
FUTUREPLAN

2022 **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Including the following Funds:

Capital Protected Investment Fund

Balanced Investment Fund

Growth Investment Fund

Emerging Markets Investment Fund

International Companies Investment Fund

Trans Tasman Equities Investment Fund



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Manager	Fisher Funds Management Limited
Registered Office	Level 1, Crown Centre 67-73 Hurstmere Road, Takapuna, Auckland, 0622
Investor and Advisor Enquiries	Private Bag 93 502 Takapuna, Auckland, 0740 Email: enquiries@fisherfunds.co.nz
Directors of the Manager	David Clarence Clarke (Chair) LLB Margaret Anne Blackburn BA, MA Edward Francis Sippel BA Guy Roper BBS, FCA Jennifer Clare Moxon BCom Michael Stuart Berk MBA Mark John Lazberger BCom, CFA
Licensed Supervisor	Trustees Executors Limited
Auditor	KPMG
Solicitors	Chapman Tripp DLA Piper


Statements of Net Assets

Note	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund*		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Current assets														
Cash and cash equivalents	442	136	1,166	1,321	711	1,106	-	231	376	420	104	118	2,799	3,332
Trade and other receivables	1	-	7	255	111	315	-	3	128	10	20	-	267	583
Investments at fair value through profit or loss	4(c)(iv) 17,958	15,209	108,531	134,385	75,391	93,880	-	16,320	26,385	31,093	6,390	8,703	234,655	299,590
Member attributed taxation	33	18	1,856	-	1,255	-	-	128	565	-	36	-	3,745	146
Total current assets	18,434	15,363	111,560	135,961	77,468	95,301	-	16,682	27,454	31,523	6,550	8,821	241,466	303,651
Non-current assets														
Investments at fair value through profit or loss	4(c)(iv) -	-	5,953	1,696	3,129	427	-	-	-	-	-	-	9,082	2,123
Total non-current assets	-	-	5,953	1,696	3,129	427	-	-	-	-	-	-	9,082	2,123
Total assets	18,434	15,363	117,513	137,657	80,597	95,728	-	16,682	27,454	31,523	6,550	8,821	250,548	305,774
Current liabilities														
Trade and other payables	641	53	56	532	70	395	-	8	38	7	98	7	903	1,002
Related party payables	4(a)(ii) 7	8	150	172	104	121	-	20	35	40	9	11	305	372
Member attributed taxation	-	-	-	26	-	57	-	-	-	46	-	9	-	138
Taxation payable	33	1	-	-	-	-	-	-	-	-	-	-	33	1
Total liabilities	681	62	206	730	174	573	-	28	73	93	107	27	1,241	1,513
Net assets available to pay benefits	17,753	15,301	117,307	136,927	80,423	95,155	-	16,654	27,381	31,430	6,443	8,794	249,307	304,261
Represented by:														
Net Assets attributable to members	17,689	15,245	117,307	136,927	80,423	95,155	-	16,654	27,381	31,430	6,443	8,794	249,243	304,205
Reserves	4 (b) 64	56	-	-	-	-	-	-	-	-	-	-	64	56
Liability for promised benefits	17,753	15,301	117,307	136,927	80,423	95,155	-	16,654	27,381	31,430	6,443	8,794	249,307	304,261

* On 27 September 2022, the FuturePlan Emerging Markets Investment Fund was closed and Members were given the option of transferring their unit holdings to other Funds managed by the Manager or to withdraw their investment.

These financial statements were authorised for issue by the Manager, Fisher Funds Management Limited.

Director  Date 15 December 2022

Director  Date 15 December 2022

The accompanying notes form an integral part of these financial statements.

Statements of Changes in Net Assets

Note	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund*		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	12 months	12 months	12 months	12 months	12 months	12 months	362 days	12 months	12 months	12 months	12 months	12 months	12 months	12 months
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening net assets available to pay benefits	15,301	17,501	136,927	126,001	95,155	82,661	16,654	16,333	31,430	26,147	8,794	7,056	304,261	275,699
Member contributions	271	443	5,657	5,349	4,184	3,256	940	1,112	1,347	1,182	226	185	12,625	11,527
Lump sum withdrawals	(1,434)	(1,302)	(9,133)	(8,471)	(5,171)	(5,951)	(4,287)	(1,080)	(2,972)	(1,702)	(1,098)	(480)	(24,095)	(18,986)
Benefits paid upon death	(314)	(273)	(977)	(1,596)	(109)	(220)	(94)	(185)	(265)	(141)	(14)	(3)	(1,773)	(2,418)
Other withdrawals	(17)	(1)	-	(1,034)	-	(921)	(127)	(1,161)	(137)	(775)	-	-	(281)	(3,892)
Withdrawals to pay fees	(17)	(18)	(56)	(58)	(31)	(32)	(10)	(10)	(11)	(11)	(2)	(2)	(127)	(131)
Switches in	4,202	32	3,539	2,549	1,709	1,396	-	31	2,741	168	546	194	12,737	4,370
Switches out	(261)	(947)	(407)	(225)	(581)	(532)	(11,285)	(263)	(196)	(222)	(7)	(17)	(12,737)	(2,206)
Net membership activities	2,430	(2,066)	(1,377)	(3,486)	1	(3,004)	(14,863)	(1,556)	507	(1,501)	(349)	(123)	(13,651)	(11,736)
Total comprehensive income/(loss)	22	(134)	(18,243)	14,412	(14,733)	15,498	(1,791)	1,877	(4,556)	6,784	(2,002)	1,861	(41,303)	40,298
Net assets available to pay benefits at the end of the year	17,753	15,301	117,307	136,927	80,423	95,155	-	16,654	27,381	31,430	6,443	8,794	249,307	304,261

