

ANNUAL REPORT TO MEMBERS

for the

MARITIME KIWISAVER SCHEME

Year ended 31 March 2022

Chairman's Report

I am pleased to present the sixth annual report of the Maritime KiwiSaver Scheme

Fund Size and Membership

During the year the size of the Fund increased in size from \$15.9M to \$16.7M. The number of active members increased slightly from 282 to 285. Of the funds invested in member and employer accounts at 31 March 2022, 86% is invested in the balanced portfolio, 13% in the conservative portfolio and 1% in the new growth portfolio.

Performance

After very strong returns the previous year, this year the returns of the Fund have been modest with the balanced portfolio delivering a return of 1.44% and the conservative portfolio delivering a return of -1.39%, in each case net of all fees and tax (at 28%). Since its inception on 1 October 2021, the growth portfolio delivered a return of -3.81%.

During the last five years, the average returns of the balanced and conservative portfolios net of all fees and tax (at 28%) have been 6.48% and 2.96% respectively. These returns compare with Fund's projected returns going forward of 3.4% and 1.6% for the balanced and conservative portfolios respectively, and the projected return for the growth portfolio of 4.2%.

Fund Management and Administration

The Fund continued to be well managed by the Administrator, Melville, Jessup Weaver (MJW).

Administration and fund management fees continued to decline in line with industry trends. The expenses ratios were 0.65% for the balanced portfolio, 0.57% for the conservative portfolio and 0.70% for the growth portfolio. These expense ratios compare favourably with range of expense ratios of other KiwiSaver schemes which are typically in the range of 1.1% to 1.4%.

Appreciation

The Trustees thank members and participating employers for their continuing support, and the Fund's Administrator (MJW), and other service providers and fund managers for their continuing services to the Fund.

David Young
Chairman

Details of Scheme

The scheme name is the Maritime KiwiSaver Scheme (the “Scheme”). The Scheme is registered as a restricted KiwiSaver scheme.

The manager is the Board of Trustees named on page 6. The latest Product Disclosure Statement (PDS) for the Scheme is dated 21 May 2022 and the Scheme is open for applications. Fund updates for the Conservative, Balanced and Growth Portfolio were made publicly available on 5 July 2022 for the year ended 31 March 2022.

The financial statements for the year ended 31 March 2022, and the auditor’s report on those financial statements have been lodged with the Registrar and are available electronically by visiting <https://disclose-register.companiesoffice.govt.nz/>, selecting search schemes and entering the Scheme name.

Information on Contributions and Scheme Participants

Total Members

Members	31 March 2022	31 March 2021 *
Contributing members	230	232
Non-contributing members	55	50
Total members	285	282

New Members

New Members for Year Ended 31 March 2022	
New members	13
Transfers from other schemes	0
Total new members	13

Member Exits

Member Exits for Year Ended 31 March 2022	
Retirement	3
Death	2
Disablement	0
Transfers to other schemes	5
Other reasons	0
Total member exits	10

Members' Accumulations

Members' accumulations	31 March 2022	31 March 2021
Total account balances	\$16,670,632	\$15,925,205
Number of members with accounts	285	282

Total Contributions

Contribution Type	Total for Year Ended 31 March 2022	Number of Members to Whom Contributions Relate
Member contributions	\$800,949	234
Employer contributions*	\$447,650	211
Total contributions	\$1,248,608	

*Net employer contributions credited to Scheme after deducting employer superannuation contribution tax.

Changes Relating to the Scheme

During the year ended 31 March 2022 the Scheme continued as a restricted KiwiSaver scheme registered under the Financial Markets Conducts Act (FMCA)

There were no changes to the Maritime KiwiSaver Scheme Trust Deed during the year ended 31 March 2022.

The PDS for the offer of membership was updated on 5 November 2021 to introduce the growth portfolio and on 21 May 2022 with some minor updates.

The Statement of Investment Policy and Objectives (SIPO) was updated 1 July 2021 following the change in one of the investment managers and on 5 November 2021 following the introduction of the Growth Portfolio. The SIPO was again updated on 12 May 2022 with small variations to the target asset allocations for each portfolio.

No transactions providing for related party benefits (as contemplated by section 172(1) of the FMCA) to be given from the Scheme were entered into during the year ended 31 March 2022 on anything other than arm's-length terms.

The following changes were made to the Trustees' policies and procedures:

- retiring members with combined account balances in MRS and MKS totalling more than \$100,000 are to be provided with assessments of the regular monthly payments which their account balances will support up to ages 80, 85 and 90 and, for deferred members who elect to make monthly withdrawals, these assessments are to be updated annually based on member account balances at balance date
- expected earnings rates, and projections of account balances and monthly payments which these balances will support in retirement, are to be based on the earning rates specified by government

Other Information

During the year, 24 Scheme participants made a withdrawal that was permitted under the FMCA and the trust deed, and the grounds on which those withdrawals were made were as follows:

Withdrawal type	Number of members
Full withdrawals	10
Leaving service	3
Transfer	5
Disablement	0
Death	2
Partial withdrawals	14
Contributing members	3
Non-contributing members	2
Financial Hardship	6
1 st Home withdrawal	3

