

Christian KiwiSaver Scheme



Annual Report 2021

Scheme snapshot

as at 31 March 2021



Scheme size

\$70,769,481

Value of net assets



Assets growth

↑29.3%

Growth in net assets from last year



Contributions

\$11,398,808

Member, Employer and
Government contributions



Withdrawals

\$3,802,467

Total benefit payments
to members



Investment income

\$9,771,300

Investment income before expenses



Gross Return

4.3% 16.8% 23.7%

Income
Fund

Balanced
Fund

Growth
Fund



Members

↑3.6%

Increase in membership



Average balance

\$35,189

Average balance of member accounts



“Ethical at heart”

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Message from the Board

Dear Friends

Anglican Financial Care / Te Maru Mihinare, as Manager and Trustee, is pleased to present the Annual Report of the Christian KiwiSaver Scheme for the year ended 31 March 2021.

I greet you at the end of an extraordinary 12 months which began with the arrival of a global pandemic. This year created much uncertainty for many. We experienced life in lockdown and world share markets recovering from the worst performing quarter since the Global Financial Crisis in 2008. Unexpectedly, the year delivered unprecedented returns in the growth assets sector.

The returns from the income assets were much more subdued in comparison to those of the growth assets. Prior to the start of this financial year, Central Banks around the world had cut interest rates and they remained low throughout this financial year. New Zealand's Official Cash Rate was 0.25% for the whole year.

Returns before tax and expenses for the year, and the last five and ten years' average, were:

Fund	1 year	5 years	10 years
Growth	23.7%	10.9%	9.3%
Balanced	16.8%	8.4%	7.8%
Income	4.3%	3.7%	4.2%

While the Scheme has performed well this year, it is important to remember that "past performance is no guarantee of future results". The investment outlook remains uncertain. We maintain a cautious approach, with a focus on protecting what we have and our commitment to invest ethically, rather than chasing riskier returns.

In 2020, the Reverend Canon Isaac Beach joined the Board replacing the Venerable Don Rangi. We thank Don for his service to the Board and welcome Isaac.

Our staff are based in Wellington and are available to handle any of your queries.

We continue to thank you, our members, for your support of our KiwiSaver scheme for Christians.

Yours in Christ,

The Very Reverend Lawrence Kimberley
Chairperson

Annual report

For the period 1 April 2020 to 31 March 2021

Details of Scheme

The Scheme is made up of three Funds: the Income Fund, the Balanced Fund and the Growth Fund. The Scheme details are:

- » The name of the Scheme is the Christian KiwiSaver Scheme.
- » The Christian KiwiSaver Scheme is a restricted KiwiSaver scheme.
- » The Manager of the Scheme is The New Zealand Anglican Church Pension Board, trading as Anglican Financial Care.
- » As it is a restricted scheme, the supervisor of the Scheme is the Financial Markets Authority.
- » The Product Disclosure Statement is dated 30 September 2020 and the Scheme is open for applications.
- » The fund updates for the Income, Balanced and Growth Funds were all issued on 29 June 2021.
- » The financial statements of the Scheme for the year ended 31 March 2021 and the auditor's report on those financial statements have been lodged with the Registrar. They are available electronically by visiting disclose-register.companiesoffice.govt.nz selecting Search for a scheme and entering Christian KiwiSaver Scheme.

Information on contributions and Scheme participants

Membership overview

	1 April 2020	31 March 2021
Total contributing scheme participants	1,244	1,306
Total non-contributing scheme participants	697	705
Total number of members	1,941	2,011

Membership movements

Members at 1 April 2020	1,941
New members	85
Transfers in from other schemes	77
Transfers out to other schemes	-56
Retirements	-30
Deaths	-2
Other reasons	-4
Members at 31 March 2021	2,011

Member accumulations

	Number of members	\$
1 April 2020	1,913	54,765,014
31 March 2021	1,987	70,765,744

Contributions

Contribution type	Number of members	\$
Member contributions	1,294	3,032,693
Employer contributions	1,264	1,565,593
Member voluntary additional contributions	721	4,718,273
Government contributions	1,219	560,116

Changes relating to the Scheme

SIPO

The Scheme's Statement of Investment Policy and Objectives (SIPO) was amended on 30 September 2020 to:

- Introduce the Board's trading name of Anglican Financial Care,
- Revise the description of ethical investment to reflect the Board's Ethical Investment Policy that was revised in June 2020, and
- To record the current risk indicators for the Scheme.

There have been no changes made to the benchmarks or investment policies.

Related Party Transactions

The Board signed one certificate in respect of transactions giving related party benefits during the year ending 31 March 2021. This certificate was dated 8 March 2021 and related to the payment of fees to the Board member who is the Licensed Independent Trustee.

Other information for particular types of managed funds

The following withdrawals occurred which were permitted under the Financial Markets Conduct Act and the Trust Deed. During the year 176 members made a withdrawal. These withdrawals include partial and full payments paid to a member.

Withdrawal type	Number of members
Transfers out	56
Qualifying date withdrawal	86
First home purchase	14
Permanent emigration	3
Significant financial hardship	15

Death	2
Serious illness	0
Mortgage diversion	0
Transfers out to complying Australian superannuation schemes	0

Returns

Declared rates

The allocation of earnings to members' accounts is made quarterly. The declared earnings rates are posted on the Scheme's website at the time they are declared.