Units	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund*		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Units on issue at the beginning of the period	11,834	13,471	25,001	25,870	21,353	22,193	4,731	5,359	6,438	6,845	988	1,000	70,345	74,738
Contributions from Members	3,473	344	1,402	1,292	1,097	965	270	134	759	204	95	50	7,096	2,989
Withdrawals by Members	(1,573)	(1,981)	(2,000)	(2,161)	(1,410)	(1,805)	(5,001)	(762)	(752)	(611)	(140)	(62)	(10,876)	(7,382)
Units on issue at the end of the period	13,734	11,834	24,403	25,001	21,040	21,353	-	4,731	6,445	6,438	943	988	66,565	70,345

* On 27 September 2022, the FuturePlan Emerging Markets Investment Fund was closed and Members were given the option of transferring their unit holdings to other Funds managed by the Manager or to withdraw their investment.

The accompanying notes form an integral part of these financial statements.

Statements of Comprehensive Income

	Note	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund*		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		12 months	12 months	12 months	12 months	12 months	12 months	362 days	12 months	12 months	12 months	12 months	12 months	12 months	12 months
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Income															
Interest income	5	2	-	23	48	19	31	3	1	6	1	1	-	54	81
Dividend income		-	-	94	97	46	44	-	-	-	-	-	-	140	141
Net changes in fair value of investments	3(c)	127	93	(16,424)	16,548	(13,434)	16,997	(1,574)	2,190	(4,103)	7,313	(1,879)	2,006	(37,287)	45,147
Other income		30	-	-	-	-	-	-	-	-	-	-	-	30	-
Total income/(loss)		159	93	(16,307)	16,693	(13,369)	17,072	(1,571)	2,191	(4,097)	7,314	(1,878)	2,006	(37,063)	45,369
Expenses															
Management fees	4(a)(i)	89	213	1,900	2,248	1,333	1,547	206	300	440	514	111	133	4,079	4,955
Supervisor fees	4(a)(i)	1	1	11	12	8	9	1	2	3	3	1	1	25	28
Custody fees	4(a)(i)	4	4	10	9	8	8	3	4	6	5	3	4	34	34
Audit fees - financial statements audit		8	7	8	7	8	7	8	7	8	7	8	7	48	42
Regulatory expenses		2	1	7	5	7	3	2	1	2	1	1	-	21	11
Total expenses		104	226	1,936	2,281	1,364	1,574	220	314	459	530	124	145	4,207	5,070
Net profit/(loss) before tax		55	(133)	(18,243)	14,412	(14,733)	15,498	(1,791)	1,877	(4,556)	6,784	(2,002)	1,861	(41,270)	40,299
Tax expense/(benefit)		33	1	-	-	-	-	-	-	-	-	-	-	33	1
Net profit/(loss) after tax		22	(134)	(18,243)	14,412	(14,733)	15,498	(1,791)	1,877	(4,556)	6,784	(2,002)	1,861	(41,303)	40,298
Other comprehensive income		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)		22	(134)	(18,243)	14,412	(14,733)	15,498	(1,791)	1,877	(4,556)	6,784	(2,002)	1,861	(41,303)	40,298

* On 27 September 2022, the FuturePlan Emerging Markets Investment Fund was closed and Members were given the option of transferring their unit holdings to other Funds managed by the Manager or to withdraw their investment.

The accompanying notes form an integral part of these financial statements.

Statements of Cash Flows

	Capital Protected		Balanced		Growth		Emerging Markets		International Companies		Trans Tasman Equities		FuturePlan	
	Investment Fund		Investment Fund		Investment Fund		Investment Fund*		Investment Fund		Investment Fund		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	12 months	12 months	12 months	12 months	12 months	12 months	362 days	12 months	12 months	12 months	12 months	12 months	12 months	12 months
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash flows from operating activities														
Cash was provided from:														
Sale of investments	1,398	2,291	45,354	18,137	29,907	17,134	15,246	2,580	7,278	2,609	806	440	99,989	43,191
Interest received	2	-	24	47	20	30	3	1	6	1	1	-	56	79
Other income	30	-	-	-	-	-	-	-	-	-	-	-	30	-
	1,430	2,291	45,378	18,184	29,927	17,164	15,249	2,581	7,284	2,610	807	440	100,075	43,270
Cash was applied to:														
Purchase of investments	(3,730)	(30)	(40,138)	(10,966)	(27,674)	(11,572)	(500)	-	(6,709)	(45)	(373)	(191)	(79,124)	(22,804)
Operating expenses	(103)	(240)	(1,958)	(2,294)	(1,377)	(1,574)	(247)	(317)	(462)	(528)	(124)	(144)	(4,271)	(5,097)
	(3,833)	(270)	(42,096)	(13,260)	(29,051)	(13,146)	(747)	(317)	(7,171)	(573)	(497)	(335)	(83,395)	(27,901)
Net cash inflows/(outflows) from operating activities	(2,403)	2,021	3,282	4,924	876	4,018	14,502	2,264	113	2,037	310	105	16,680	15,369
Cash flows from financing activities														
Cash was provided from:														
Member contributions	4,474	370	9,193	7,898	5,878	4,643	941	1,152	4,003	1,340	752	377	25,241	15,780
Cash was applied to:														
Member withdrawals	(1,765)	(2,425)	(12,630)	(12,593)	(7,149)	(8,283)	(15,674)	(3,376)	(4,160)	(3,247)	(1,076)	(467)	(42,454)	(30,391)
Net cash inflows/(outflows) from operating activities	2,709	(2,055)	(3,437)	(4,695)	(1,271)	(3,640)	(14,733)	(2,224)	(157)	(1,907)	(324)	(90)	(17,213)	(14,611)
Net increase/(decrease) in cash and cash equivalents	306	(34)	(155)	229	(395)	378	(231)	40	(44)	130	(14)	15	(533)	758
Cash and cash equivalents at beginning of year	136	170	1,321	1,092	1,106	728	231	191	420	290	118	103	3,332	2,574
Cash and cash equivalents at end of year	442	136	1,166	1,321	711	1,106	-	231	376	420	104	118	2,799	3,332