The following table shows the monthly crediting rates (after tax at the highest PIR and an allowance for general expenses) applied to members' accounts during the year:

Month	Crediting rate applied		
	Balanced Portfolio	Conservative Portfolio	Growth Portfolio
April 2021	1.90855%	0.78531%	
May 2021	0.07306%	-0.03654%	
June 2021	2.02019%	0.83107%	
July 2021	1.03303%	0.70766%	
August 2021	1.57270%	0.42323%	
September 2021	-1.67676%	-0.74702%	
October 2021	0.71270%	-0.20339%	0.76891%
November 2021	-0.22819%	0.00702%	-0.15639%
December 2021	2.35648%	0.94733%	2.91632%
January 2022	-3.47116%	-1.55702%	-4.86904%
February 2022	-2.40221%	-1.46084%	-2.59973%
March 2022	-0.02799%	-0.79889%	0.52425%

The Trustees confirm that for the year ended 31 March 2022 all contributions required to be made to the Scheme in accordance with the terms of the trust deed were made.

The Trustees confirm that:

1. All the benefits required to be paid from the Scheme in accordance with the terms of the trust deed and the KiwiSaver scheme rules have been paid.
2. The market value of the property of the Scheme as at 31 March 2022 equalled the total value of benefits that would have been payable had all members of the Scheme ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members as at that date.

Changes to Persons Involved in the Scheme

The following persons served as Trustees during the year:

- David Young (Chairman)
- Simon Brodie (Licensed Independent Trustee)
- Craig Harrison (Vice Chairman)
- Ray Welson
- Deepthi Swarnapuri
- Ray Fife
- Russell Mayn
- Carl Findlay
- Brodie Stevens
- Walter Rushbrook

There were no changes during the year to the Trustees.

There were no changes during the year to the custodian, the Administration Manager, the securities registrar or the auditor of the Scheme.

There were no changes in the control of the Trustees during the year ended 31 March 2022.

How to Find Further Information

The following information is available electronically (and free of charge) on the Disclose Register at <https://disclose-register.companiesoffice.govt.nz/>:

- copies of the trust deed, the Scheme's latest audited financial statements, the SIPO and the annual report (select *search schemes* and enter the Scheme name); and
- copies of the PDS, the annual fund updates and other material information relating to the Scheme (select *search offers* and enter the Scheme name).

Copies of the SIPO, the PDS, the latest annual report and the latest fund updates (as well as other information about the Scheme) are also available on the Scheme's website maritimeretirementscheme.nz.

You can obtain a copy of any of the above documents (or an estimate of your benefits) from the Trustees free of charge by emailing or writing to the Administration Manager at the following address:

Maritime KiwiSaver Scheme
Melville Jessup Weaver
Level 7, 20 Ballance Street
PO Box 1096
Wellington 6140

Email: maritime@mjw.co.nz

Contact Details and Complaints

You can contact the Trustees via the Administration Manager at:

Maritime KiwiSaver Scheme
Melville Jessup Weaver
Level 7, 20 Ballance Street
PO Box 1096, Wellington 6140

Email: maritime@mjlw.co.nz

Phone: 0800 947 357

The Administration Manager also acts as the securities registrar for the Scheme and can be contacted (in that capacity) at the above address.

Any queries or complaints about the Scheme can be made by contacting the Trustees at the above address.

The Trustees have established a process to deal with any complaints that members might have. The process is confidential, providing members with the ability to be satisfied that all their dealings with the Scheme have been handled properly. The first step is to contact either the secretary or the administrator in confidence to set out your complaint.

Members also have the right to send their complaints directly to the Scheme's external disputes resolution service, Financial Services Complaints Limited ("FSCL"). FSCL's contact details are:

Website: www.fscl.org.nz
Email: info@fscl.org.nz
Telephone: 0800 347257 (call free for consumers)
(04) 472 FSCL (472 3725)
Fax: (04) 472 3727

Postal address: PO Box 5967 Lambton Quay
Wellington 6145

Neither we nor FSCL will charge a fee to any complainant to investigate or resolve a complaint.

Financial Information

The following tables contain information extracted from the full financial statements which were audited and signed on 27 July 2022.

Investment performance

	31 March 2022	31 March 2021
Total investment revenue	287,581	3,288,588

Expenses

	31 March 2022	31 March 2021
Investment expenses	59,631	54,795
General expenses	45,037	44,706

Membership activities

	31 March 2022	31 March 2021
Member contributions	800,949	823,296
Employer contributions	447,659	471,902
Government Contributions	103,901	103,269
Transfers In	385,284	127,903
Withdrawals	(1,211,445)	(1,454,004)
Members' PIE Tax	58,062	(278,418)

Assets

	31 March 2022	31 March 2021
Total investments	16,622,148	16,190,401
Tax receivable / (payable)	12,317	(265,196)
Deferred Tax Asset	58,062	0
Benefits Payable	(21,895)	0

Member accounts

	31 March 2022	31 March 2021
Member accounts	11,450,072	10,796,806
Employer accounts	5,220,560	5,128,399

A copy of the full financial statements can be obtained from the Administrator:

Melville Jessup Weaver:

Freephone 0800 947 357

Email maritime@mjlw.co.nz