Poor's Global Ratings Pty Limited. The expected credit loss is likely to be immaterial to the Funds.

The Scheme is indirectly exposed to credit risk through their investments in unlisted unit trusts, who in turn, invest in direct assets such as debt instruments issued by domestic and international companies and governments or currency hedging. The exposure to the investments in unlisted unit trusts forms part of the Price risk sensitivity (see Note 4.1.1 (a) Price risk).

# Notes to and Forming Part of the Financial Statements continued

## 4. Financial risk management continued

### 4.1 Financial risk factors continued

#### 4.1.3 Liquidity risk

Liquidity risk is the risk that a Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or may only do so on terms that are materially disadvantageous.

The Funds are exposed to daily redemptions of units. The liquidity policy applied by the Manager is to be fully invested in unlisted unit trusts that provide adequate liquidity to match the Scheme's redemption policy given normal market conditions. However, underlying funds may be subject to discretionary redemption restrictions exercisable by the Manager, including the ability to suspend withdrawals or withhold varying amounts of any withdrawals requested by the Funds, which in turn, may impact their own ability to meet redemption requests. These measures are only in place to ensure that all Members of the Scheme are treated equitably. Each of the Funds also holds an allocation to cash and cash equivalents to help the Manager meet the redemption of units and expenses.

Liquidity risk is managed within the underlying Funds by investing in authorised investments that have satisfactory levels of liquidity themselves.

Management fees payable and Benefits payable are due for settlement within one month of the reporting date. The Manager does not expect any significant levels of withdrawals in the short to medium term for any Fund within the Scheme; however, higher levels of cash are held during periods of extreme market volatility to support the increased risk.

### 4.2 Capital risk management

The Scheme manages its Net assets attributable to Members as capital. The Net assets attributable to Members can change significantly on a daily basis as the Funds are subject to daily contributions and withdrawals, which are at the discretion of Members. The Scheme's objective when managing capital is to safeguard the Scheme's ability to continue as a going concern in order to provide returns for Members and to maintain a strong capital base to support the development of the investment activities of the Scheme. In order to maintain or adjust the capital structure, the Scheme's policy is to perform the following:

- (a) Monitor the level of daily contributions and redemptions to allow for adequate liquidity within the Funds to meet Members' redemption obligations.
- (b) Redeem and issue new units in accordance with the Governing Document of the Scheme, which includes the ability to restrict withdrawals and require certain minimum holdings and subscriptions.

The Scheme receives funding from Member contributions, Member's employers and the New Zealand Government via the Inland Revenue Department in the form of annual Government Contributions. The Scheme strives to invest Members' contributions in investments that meet the Scheme's objectives while maintaining sufficient liquidity to meet Members' redemptions.

All investments made with the monies of a Fund are held exclusively for that Fund, and for the exclusive benefit of the Members who have units in that Fund. This means that all liabilities incurred in relation to a Fund are met only from the assets held for (or apportioned to) that Fund. The Manager does not permit the assets or liabilities of any Fund to become intermingled with those of any other Fund, and maintains separate accounting records in respect of each Fund.

The Scheme does not have any externally imposed capital requirements.

Neither the Supervisor, the Manager, their directors, nor any members of their groups of companies, nor any other person promises or guarantees the units offered by the Scheme, the performance or returns of the Funds.



# Notes to and Forming Part of the Financial Statements continued

## 4. Financial risk management continued

### 4.3 Fair value estimation

NZ IFRS 13 Fair Value Measurement requires the Funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (i.e. Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (i.e. derived from prices – Level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs – Level 3).

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

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

All Funds primarily invest in unlisted unit trusts. The values of these underlying unit trusts are determined by the manager of the underlying unit trust, and therefore, these investments are classified as Level 2 in the fair value hierarchy. The Scheme holds no financial assets that are classified as Level 1 or Level 3 within the fair value hierarchy. There were no transfers between any of the levels for the year ended 31 March 2025 (31 March 2024: Nil).

Due to the short-term nature of the financial assets and financial liabilities at amortised cost, the carrying amount of these financial instruments approximates their fair value.