Reconciliation of net profit/(loss) after tax to net cash inflows/(outflows) from operating activities

Net profit/(loss) after tax	22	(134)	(18,243)	14,412	(14,733)	15,498	(1,791)	1,877	(4,556)	6,784	(2,002)	1,861	(41,303)	40,298
Non cash items														
Unrealised changes in the fair value of investments	204	442	26,182	(9,795)	20,822	(10,973)	7,287	(1,037)	6,992	(6,365)	2,415	(1,710)	63,902	(29,438)
Movements in working capital items														
Decrease in related party receivables	-	-	250	400	217	100	-	-	(36)	-	-	-	431	500
Increase/(decrease) in trade and other payables	1	-	1	-	1	-	(7)	-	1	-	1	-	(2)	-
Increase/(decrease) in tax payable	32	1	-	-	-	-	-	-	-	-	-	-	32	1
Increase/(decrease) in related party payables	289	(14)	(322)	287	(397)	379	(20)	(4)	(5)	2	(2)	1	(457)	651
Decrease/(increase) in underlying cost of investments carried at fair value	(2,951)	1,726	(4,586)	(380)	(5,034)	(986)	9,033	1,428	(2,283)	1,616	(102)	(47)	(5,923)	3,357
Net cash flows from operating activities	(2,403)	2,021	3,282	4,924	876	4,018	14,502	2,264	113	2,037	310	105	16,680	15,369

* On 27 September 2022, the FuturePlan Emerging Markets Investment Fund was closed and Members were given the option of transferring their unit holdings to other Funds managed by the Manager or to withdraw their investment.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

1. About this report

(a) Reporting entity

The reporting entity is the Fisher Funds Futureplan Superannuation plan ("the Plan"). The Plan is made up of six funds ("the Funds"):

- Fisher Funds Capital Protected Investment Fund ("Capital Protected Investment Fund")
- Fisher Funds Balanced Investment Fund ("Balanced Investment Fund")
- Fisher Funds Growth Investment Fund ("Growth Investment Fund")
- Fisher Funds Emerging Markets Investment Fund ("Emerging Markets Investment Fund")
- Fisher Funds International Companies Investment Fund ("International Companies Investment Fund")
- Fisher Funds Trans Tasman Equities Investment Fund (" Trans Tasman Equities Investment Fund")

The Plan is a defined contribution individual and multi-employer superannuation scheme, which means that members contribute to the Plan over time and benefits payable depend on the amount of contributions made and any returns on contributions received. Members contribute to the Plan in accordance with their Participation Agreement between their Employer and the Supervisor. Members may also make voluntary contributions. Employers contribute in accordance with their Participation Agreement with the Supervisor. Participating Employers may alter these amounts if a Member reduces or suspends their contributions, where allowed by the Participating Agreement. Where an Employer does not have a Participating Agreement, the Employer will contribute as agreed between the Individual Member and Employer. Whenever a contribution is made to the Plan the Member directs the Manager into which Fund the contribution is to be invested. The Plan is also registered as a Managed Investment Scheme in accordance with the Financial Markets Conduct Act 2013.

The Funds are Portfolio Investment Entities ("PIEs"), meaning income is taxed in the hands of the Members. The Manager attributes the taxable income of the Funds to Members based on their holding of units and pays tax on their behalf at their Prescribed Investor Rate. Tax payments/credits are transacted by cancellation or issue of units.

The results, position and cash flows reported for the Plan is a simple aggregation of the results, position and cash flows of the Funds that make up the Plan. All investments made with the monies of a Fund shall be held by the Supervisor as the exclusive property of that Fund and will not be used to meet any liabilities of any other Fund. As part of this aggregation process, inter-fund transactions are eliminated and PIE tax is disclosed net at the Plan level.

(b) Statutory base

The Plan is a reporting entity under the Financial Market Conduct Act 2013 ("FMC Act") and is governed by the Governing Document dated 13 October 2016.

(c) Basis of Preparation

The Plan's financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and the New Zealand equivalents to the International Financial Reporting Standards ("NZ IFRS") as applicable to for-profit entities and International Financial Reporting Standards ("IFRS"). The Financial Statements have been prepared in accordance with the provisions of the Governing Document and the FMC Act. The financial statements of the Plan cover the period ended 30 September 2022 with the exception of the Emerging Markets Investment Fund which covers the 362 days until the Fund ceased operations in September 2022.

All amounts are in New Zealand Dollars and have been rounded to the nearest one thousand dollars except as otherwise indicated. The Plan is domiciled and registered in New Zealand.

Investments are financial instruments measured at fair value through profit or loss. All other assets and liabilities are measured at amortised cost.

