

ANNUAL REPORT TO MEMBERS

for the

MARITIME KIWISAVER SCHEME

Year ended 31 March 2024

Chairman's Report

I am pleased to present the eighth annual report of the Maritime KiwiSaver Scheme (the **MKS** or the **Scheme**) for the year ended 31 March 2024.

Scheme Size and Membership

During the year the size of the Fund increased in size from \$17.0 million to \$19.0 million. The number of active members decreased slightly from 290 to 282. Of the funds invested in member and employer accounts at 31 March 2024, 6% is invested in the new growth portfolio, 85% in the balanced portfolio and 9% in the conservative portfolio.

Performance

All the investment portfolios achieved great returns for the year with the growth portfolio delivering a return of 17.9%, the balanced portfolio delivering a return of 15.3% and the conservative portfolio delivering a return of 7.4%, net of all fees and tax (at 28%).

During the last five years, the average returns of the balanced and conservative portfolios, again net of fees and tax (at 28%), have been 6.3% and 2.6% respectively. The growth portfolio has only been in existence since 1 October 2021, so we do not yet have an average return over five years.

Asset Management and Administration

The Scheme continues to be well managed by the Administration Manager, Melville, Jessup Weaver.

Administration and investment management fees remain low compared to other similar schemes. The expense ratios are currently 0.76% for the growth portfolio, 0.71% for the balanced portfolio and 0.62% for the conservative portfolio. These expense ratios compare favourably with expense ratios of most KiwiSaver schemes which are typically in the range of 0.9% to 1.2%.

Appreciation

The Trustees thank members and participating employers for their continuing support, and the Administration Manager, Melville Jessup Weaver, and other service providers and investment managers for their continuing services to the Scheme.

Finally, this is my last Annual Report. In November this year I will be stepping down as Chair after 8 years in this role for MKS and, prior to that, 11 years as Chair of the Waterfront Industry KiwiSaver Scheme. It has been an honour and privilege to be involved over the years and it was particularly satisfying to steer the amalgamation of the Waterfront Industry KiwiSaver Scheme and the SRF KiwiSaver Scheme into the MKS we know today. Brodie Stevens has been appointed to take over as Chair when I retire and over the last 6 months Brodie and I have worked together to ensure a smooth handover. I'm sure Brodie and his fellow Trustees will continue to manage the MKS to achieve great outcomes for its members. I am pleased to be able to report such strong investment performance in my final year as Chair.

David Young
Chair

Details of Scheme

The scheme name is the Maritime KiwiSaver 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 7 November 2022 and the Scheme is open for applications. Fund Updates for the conservative, balanced and growth portfolios were made publicly available on 27 June 2024 for the year ended 31 March 2024. These are available on the Scheme's website:

<https://.maritimeretirementscheme.nz/scheme-details/fund-updates/>.

The financial statements for the year ended 31 March 2024, 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 2024	31 March 2023
Contributing members	205	238
Non-contributing members	77	52
Total members	282	290

New Members

New Members for Year Ended 31 March 2024	
New members	10
Transfers from other schemes	7
Total new members	17

Member Exits

Member Exits for Year Ended 31 March 2024	
Retirement	18
Death	0
Disablement	0
Transfers to other schemes	7
Other reasons	0
Total member exits	25

Members' Account Balances

Members' accumulations	31 March 2024	31 March 2023
Total account balances	\$19,043,339	\$16,895,312
Number of members with accounts	282	290

Total account balances include both member and employer accounts.

Total Contributions

Contribution Type	Total for Year Ended 31 March 2024	Number of Members to Whom Contributions Relate
Member contributions	\$872,257	236
Employer contributions*	\$530,574	230
Total contributions	\$1,402,831	

*After deduction of employer superannuation contribution tax.

Changes Relating to the Scheme

During the year ended 31 March 2024 the Scheme continued as a restricted KiwiSaver scheme registered under the Financial Markets Conducts Act (**FMCA**).