## 5. Financial assets at fair value through profit or loss

As at the reporting date the Funds invested into the following unlisted unit trusts:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund			
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000		
As at 31 March										
Unlisted unit trusts (Level 2)	347,918	335,688	369,756	346,085	897,516	884,340	816,230	792,972		
<b>Total financial assets at fair value through profit or loss</b>	<b>347,918</b>	<b>335,688</b>	<b>369,756</b>	<b>346,085</b>	<b>897,516</b>	<b>884,340</b>	<b>816,230</b>	<b>792,972</b>		

  

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
As at 31 March										
Unlisted unit trusts (Level 2)	753,669	659,906	913,025	872,729	1,892,859	1,764,260	251,313	61,919	6,242,286	5,717,899
<b>Total financial assets at fair value through profit or loss</b>	<b>753,669</b>	<b>659,906</b>	<b>913,025</b>	<b>872,729</b>	<b>1,892,859</b>	<b>1,764,260</b>	<b>251,313</b>	<b>61,919</b>	<b>6,242,286</b>	<b>5,717,899</b>

## 6. Concentration of investments

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

Funds invest into the BNZ Wholesale Funds. These investments individually exceed 5% of the security class and Net assets available for benefits. For further information on these related party investments, see Note 7.

# Notes to and Forming Part of the Financial Statements continued

## 7. Related parties

### 7.1 General

Harbour, FirstCape, NAB, BNZ, Jarden and PEP are related parties of the Scheme.

Management fees are a related party expense paid to the Manager and are shown in the Statements of Changes in Net Assets under Management fees. Management fee rebates are mainly settled by the allocation of additional units in the underlying investments. Management fees payable are shown in the Statements of Net Assets.

The Manager incurs the ordinary administrative expenses of the Scheme, which it pays from the management fee it receives from the Scheme. The Manager also incurs the costs in relation to the audit and Supervisor's fees of the Scheme.

Management fees are calculated and accrued daily based on a percentage of the NAV of the Funds. The rates are exclusive of GST.

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
As at 31 March	2025	2024	2025	2024	2025	2024	2025	2024
Management fee percentage per annum	0.30%	0.30%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%

  

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund	
As at 31 March	2025	2024	2025	2024	2025	2024	2025	2024
Management fee percentage per annum	0.35%	0.35%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%

# Notes to and Forming Part of the Financial Statements continued

## 7. Related parties continued

### 7.2 Other transactions with related parties

The Supervisor is considered a related party. Supervisory fees and audit fees have been paid by the Manager on behalf of the Funds. The table below sets out the supervisor fees and the fees paid to the auditor of the Scheme, PricewaterhouseCoopers (31 March 2024: Ernst & Young). These fees are incurred and paid by the Manager on behalf of the Scheme:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund			
For the year ended 31 March	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000		
Supervisor fees	74	66	79	68	192	174	175	156		
Audit of the Financial Statements	5	6	5	6	6	6	6	7		
<b>Audit or Review related services</b>										
Procedures agreed with the Manager and the Supervisor (Agreed-upon Procedures engagement)	1	1	1	1	1	2	1	2		
<b>Total fees incurred for services provided by the audit firm - PwC New Zealand (31 March 2024: EY New Zealand)</b>	<b>6</b>	<b>7</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>7</b>	<b>9</b>		

  

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund*		Total BNZ KiwiSaver Scheme	
For the year ended 31 March	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Supervisor fees	162	130	196	172	407	348	55	12	1,339	1,126
Audit of the Financial Statements	6	7	6	7	6	7	5	6	45	52
<b>Audit or Review related services</b>										
Procedures agreed with the Manager and the Supervisor (Agreed-upon Procedures engagement)	1	1	1	2	1	4	1	-	8	12
<b>Total fees incurred for services provided by the audit firm - PwC New Zealand (31 March 2024: EY New Zealand)</b>	<b>7</b>	<b>8</b>	<b>7</b>	<b>9</b>	<b>7</b>	<b>11</b>	<b>6</b>	<b>6</b>	<b>53</b>	<b>64</b>

\* Comparative reporting period was from the commencement date of 28 November 2023 to 31 March 2024.