(d) Changes in accounting standards

There are no new standards, amendments to standards or interpretations that are effective for the reporting period that have a material effect on the financial statements of the Funds.

There are no new standards, amendments or interpretations that have been issued but are not yet effective that are expected to materially impact the financial statements of the Funds.

(e) Change of comparatives

Certain items have been reclassified from the plan's prior year financial report to conform to the current year's presentation basis. The reclassifications relate to the re-presentation of the Supervisor as a related party (refer to note 4 for further information).

(f) Unit holders' Funds

Units issued by the funds provide the unit holders with the right to require redemption for cash at the value proportionate to the unit holders' share in each Fund's net asset value. The units are redeemable at the holder's option.

The units qualify as 'puttable instruments' and are classified as equity as they are identical. Any owner changes in equity are presented in the Statement of Changes in Unit Holders' Funds, whereas any non-owner changes in equity are presented in the income section of the Statements of Comprehensive Income.

(g) Material judgements and estimates

The material judgements and estimates in preparing these financial statements are the valuation of the Funds' investments and categorisation of its assets fair value hierarchy, which is described in Note 3.

(h) Key accounting policies

Revenue recognition:	Dividends	Dividend income is recognised in the Statement of Comprehensive Income when the Funds' right to receive payment is established.
	Interest	Interest income on financial assets at amortised cost and investment assets at fair value through profit or loss are recognised using the effective interest rate method.
	Fair value changes	Net gains/(losses) on financial assets at fair value through profit or loss are recognised in the Statement of Comprehensive Income. When an investment is sold, any gain or loss arising on the sale is recognised in the Statement of Comprehensive Income. Realised gains or losses are calculated as the difference between the sale proceeds and the carrying amount of the item.
Asset recognition:	Investment assets	Investment assets are recognised at fair value through profit and loss and then subsequently measured at fair value with gains or losses recognised in the Statement of Comprehensive Income. Purchases and sales of investments are recognised at trade date, which is the date the Fund commits to purchase or sell the investment. Transaction costs are expensed as incurred. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.
	Cash and cash equivalents	Cash and cash equivalents are comprised of cash held at banks. Cash and cash equivalents are carried at amortised cost.
	Trade and other receivables	Trade and other receivables are carried at amortised cost, less any provision for impairment.
	Trade and other payables	Trade and other payables are carried at amortised cost.
	Tax	The Funds are Portfolio Investment Entities ("PIEs"), meaning income is taxed in the hands of the unit holders. The Manager attributes the taxable income of the Funds to unit holders based on their holding of units and pays tax on their behalf at their Prescribed Investor Rate. Tax payments/credits are transacted by the cancellation or issue of units.

Notes to the Financial Statements

2. Risk

The investment activities of the Funds come with financial risks. These risks are managed under the Plan's Statement of Investment Policy and Objectives ("SIPO"), and are monitored by the Manager. There are no direct currency risks as all investments are in NZD.

(a) Market price risk

Market price risk is the risk of gains or losses from changes in the market price of investments. A variable of 20% is considered appropriate for market price risk sensitivity analysis based on historical price movements.

		Capital Protected		Balanced		Growth		Emerging Markets		International Companies		Trans Tasman Equities		FuturePlan	
		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
PIE Funds	Carrying amount	17,958	15,209	114,484	133,717	78,520	92,200	-	16,320	26,385	31,093	6,390	8,703	243,737	297,242
	Impact of a +/- 20% change in market prices	3,592	3,042	22,897	26,743	15,704	18,440	-	3,264	5,277	6,219	1,278	1,741	48,748	59,449

(b) Interest rate risk

Interest rate risk is the risk of movements in interest rates. Surplus cash is held in interest bearing New Zealand bank accounts. The Funds are therefore exposed to the risk of gains or losses or changes in interest income from movements in New Zealand interest rates. A variable of 1% was selected for interest rate risk as this is a reasonably possible movement based on historic trends and current market expectations.

		Capital Protected		Balanced		Growth		Emerging Markets		International Companies		Trans Tasman Equities		FuturePlan	
		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	Carrying amount up to 1 year	442	136	1,166	1,321	711	1,106	-	231	376	420	104	118	2,799	3,332
	Impact of a 1% change in interest rates (+ / -)	4	1	12	13	7	11	-	2	4	4	1	1	28	32
Debt securities	Carrying amount 1-5 years	-	-	-	1,169	-	1,038	-	-	-	-	-	-	-	2,207
	Impact of a 1% change in interest rates (+ / -)	-	-	-	46	-	41	-	-	-	-	-	-	-	87
	Carrying amount 5+ years	-	-	-	1,195	-	1,069	-	-	-	-	-	-	-	2,264
	Impact of a 1% change in interest rates (+ / -)	-	-	-	183	-	163	-	-	-	-	-	-	-	346

(c) Liquidity risk

Liquidity risk is the risk that the Plan will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with withdrawals by Members. Liquidity risk is managed by holding sufficient liquid investments to enable the Plan to meet liabilities as they fall due and member withdrawals when requested. Monies received from member contributions may be used to offset withdrawals and the Manager may in certain circumstances suspend withdrawals.

The Manager manages liquidity risk by monitoring the Funds' portfolios and giving consideration to illiquid investments not readily and easily sold, to ensure there are sufficient liquid assets to cover outstanding liabilities of the Funds.