During the year ended 31 March 2024 there were no amendments to the Scheme Trust Deed.

The Statement of Investment Policy and Objectives (**SIPO**) was updated on 20 February 2024 to reflect the change in investment manager from ANZ Investments to Nikko Asset Management.

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 2024 on anything other than arm's-length terms.

During the year ended 31 March 2024 there were no changes to the KiwiSaver Rules or to the Trustees' policies and procedures relating to the MKS.

Other Information

During the year, 42 Scheme members 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	25
Leaving service	18
Transfer	7
Disablement	0
Death	0
Partial withdrawals	17
Contributing members	5
Non-contributing members	3
Financial Hardship	8
1 st Home withdrawal	1

The following table shows the monthly crediting rates (after tax at the highest PIR and an allowance for general expenses) applied to members' account balances at the end of each month during the year. The monthly crediting rates are also available on our website: <https://maritimeretirementscheme.nz/investment-performance/>:

Month	Crediting rate applied		
	Balanced Portfolio	Conservative Portfolio	Growth Portfolio
April 2023	1.67515%	0.86013%	2.07894%
May 2023	-0.42337%	-0.39314%	-0.47400%
June 2023	2.30790%	0.77023%	2.77331%
July 2023	1.28327%	0.48206%	1.68982%
August 2023	-0.21359%	-0.07097%	-0.32798%
September 2023	-3.70731%	-1.87789%	-4.34394%
October 2023	-1.67027%	-0.87605%	-2.38059%
November 2023	4.40639%	3.06326%	4.95419%
December 2023	3.32750%	2.58405%	3.82005%
January 2024	1.90814%	0.44732%	2.38129%
February 2024	2.58042%	0.68153%	3.20317%
March 2024	3.33215%	1.58332%	3.57960%

The Trustees confirm that for the year ended 31 March 2024 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 net assets of the Scheme as at 31 March 2024 equalled the total value of benefits that would have been payable had all members of the Scheme ceased to be members at that date.

Changes to Persons Involved in the Scheme

The following persons served as Trustees during the year:

- David Young (Chair)
- Philippa Drury (Licensed Independent Trustee) appointed 25 July 2023
- Craig Harrison (Deputy Chairman) resigned 3 April 2024
- Ray Welson
- Ray Fife
- Carl Findlay
- Russell Mayn
- Brodie Stevens
- Walter Rushbrook
- Andrew Clark

Simon Brodie resigned as Licensed Independent Trustee on 25 July 2023 and was replaced by Philippa Drury.

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

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: <https://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 Trustees or the Administration Manager 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 Ltd (**FSCL**) – A Financial Ombudsman Service. FSCL is our independent external ombudsman and dispute resolution service that has been approved by the Minister of Consumer Affairs under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

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)

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 for the Scheme which were audited and signed on 31 July 2024.

Investment income

	31 March 2024 \$	31 March 2023 \$
Total investment income	2,642,178	(\$417,117)

Expenses

	31 March 2024 \$	31 March 2023 \$
Investment expenses	56,044	56,397
General expenses	48,998	45,724

Membership activities

	31 March 2024 \$	31 March 2023 \$
Member contributions	872,257	838,869
Employer contributions	530,574	472,443
Government Contributions	98,184	99,221
Transfers In	211,905	424,590
Withdrawals	(2,048,740)	(1,211,455)

Assets

	31 March 2024 \$	31 March 2023 \$
Total investments	19,124,418	16,723,050
Tax receivable		59,692
Deferred Tax Asset	118,974	182,949
Benefits Payable	(200,052)	0

Member accounts

	31 March 2024 \$	31 March 2023 \$
Member accounts	12,949,815	11,649,337
Employer accounts	6,093,525	5,316,354

A copy of the full financial statements for the Scheme can be obtained from the Administration Manager:

Melville Jessup Weaver:

Freephone 0800 947 357

Email maritime@mjlw.co.nz