The declared earning rates are after tax and expenses have been deducted. However, members under age 18 do not have fees deducted from the quarterly investment earnings allocated to their account if they are under age 18 on the first day of that quarter.

The earning rates for each quarter, at each Prescribed Investor Rate (PIR), were:

Quarter ending	Investment Fund	10.5% PIR	17.5% PIR	28% PIR	Under 18
30 June 2020	Income Fund	2.13%	1.95%	1.72%	2.35%
	Balanced Fund	6.21%	6.04%	5.79%	6.55%
	Growth Fund	8.47%	8.31%	8.07%	8.83%
30 September 2020	Income Fund	0.81%	0.73%	0.64%	1.03%
	Balanced Fund	2.13%	2.08%	2.01%	2.47%
	Growth Fund	2.70%	2.66%	2.60%	3.06%
31 December 2020	Income Fund	1.11%	1.03%	0.90%	1.29%
	Balanced Fund	3.99%	3.89%	3.73%	4.30%
	Growth Fund	5.71%	5.62%	5.48%	6.05%
31 March 2021	Income Fund	-0.90%	-0.83%	-0.73%	-0.72%
	Balanced Fund	1.78%	1.84%	1.91%	2.09%
	Growth Fund	3.07%	3.11%	3.18%	3.41%

Please note: These are quarterly rates and not annualised rates. A simple way to approximate your annual earnings (after tax and expenses) is to add the four quarters' rates together.

Following the allocation of the earnings for the 31 March 2021 quarter, the late receipt of all of the Private Equity valuations for 31 March 2021 required a re-evaluation of the returns. The impact was considered to be materially beneficial to members. Accordingly, a supplementary earnings allocation was made on 1 April 2021. These were:

Investment Fund	10.5% PIR	17.5% PIR	28% PIR	Under 18
Balanced Fund	0.30%	0.30%	0.30%	0.30%
Growth Fund	0.52%	0.52%	0.52%	0.52%

Note that the Income Fund does not have an investment in the Private Equity assets and hence no supplementary earnings were posted to Income Fund accounts.

Interim rates

In cases when earnings needed to be allocated between quarters (e.g. a total withdrawal of a retirement benefit) then an interim rate was applied. The Trustee's policy is that the interim rate for each investment pool is the average return of the previous 20 quarters, unless otherwise determined by the Trustee. The interim rates for each quarter were as follows:

Quarter ending	Investment Fund	10.5% PIR	17.5% PIR	28% PIR	Under 18
30 June 2020	Income Fund	0.62%	0.57%	0.49%	0.84%
	Balanced Fund	1.11%	1.08%	1.03%	1.44%
	Growth Fund	1.45%	1.43%	1.40%	1.81%
30 September 2020	Income Fund	0.72%	0.66%	0.57%	0.94%
	Balanced Fund	1.33%	1.29%	1.23%	1.67%
	Growth Fund	1.74%	1.70%	1.64%	2.09%
31 December 2020	Income Fund	0.78%	0.72%	0.62%	0.96%
	Balanced Fund	1.55%	1.50%	1.43%	1.85%
	Growth Fund	2.02%	1.97%	1.91%	2.35%
31 March 2021	Income Fund	0.80%	0.74%	0.64%	0.98%
	Balanced Fund	1.62%	1.58%	1.51%	1.93%
	Growth Fund	2.11%	2.07%	2.01%	2.44%

Manager's statement

All benefits required to be paid from the Scheme in accordance with the Trust Deed and the KiwiSaver Scheme rules have been paid.

The market value of the assets of the Scheme at the close of the financial year exceeded the total value 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 and other beneficiaries as at the close of the financial year.

Changes to persons involved in the Scheme

In July 2020 The Reverend Canon Isaac Beach replaced The Venerable Donald (Don) Rangi QSM on the Board.

In March 2021 Wayne Head was appointed to the Board's Investment Committee.

How to find further information

The following documents are filed on a public register at the Companies Office of the Ministry of Business, Innovation & Employment (companiesoffice.govt.nz/disclose):

- » The Product Disclosure Statement;
- » The Statement of Investment Policy and Objectives;
- » The financial statements; and
- » The Trust Deed (and any amendments).

These documents are free of charge and available for public inspection.

You have a right to receive on request to the Manager a copy of any of these documents as well as an updated estimate of your benefits.

These may be obtained free of charge by calling us on 0508 738 473.

Contact details and complaints

If you have an enquiry, you can contact the Manager as follows:

Write to: Funds Administrator
Anglican Financial Care
PO Box 12 287
Wellington 6144

Phone: 0508 738 473 or 04 473 9369

Email: info@christiankiwisaver.nz

If you have a complaint about the operation of the Scheme, please contact us (as above). If we cannot resolve your concerns then you can make a formal written complaint:

Write to: Chairperson of the Board (Confidential)
Anglican Financial Care
PO Box 12 287
Wellington 6144

If you are not satisfied with our response to your complaint you can refer your concerns to the independent approved dispute resolution scheme:

Write to: Financial Services Complaints Limited
PO Box 5967
Lambton Quay
Wellington 6145

Phone: 0800 347 257

Web: www.fscl.org.nz

Email: info@fscl.org.nz

Neither we nor Financial Services Complaints Limited will charge you a fee to investigate or resolve a complaint.

You can also contact the Supervisor with an enquiry or complaint:

Write to: Financial Markets Authority
PO Box 106 672
Auckland 1143

Phone: 0800 434 566

Please note there is no statutory ombudsman for this Scheme.