Two of the Funds hold units in the Fisher Institutional Property Fund ("FIPF"), refer to Note 4(c)(iv). These are the Balanced Investment Fund and the Growth Investment Fund. These units cannot be redeemed for a period of two years following issue, and if they are rolled over after this period, they are not redeemable for a further two year period. Two months' notice of redemption is required. The Manager may allow an earlier redemption in exceptional circumstances and units may be transferred with the Manager's approval. Units held by the Balanced Investment Fund make up 1.9% of the total units in the FIPF, including 1.7% having a maturity date greater than 12 months from the balance date for the FIPF. Units held by the Growth Investment Fund make up 0.9% of the total units in the FIPF, including 0.9% having a maturity date greater than 12 months from the balance date for the FIPF. The investment in the FIPF with a maturity greater than 12 months after the balance date, including comparatives for the prior year, have been presented as non-current assets in the Statements of Net Assets. All other New Zealand PIE funds can be redeemed under normal market conditions on demand.

The Plan manages its Members' funds as capital. All units in each Fund carry the same rights and preferences and restrictions. There are restrictions on withdrawals from the Plan as set out in the Trust Deed. The Supervisor may defer giving effect to a permitted withdrawal or any transfer out of the Plan if the Supervisor determines that having regard to the realisation of assets required in order to make the withdrawal or transfer or the occurrence or existence of any other circumstance or event relating to the Plan or generally, earlier withdrawal or transfer would be imprudent or is impracticable.

(d) Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of counterparties to honour fully the terms and conditions of a contract with the Plan. The Plan is exposed to credit risk, which is the risk that counterparties with whom they trade will default. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings. The Manager has assessed the impact of non-performance risk on the investment assets subject to credit risk and determined that no adjustment to the fair value is required.

New Zealand PIE funds indirectly subject the Plan to credit risk by investing in cash, fixed interest investments and forward foreign exchange contracts. The maximum exposure for the Plan to credit risk is represented by the carrying value of these financial instruments. The Plan's investment in New Zealand PIE funds, due to the risk and reward profile of those investments, is considered to be similar to an equity holding and are therefore not included in the credit risk sensitivity analysis.

		Capital Protected		Balanced		Growth		Emerging Markets		International Companies		Trans Tasman Equities		FuturePlan	
		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Credit Rating	AAA- to AAA+	-	-	-	2,364	-	2,107	-	-	-	-	-	-	-	4,471
	AA- to AA+	442	136	1,166	1,321	711	1,106	-	231	376	420	104	118	2,799	3,332
		442	136	1,166	3,685	711	3,213	-	231	376	420	104	118	2,799	7,803

Notes to the Financial Statements

3. Investments at fair value through profit or loss

All investments are valued at fair value, with gains or losses recognised in the Statements of Changes in Net Assets. The Plan classifies its investments in New Zealand PIE funds and New Zealand Government bonds as designated investment assets at fair value through profit or loss upon initial recognition as the Plan manages its investments and makes purchase and sale decisions based on their fair value and in accordance with the investment strategy. Purchases and sales of investments are recognised on the trade date, the date on which the Plan commits to purchase or sell the investment. Transaction costs are expensed as incurred.

(a) Composition of investments at fair value through profit or loss

	Capital Protected		Balanced		Growth		Emerging Markets		International Companies		Trans Tasman Equities		FuturePlan	
	Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Total	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000
PIE funds - Related Entities ⁽¹⁾	17,958	15,209	114,484	133,717	78,520	92,200	-	16,320	26,385	31,093	6,390	8,703	243,737	297,242
PIE funds	17,958	15,209	114,484	133,717	78,520	92,200	-	16,320	26,385	31,093	6,390	8,703	243,737	297,242
New Zealand Bonds	-	-	-	2,364	-	2,107	-	-	-	-	-	-	-	4,471
Debt securities	-	-	-	2,364	-	2,107	-	-	-	-	-	-	-	4,471
Total investment assets at fair value through profit or loss	17,958	15,209	114,484	136,081	78,520	94,307	-	16,320	26,385	31,093	6,390	8,703	243,737	301,713

⁽¹⁾ All PIE funds invested in are other funds managed by the Manager. As such, these PIE funds are considered to be related parties. Refer to Note 4(c)(iv) for a detailed breakdown of PIE funds invested in by each Fund.

Several funds have investments in the FIPF that is categorized as a PIE fund under level 2. However, the valuation of the FIPF depends on investment property valuations that require significant judgments and estimates and is currently subject to a higher degree of uncertainty with regards to retail investment properties held by the FIPF.

(b) Fair value hierarchy

The fair value of an investment is the price that would be received to sell an investment asset in an orderly transaction between market participants at measurement date. Investments recognised at fair value are categorised according to the level of judgment used in determining the fair value. There are three levels in the hierarchy of fair value measurements which are based on the observability of inputs to measure fair values:

Input observability	Application
Level 1: Fair value is calculated using quoted prices in active markets.	None of the funds currently have any Level 1 investments.
Level 2: Investment valuations are based on direct or indirect observable data other than quoted prices included in Level 1. Level 2 inputs include: (1) quoted prices for similar assets; (2) quoted prices for assets that are not traded in an active market; or (3) other observable market data that can be used for valuation purposes.	PIE investments are not traded in an active market and their fair value is based primarily on the latest available redemption price at balance date of the respective PIE funds.
Level 3: Fair values are estimated using significant inputs that are unobservable for the investment.	None of the funds currently have any Level 3 investments.

The following tables provide an analysis of investment assets that are measured at fair value subsequent to initial recognition, grouped into levels 1 to 3 based on the degree to which the fair value is observable. Please note, during the year there were no transfers of investments between levels in the fair value hierarchy.