# Notes to and Forming Part of the Financial Statements continued

## 7. Related parties continued

### 7.2 Other transactions with related parties continued

The Directors of the Manager and key management personnels of the Manager may invest in the Scheme. They contribute on the same basis and have the same rights as other Members. The tables below set out unit holdings for the key management personnel in the Scheme:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>As at 31 March</b>								
Holdings of units ('000)	-	-	-	-	-	-	1	-
Value of holdings (\$'000)	-	-	-	-	-	-	2	-
Percentage of net assets	-	-	-	-	-	-	0.00%	-

  

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>As at 31 March</b>										
Holdings of units ('000)	-	-	-	-	13	-	932	-	946	-
Value of holdings (\$'000)	-	-	-	-	32	-	1,110	-	1,144	-
Percentage of net assets	-	-	-	-	0.00%	-	0.44%	-	0.02%	-

### 7.3 Unconsolidated subsidiaries

The following tables detail instances where the Scheme is deemed to control another related-party investment entity. The Manager deems a unitholding of 75% or more in another investment entity to be a controlling interest. The Funds do not prepare consolidated Financial Statements in instances where the Funds are deemed to control another Fund and investments in units issued by subsidiaries are accounted for as Financial assets at fair value through profit or loss in Note 5.

<b>As at 31 March</b>	<b>BNZ KiwiSaver Scheme</b>	
	2025	2024
<b>Subsidiaries</b>	<b>Proportion of ownership</b>	
BNZ Wholesale NZ Cash Fund	-	88%
BNZ Wholesale International Equities (Index) Fund	90%	90%

There are no restrictions on the ability of any unconsolidated subsidiary to transfer funds to the Scheme. There has been no financial or other support provided by the Scheme to any unconsolidated subsidiary and there are no contractual arrangements to provide financial support to any unconsolidated subsidiary. Income earned by the Funds from their investments in unconsolidated subsidiaries is disclosed below.

# Notes to and Forming Part of the Financial Statements continued

## 7. Related parties continued

### 7.4 Related party transactions

The Funds invest in on-call Treasury bank deposits with BNZ and also BNZ Wholesale Funds. There are no management fees charged in the BNZ Wholesale Funds and transactions with these Funds are made at the prevailing unit prices at the time of the transaction.

On 3 June 2024, the BNZ Wholesale International Fixed Interest Fund was seeded, and the holdings of one of the underlying investment managers within the BNZ Wholesale International Fixed Interest (Index) Fund was transferred to this new Fund. As a result, unit holders within the BNZ Wholesale International Fixed Interest (Index) Fund, had their proportionate holding transferred to the new Fund. There was no net impact on underlying investors. The transactions are summarised in the following table.

	Sold BNZ Wholesale International Fixed Interest (Index) Fund		Purchased BNZ Wholesale International Fixed Interest Fund	
	Units '000	Value \$'000	Units '000	Value \$'000
BNZ KiwiSaver Conservative Fund	217,266	215,667	215,667	215,667
BNZ KiwiSaver Balanced Fund	133,815	132,830	132,830	132,830
BNZ KiwiSaver Moderate Fund	160,693	159,510	159,510	159,510
BNZ KiwiSaver Growth Fund	145,104	144,036	144,036	144,036
BNZ KiwiSaver First Home Buyer	40,369	40,072	40,072	40,072
BNZ KiwiSaver Default Fund	104,332	103,564	103,564	103,564

All purchases and sales of Financial assets at fair value through profit or loss in the Statements of Cash Flows and non-cash purchases and sales of Financial assets at fair value through profit or loss were transactions with related parties.