Investments at fair value through profit and loss

	Capital Protected		Balanced		Growth		Emerging Markets		International Companies		Trans Tasman Equities		FuturePlan	
	Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Investment Fund		Total	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Debt securities	-	-	-	2,364	-	2,107	-	-	-	-	-	-	-	4,471
Level 1	-	-	-	2,364	-	2,107	-	-	-	-	-	-	-	4,471
PIE Funds	17,958	15,209	114,484	133,717	78,520	92,200	-	16,320	26,385	31,093	6,390	8,703	243,737	297,242
Level 2	17,958	15,209	114,484	133,717	78,520	92,200	-	16,320	26,385	31,093	6,390	8,703	243,737	297,242
Total	17,958	15,209	114,484	136,081	78,520	94,307	-	16,320	26,385	31,093	6,390	8,703	243,737	301,713

Notes to the Financial Statements

3. Investments at fair value through profit or loss (continued)

(c) Net changes in fair value of investments at fair value through profit and loss

	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	12 months	12 months	12 months	12 months	12 months	12 months	362 days	12 months	12 months	12 months	12 months	12 months	12 months	12 months
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
PIE funds - Related entities	127	93	(16,437)	16,748	(13,446)	17,109	(1,574)	2,190	(4,103)	7,313	(1,879)	2,006	(37,312)	45,459
PIE funds	127	93	(16,437)	16,748	(13,446)	17,109	(1,574)	2,190	(4,103)	7,313	(1,879)	2,006	(37,312)	45,459
New Zealand bonds	-	-	13	(200)	12	(112)	-	-	-	-	-	-	25	(312)
Debt securities	-	-	13	(200)	12	(112)	-	-	-	-	-	-	25	(312)
Total net changes in fair value of investments	127	93	(16,424)	16,548	(13,434)	16,997	(1,574)	2,190	(4,103)	7,313	(1,879)	2,006	(37,287)	45,147

4. Related parties and entities

(a) Transactions and balances with related parties

Fisher Funds Management Limited ("the Manager") undertakes the management of each Fund as per the Governing Document; which specifies the duties and powers of the Manager. The Manager has the ability to control or exercise significant influence over each Fund and is viewed as a related party as per NZ IAS 12 Related Party Disclosures.

The Manager of the Plan is responsible for managing the assets of the Plan and fund administration, and is entitled to a management fee of 1.50% per annum ("p.a.") of the gross asset value ("GAV") of the Funds, with the exception of the Capital Protected Fund, where the fee is calculated at 0.60% p.a. of the GAV. Management fees are calculated daily and payable monthly.

Other fees are also paid to the Manager from Members' accounts by way of unit redemption:

- A \$36 service fee is paid from the Members' accounts annually. This fee may be adjusted annually in line with the movement of the Consumer Price Index and is grossed up for tax in accordance with the Trust Deed.

This fee is waived if the Member invested via the Independence Plan and the investment either exceeds \$50,000, or after 10 years of continuous investment.

Trustees Executors undertakes the role of Supervisor as per the Governing Document. The Supervisor's role is to actively supervise the Manager's performance of its functions and obligations. Trustees Executors is entitled to a Supervisor fee in undertaking these duties which is paid by each Fund. The Supervisor has the ability to control or exercise significant influence over each Fund and therefore Trustees Executors is viewed as a related party as per NZ IAS 12. Trustees Executors also undertakes custody, registry, unit pricing and accounting services for each Fund for which it is entitled to a fee. These fees are paid directly by the Fund.

In the normal course of business, each Fund may enter into a transaction where another fund managed by the Manager is the counterparty. Funds with a common manager are not viewed as a related party relationship as per NZ IAS 12 as they do not have the ability to control or exercise significant influence over one another. However, transactions and balances between each Fund and other funds with a common Manager are disclosed for the purposes of these financial statements as a related entity.

Related party fees incurred by the Plan during the year and amounts payable to/receivable from related parties at balance date are detailed below.

(i) Related party fees incurred

	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	12 months	12 months	12 months	12 months	12 months	12 months	362 days	12 months	12 months	12 months	12 months	12 months	12 months	12 months
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Management fees	89	213	1,900	2,248	1,333	1,547	206	300	440	514	111	133	4,079	4,955
Other fees deducted by unit redemption and paid to the Manager	17	18	56	58	31	32	10	10	11	11	2	2	127	131
Total Fisher Funds Management Limited	106	231	1,956	2,306	1,364	1,579	216	310	451	525	113	135	4,206	5,086
Supervisor fees	1	1	11	12	8	9	1	2	3	3	1	1	25	28
Custody fees	4	4	10	9	8	8	3	4	6	5	3	4	34	34
Total Trustees Executors Limited	5	5	21	21	16	17	4	6	9	8	4	5	59	62
Total related party fees incurred	111	236	1,977	2,327	1,380	1,596	220	316	460	533	117	140	4,265	5,148

Notes to the Financial Statements

4. Related parties and entities (continued)

(ii) Related party payables

	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Management fees	7	8	148	170	102	119	-	20	35	40	9	11	301	368
Total Fisher Funds Management Limited	7	8	148	170	102	119	-	20	35	40	9	11	301	368
Supervisor fees	-	-	1	1	1	1	-	-	-	-	-	-	2	2
Custody fees	-	-	1	1	1	1	-	-	-	-	-	-	2	2
Total Trustees Executors Limited	-	-	2	2	2	2	-	-	-	-	-	-	4	4
Total related party fees payable	7	8	150	172	104	121	-	20	35	40	9	11	305	372

(b) Capital Protected Fund

The Capital Protected Fund provides its members a guarantee that the unit price will increase by a fixed amount. The fixed amount is known as a declared interest rate which is set by the Manager on a periodic basis based on a mixture of:

- Prevailing yield on cash and cash equivalent assets;
- Expenses incurred by the fund; and
- Fund's reserve account balance.