# Notes to and Forming Part of the Financial Statements continued

## 7. Related parties continued

### 7.5 Related party investments

As at the reporting date, all related party investments and cash and cash equivalents were as follows:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
As at 31 March	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
BNZ Wholesale NZ Cash Fund	347,918	335,688	221,615	208,677	223,433	217,476	122,014	122,916
BNZ Wholesale NZ Fixed Interest Fund	-	-	26,113	20,899	136,379	123,881	100,507	85,864
BNZ Wholesale International Fixed Interest (Index) Fund	-	-	31,814	65,914	153,984	362,417	117,103	264,383
BNZ Wholesale International Fixed Interest Fund	-	-	42,357	-	223,492	-	170,251	-
BNZ Wholesale Australasian Equities Fund	-	-	9,213	7,177	30,706	31,677	50,653	47,962
BNZ Wholesale Australasian Equities (Index) Fund	-	-	9,334	7,058	30,886	31,191	51,864	47,301
BNZ Wholesale International Equities (Index) Fund	-	-	29,310	36,360	98,636	117,698	203,838	224,546
BNZ bank accounts	1,350	409	816	627	1,356	1,217	1,206	626
<b>Total</b>	<b>349,268</b>	<b>336,097</b>	<b>370,572</b>	<b>346,712</b>	<b>898,872</b>	<b>885,557</b>	<b>817,436</b>	<b>793,598</b>

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
As at 31 March	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
BNZ Wholesale NZ Cash Fund	36,241	36,849	43,672	48,694	12,776	29,939	4,576	-	1,012,245	1,000,239
BNZ Wholesale NZ Fixed Interest Fund	77,939	58,149	94,488	76,716	116,407	84,970	-	-	551,833	450,479
BNZ Wholesale International Fixed Interest (Index) Fund	83,022	167,505	104,027	218,611	120,166	236,605	-	-	610,116	1,315,435
BNZ Wholesale International Fixed Interest Fund	120,625	-	144,833	-	165,690	-	-	-	867,248	-
BNZ Wholesale Australasian Equities Fund	-	-	88,696	82,534	251,485	225,552	42,089	10,192	472,842	405,094
BNZ Wholesale Australasian Equities (Index) Fund	149,670	124,861	90,752	81,174	254,825	222,815	43,093	10,145	630,424	524,545
BNZ Wholesale International Equities (Index) Fund	286,172	272,542	346,557	365,000	971,510	964,379	161,555	41,582	2,097,578	2,022,107
BNZ bank accounts	1,402	836	1,400	938	3,806	2,669	254	119	11,590	7,441
<b>Total</b>	<b>755,071</b>	<b>660,742</b>	<b>914,425</b>	<b>873,667</b>	<b>1,896,665</b>	<b>1,766,929</b>	<b>251,567</b>	<b>62,038</b>	<b>6,253,876</b>	<b>5,725,340</b>

# Notes to and Forming Part of the Financial Statements continued

## 7. Related parties continued

### 7.5 Related party investments continued

Total income including net gains on the investments with related parties were as follows:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund			
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000		
<b>For the year ended 31 March</b>										
BNZ Wholesale NZ Cash Fund	18,339	19,121	11,729	11,643	11,965	12,821	6,593	7,015		
BNZ Wholesale NZ Fixed Interest Fund	-	-	1,553	972	8,775	5,534	6,262	3,840		
BNZ Wholesale International Fixed Interest (Index) Fund	-	-	781	3,154	3,947	17,385	2,990	12,475		
BNZ Wholesale International Fixed Interest Fund	-	-	2,291	-	12,198	-	9,119	-		
BNZ Wholesale Australasian Equities Fund	-	-	173	278	649	1,195	1,005	1,815		
BNZ Wholesale Australasian Equities (Index) Fund	-	-	209	184	662	745	1,090	1,154		
BNZ Wholesale International Equities (Index) Fund	-	-	3,604	7,622	11,502	26,195	21,132	48,869		
BNZ bank accounts	48	33	57	35	126	84	117	69		
<b>Total</b>	<b>18,387</b>	<b>19,154</b>	<b>20,397</b>	<b>23,888</b>	<b>49,824</b>	<b>63,959</b>	<b>48,308</b>	<b>75,237</b>		

  