The declared interest rate set throughout 2022 was 0.1% per annum (2021: 0.1%) and is guaranteed by the Manager. The declared interest rate is incorporated into the unit price (i.e., in 2022 the unit price increased by the declared interest rate of 0.1%).

The Manager meets its guarantee by ensuring the fund's net asset value is the same as the unit price multiplied by units on issue ("guaranteed value"). A reserve account is maintained to ensure this equilibrium. Where the fund's net asset value is higher than the guaranteed value then the surplus is moved to the reserve account and if lower a withdrawal is made from the reserve account. If the reserve account's balance is negative, the Manager will fund the difference by way of a contribution to the fund's net asset value. As at 30 September, the reserve account had a balance of \$64,000 (2021:\$56,000).

	Capital Protected Investment Fund		FuturePlan Total	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
Balance at the beginning of the year	56	378	56	378
Changes during the year	8	(322)	8	(322)
Balance at the end of the year	64	56	64	56

Taxable income retained by the Funds in the reserves is taxable at 28% and payable by the Fund. The amount of taxable income retained and taxed in the Capital Protected Fund is as follows:

	Capital Protected Investment Fund		FuturePlan Total	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
Taxable income allocated to reserve	118	3	118	3
Tax at 28%	33	1	33	1

During the year, the reserve account went negative, and the Manager contributed \$30,000 (2021: nil) to the fund's net asset value.

(c) Transactions and balances with related entities

Investments can be bought or sold by the Funds where the counterparty was another fund also managed by the Manager. All such transactions were carried out in the ordinary course of the Funds' activities and were transacted at the fair value of the underlying investment bought or sold (i.e. on an arm's-length basis). No brokerage fees were charged.

(i) Investment transactions with related entities

	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	12 months	12 months	12 months	12 months	12 months	12 months	362 days	12 months	12 months	12 months	12 months	12 months	12 months	12 months
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Total purchases of investments from related entities ⁽²⁾	-	-	-	56	-	542	-	-	-	-	-	-	-	598
Total sale of investments to related entities ⁽²⁾	-	-	-	104	-	-	-	-	-	-	-	-	-	104
Total investment transactions with related entities	-	-	-	160	-	542	-	-	-	-	-	-	-	702

⁽²⁾ These purchases and sales of investments exclude contributions and withdrawals in Fisher Institutional Funds.

Notes to the Financial Statements

4. Related parties and entities (continued)

(ii) Related entity payables

	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Unsettled investment purchases	290	-	-	300	-	380	-	-	-	-	-	-	290	680
Total related entity payables	290	-	-	300	-	380	-	-	-	-	-	-	290	680

(iii) Related entity receivables

	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Unsettled investment sales	-	-	-	250	83	300	-	-	36	-	-	-	119	550
Total related entity receivables	-	-	-	250	83	300	-	-	36	-	-	-	119	550

(iv) Investments held with related entities

The Plan indirectly holds multiple investments through other funds managed by the Manager. The Plan has been deemed to meet the definition of an investment entity and accordingly the Plan's investments in other New Zealand PIE funds managed by the Manager are not consolidated, instead measured at fair value through profit and loss, if any. All transactions are carried out in the ordinary course of the Plan's activities and are transacted at the fair value of the underlying transaction. No brokerage fees are charged. The fair value of the Plan's investments in other funds managed by the Manager (Related Entities per Note 3) is as follows:

	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Fisher Institutional New Zealand Cash Fund	17,958	15,209	-	5,669	-	2,827	-	-	-	-	-	-	17,958	23,705
Fisher Institutional Trans-Tasman Equity Fund	-	-	4,070	22,235	15,265	28,044	-	-	-	-	6,390	8,703	25,725	58,982
Fisher Institutional International Equity (Hedged) Fund	-	-	7,044	9,786	20,664	9,908	-	-	6,259	7,318	-	-	33,967	27,012
Fisher Institutional International Equity Fund	-	-	10,369	13,662	3,891	14,000	-	-	6,714	8,311	-	-	20,974	35,973
Fisher Institutional Select Global Equity Fund	-	-	17,036	16,127	10,019	15,795	-	-	10,724	15,464	-	-	37,779	47,386
Fisher Institutional Property & Infrastructure Fund	-	-	15,833	9,511	9,028	5,840	-	-	-	-	-	-	24,861	15,351
Fisher Institutional Emerging Markets Fund	-	-	-	-	-	-	-	16,320	-	-	-	-	-	16,320
Fisher Institutional Property Fund	-	-	610	5,478	37	2,453	-	-	-	-	-	-	647	7,931
Fisher Institutional New Zealand Fixed Interest Fund	-	-	17,008	22,270	6,603	11,002	-	-	-	-	-	-	23,611	33,272
Fisher Institutional International Bond Fund	-	-	-	6,709	-	475	-	-	-	-	-	-	-	7,184
Fisher Institutional Global Fixed Income Fund	-	-	3,577	20,574	3,437	1,429	-	-	-	-	-	-	7,014	22,003
Fisher Institutional Global Value Fund	-	-	9,319	-	3,957	-	-	-	2,688	-	-	-	15,964	-
Fisher Institutional Linked Bond Fund Fund	-	-	23,665	-	2,490	-	-	-	-	-	-	-	26,155	-
Total current assets	17,958	15,209	108,531	132,021	75,391	91,773	-	16,320	26,385	31,093	6,390	8,703	234,655	295,119
Fisher Institutional Property Fund	-	-	5,953	1,696	3,129	427	-	-	-	-	-	-	9,082	2,123
Total non-current assets	-	-	5,953	1,696	3,129	427	-	-	-	-	-	-	9,082	2,123
Total investments in related entities	17,958	15,209	114,484	133,717	78,520	92,200	-	16,320	26,385	31,093	6,390	8,703	243,737	297,242