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund*		Total BNZ KiwiSaver Scheme	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>For the year ended 31 March</b>										
BNZ Wholesale NZ Cash Fund	1,923	1,904	2,429	2,638	939	1,598	32	-	53,949	56,740
BNZ Wholesale NZ Fixed Interest Fund	4,536	2,552	5,719	3,438	6,615	4,292	-	-	33,460	20,628
BNZ Wholesale International Fixed Interest (Index) Fund	2,060	7,539	2,557	10,170	2,842	10,530	-	-	15,177	61,253
BNZ Wholesale International Fixed Interest Fund	6,096	-	7,640	-	8,512	-	-	-	45,856	-
BNZ Wholesale Australasian Equities Fund	-	-	1,565	3,115	3,878	8,488	(631)	311	6,639	15,202
BNZ Wholesale Australasian Equities (Index) Fund	2,573	3,237	1,718	1,995	4,537	5,590	(177)	315	10,612	13,220
BNZ Wholesale International Equities (Index) Fund	26,931	56,775	35,312	77,955	94,148	200,708	7,238	3,182	199,867	421,306
BNZ bank accounts	110	54	136	73	283	142	26	1	903	491
<b>Total</b>	<b>44,229</b>	<b>72,061</b>	<b>57,076</b>	<b>99,384</b>	<b>121,754</b>	<b>231,348</b>	<b>6,488</b>	<b>3,809</b>	<b>366,463</b>	<b>588,840</b>

\* Comparative reporting period was from the commencement date of 28 November 2023 to 31 March 2024.

# Notes to and Forming Part of the Financial Statements continued

## 8. Reconciliation of net profit attributable to Members to net cash inflows/(outflows) from operating activities

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
For the year ended 31 March	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Net profit attributable to Members</b>	<b>17,374</b>	18,165	<b>18,773</b>	22,438	<b>45,812</b>	60,115	<b>44,649</b>	71,889
<b>Adjustments for non-cash items</b>								
Unrealised changes in the fair value of financial instruments at fair value through profit or loss	(14,508)	(17,121)	(14,229)	(21,971)	(36,688)	(55,916)	(31,349)	(68,247)
<b>Movements in operating assets and liabilities</b>								
Decrease/(increase) in trade and other receivables	-	-	-	-	1	(1)	-	-
Increase in trade and other payables	3	3	10	19	7	21	14	32
Decrease/(increase) in financial assets at fair value through profit or loss	2,559	2,737	(9,442)	(27,463)	23,511	3,267	8,522	(14,756)
	(11,946)	(14,381)	(23,661)	(49,415)	(13,169)	(52,629)	(22,813)	(82,971)
<b>Net cash inflows/(outflows) from operating activities</b>	<b>5,428</b>	3,784	<b>(4,888)</b>	(26,977)	<b>32,643</b>	7,486	<b>21,836</b>	(11,082)

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund*		Total BNZ KiwiSaver Scheme	
For the year ended 31 March	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Net profit attributable to Members</b>	<b>41,702</b>	70,043	<b>52,967</b>	95,797	<b>113,292</b>	224,318	<b>5,743</b>	3,757	<b>340,312</b>	566,522
<b>Adjustments for non-cash items</b>										
Unrealised changes in the fair value of financial instruments at fair value through profit or loss	(42,206)	(71,674)	(34,550)	(94,594)	(84,587)	(230,578)	(6,108)	(3,808)	(264,225)	(563,909)
<b>Movements in operating assets and liabilities</b>										
Decrease/(increase) in trade and other receivables	1	(1)	1	(1)	1	(2)	-	-	4	(5)
Increase in trade and other payables	32	46	24	48	70	143	74	21	234	333
Decrease/(increase) in financial assets at fair value through profit or loss	(51,558)	(81,321)	(5,747)	(28,981)	(44,013)	(138,194)	(183,286)	(58,111)	(259,454)	(342,822)
	(93,731)	(152,950)	(40,272)	(123,528)	(128,529)	(368,631)	(189,320)	(61,898)	(523,441)	(906,403)
<b>Net cash inflows/(outflows) from operating activities</b>	<b>(52,029)</b>	(82,907)	<b>12,695</b>	(27,731)	<b>(15,237)</b>	(144,313)	<b>(183,577)</b>	(58,141)	<b>(183,129)</b>	(339,881)

\* Comparative reporting period was from the commencement date of 28 November 2023 to 31 March 2024.

## 9. Commitments or contingent liabilities

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

## 10. Events occurring after the reporting date

From 1 July 2025, the New Zealand Government will reduce its KiwiSaver contribution from 50 cents to 25 cents for every dollar a Member contributes, up to a maximum of \$260.72. From 1 April 2026, the default employer and employee contribution rates will increase from 3.0% to 3.5%, then to 4.0% from 1 April 2028. However, Members will be able to apply to the IRD to keep the 3.0% rate for up to a year, with annual renewals.

Other than the abovementioned changes, there are no significant events that have occurred since the reporting date which would have either impacted the financial position of the Funds disclosed in the Statements of Net Assets as at 31 March 2025 or the results and cash flows of the Funds for the reporting period ended on that date or require additional disclosure in these Financial Statements.



## Independent auditor's report

To the members of BNZ KiwiSaver Scheme which comprises:

- Cash Fund
- First Home Buyer Fund
- Conservative Fund
- Moderate Fund
- Default Fund
- Balanced Fund
- Growth Fund
- High Growth Fund

(Collectively referred to as the Funds and the Scheme)

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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 positions of the Funds and the Scheme as at 31 March 2025, their financial performance, and their cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

### What we have audited

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

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

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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.



## Independence

We are independent of the Funds 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.

In our capacity as auditor and assurance practitioner, our firm provides agreed-upon procedures services and other services related to a preconditions assessment for assurance over greenhouse gas disclosures engaged after year end in respect of the Funds and the Scheme for BNZ Investment Services Limited (the Manager). Subject to certain restrictions, partners and employees of our firm may invest in the Funds and the Scheme on normal terms within the ordinary course of trading activities of the Funds and the Scheme. The firm has no other relationship with, or interests in, the Manager in respect of the Funds and the Scheme.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the key audit matter	How our audit addressed the key audit matter
<p><b>Valuation and existence of financial assets 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 at fair value through profit or loss.</p> <p>This was an area of focus for our audit as it represents the majority of the net assets attributable to members of the Funds and the Scheme.</p> <p>The Funds and the Scheme invest solely into unlisted unit trusts managed by the Manager. The fair value is based on the redemption price established by the administrator of the unlisted unit trusts, which is also the administrator of the Funds and the Scheme (the Administrator). In assessing the fair value, the Manager uses information provided by the Administrator.</p> <p>These financial assets are categorised as Level 2 within the fair value hierarchy.</p> <p>Refer to note 2.2(c) which describes how fair value is determined.</p> <p>Financial assets at fair value through profit or loss are held by the Custodian on behalf of the Funds and the Scheme.</p>	<p>We assessed the processes employed by the Manager for recording and valuing the financial assets 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 services 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 for the year ended 31 March 2025.</p> <p>For valuation of financial assets at fair value through profit or loss we agreed the redemption price at the reporting date to the confirmation provided by the Administrator. We evaluated whether the redemption price represents fair value by comparing the redemption price at the reporting date to the net asset value per unit calculated based on the 31 March 2025 audited financial statements of the unlisted unit trusts and recent transaction prices.</p> <p>We obtained confirmation from the Custodian of the holdings of all financial assets at fair value through profit or loss as recognised by the Funds and the Scheme as at the reporting date.</p>



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## Our audit approach

### Overview

<b>Materiality</b>	<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 net assets attributable to members for each Fund and the Scheme.</p> <p>We chose net assets 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>
<b>Key audit matters</b>	<p>As reported above, we have one key audit matter, being the valuation and existence of financial assets at fair value through profit or loss</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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements of each Fund and the 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 and the Scheme as a whole.

### How we tailored our audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements of each Fund and the Scheme as a whole, taking into account the structure of each Fund and the Scheme, the Funds' 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 and the Scheme. 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 the Climate-related disclosures report, but does not include the financial statements and our auditor's report thereon, which the Annual Report will refer to. The Annual Report and the Climate-related disclosures report are expected to be made available to us after the date of this auditor's report.

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

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

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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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing each Fund's and the 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 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/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/>

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 leader on the audit resulting in this independent auditor's report is Christopher Barber.

For and on behalf of:

A stylized, handwritten-style signature of 'PricewaterhouseCoopers' in a dark grey or black ink.

PricewaterhouseCoopers  
15 July 2025

Wellington

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