Notes to the Financial Statements

5. Interest income

	Capital Protected Investment Fund		Balanced Investment Fund		Growth Investment Fund		Emerging Markets Investment Fund		International Companies Investment Fund		Trans Tasman Equities Investment Fund		FuturePlan Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Interest on investment assets at amortised cost	2	-	16	4	12	3	3	1	6	1	1	-	40	9
Interest on investment assets at fair value through profit or loss	-	-	7	44	7	28	-	-	-	-	-	-	14	72
Total interest income	2	-	23	48	19	31	3	1	6	1	1	-	54	81

6. Capital commitments and contingent liabilities

There were no significant capital commitments or contingent liabilities as at 30 September 2022 (30 September 2021: Nil).

7. Subsequent events

There were no subsequent events which require adjustment to or disclosure in these financial statements.



Independent Auditor's Report

To the members of:

- Capital Protected Investment Fund
- Balanced Investment Fund
- Growth Investment Fund
- Emerging Markets Investment Fund
- International Companies Investment Fund
- Trans Tasman Equities Investment Fund

Collectively "FuturePlan"

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of FuturePlan (the 'funds and plan') on pages 2 to 12 present fairly, in all material respects:

- the funds and plan's financial position as at 30 September 2022 and its financial performance and cash flows for the year ended on that date;
- in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards issued by the New Zealand Accounting Standards Board.

We have audited the accompanying financial statements which comprise:

- the statements of net assets as at 30 September 2022;
- the statements of comprehensive income, changes in net assets and cash flows for the year then ended; and
- notes, including a summary of significant accounting policies.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

Our firm has also undertaken supervisor reporting in line with our obligations under Section 198 and 199 of the Financial Markets Conduct Act 2013 ("FMC Act 2013"). Subject to certain restrictions, partners and employees of our firm may also deal with the funds and plan on normal terms within the ordinary course of trading activities of the business of the funds and plan. These matters have not impaired our independence as auditor of the funds and plan. The firm has no other relationship with, or interest in, the funds and plan.



Emphasis of matter

We draw attention to Note 1(c) to the financial statements which describes the closure of the FuturePlan Emerging Markets Investment Fund on 27 September 2022. Our opinion is not modified in respect of this matter.



Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole. The materiality for the Capital Protected Investment Fund, Balanced Investment Fund, Growth Investment Fund, International Companies Investment Fund and Trans Tasman Equities Investment Fund financial statements as a whole was set at 0.75% of the total assets. We chose the benchmark because, in our view, this is a key metric for the users of the financial statements given the primary objective of each fund and the plan is to obtain capital growth taking into account both capital and income returns.

The materiality for the Emerging Markets Investment Fund financial statements was set as 0.5% of total distributions. We chose the benchmark for the Emerging Markets Investment Fund because, in our view, this is the key metric readers of the financial statements would use for decision making.



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 in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the members as a body may better understand the process by which we arrived at our audit opinion. Our procedures were undertaken in the context of and solely for the purpose of our statutory audit opinion on the financial statements as a whole and we do not express discrete opinions on separate elements of the financial statements

The key audit matter How the matter was addressed in our audit

Existence and valuation of investments

Refer to Note 3 of the financial statements.

Investments are the funds' and plan's main assets, and existence and valuation of those investments is the most important aspect of preparing the financial statements. As described in the financial statements, the funds' and plan's investments primarily include fund-to-fund investments held by one custodian.

These factors reduce the risk and complexity of verifying investment existence and valuation.

Our audit procedures included:

- documenting and understanding the processes in place to record investment transactions and to value the portfolio. This included evaluating the control environment in place at the custodian, investment accounting and registry service provider by obtaining and reading the service organisation reports issued by an independent auditor on the design and operation of those controls throughout the financial year;
- agreeing investment holdings to the confirmations received from banks and the custodian;
- agreeing the valuation of fund-to-fund investments to independent third-party sources; and,
- checking the accuracy of fair value levels as disclosed in the financial statements.

We did not identify any material differences from our procedures.

Other information

The Manager, on behalf of the funds and plan, are responsible for the other information included in the funds' and plan's Annual Report. The Annual Report includes a link to where the financial statements can be found on the Companies Office. Our opinion on the financial statements does not cover any other information and we do not express any form of 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 materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Use of this independent auditor's report

This independent auditor's report is made solely to the members as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in the independent 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 members as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of the Manager for the financial statements

The Manager, on behalf of the funds and plan, are responsible for:

- the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand (being New Zealand Equivalents to International Financial Reporting Standards) and International Financial Reporting Standards issued by the New Zealand Accounting Standards Board;
- implementing necessary internal control to enable the preparation of a set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objective is:

- 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 independent 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 will always detect a material misstatement when it exists.

Misstatements can arise from 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 these financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-2/>

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Nicholas Moss

For and on behalf of

KPMG
Auckland

16 December 2022