

# Kiwi Wealth Managed Funds Annual Report

For the year ended 31 March 2020

**Kiwi  
Wealth.**

**Managed  
Funds.**





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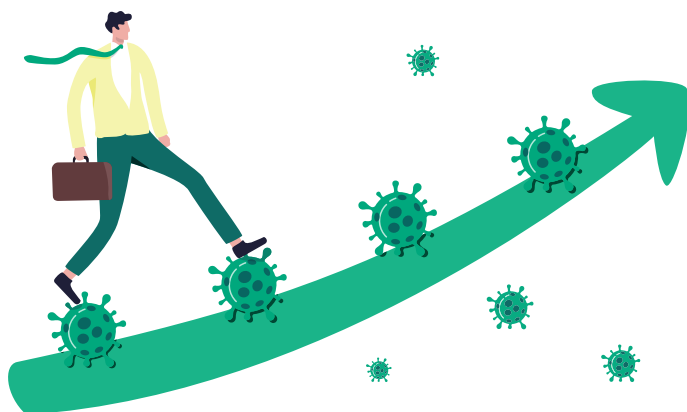
# Welcome

Covid-19 has been a testing time for Kiwis as we adapted to life under lockdown and the uncertainty it brought with it. The global pandemic triggered a share market sell-off in March followed by a series of market highs and lows. This volatility puts our funds to the ultimate test but they're performing well thanks to an investment approach that ensures they are well diversified, liquid and hold good quality investments.

While we can't predict when this market volatility will end, we can reassure you we'll continue to work hard on your behalf to help make your investment goals in life a reality.

We've also made investing accessible to even more Kiwi's by reducing the account opening contribution to \$100. And because we believe contributing to your fund is a bit like watering your plants, regular feeding can help them grow, we've also removed minimum additional contributions. It's our way of ensuring you can invest how much you want to, when you need to.

At Kiwi Wealth we're doing wealth in a more Kiwi way – giving more ways to grow your money, long-term – and smart new ways to get started.



# 01

## What happened in global investment markets 1 April 2019 – 31 March 2020

The most impactful news story of 2019 was the trade war between the US and China, with global markets rising and falling as the prospects of reaching a trade deal shifted continuously. This led senior company executives to hold back on spending, with global manufacturing data signalling a recession. Tensions rose further in October amid the prospect of Britain having a 'hard' crash out of the EU. As a result, central banks around the world cut interest rates.

Nevertheless, 2019 ended on a promising note for financial markets as many of last year's lingering fears faded into the background. Trade tensions between the US and China thawed, and a decisive election victory by UK Prime Minister Boris Johnson made a hard Brexit less likely.

However, the wind came out of the market's sails towards the end of January as a new fear emerged from Wuhan, China. Markets initially regarded COVID-19 as an isolated incident that the global economy would quickly bounce back from. But as the number of infected people climbed, and questions about the nature and spread of the virus grew, equities began to reflect investors' unease.

Global markets fell dramatically in March as the true extent, and financial impact of COVID-19 became apparent. Meanwhile, the prospect of weaker global demand and an increase in supply from OPEC oil-producing countries resulted in a major oil price crash. High volatility was now the norm - with panic selling peaking mid-month. Still, we finished the financial year (31 March 2020) with markets having bounced back strongly as devalued shares were bought up, and unprecedented stimulus packages from central banks and governments were announced.

# 02

## Details of the Scheme

Kiwi Wealth Managed Funds (the **Scheme**) was established under a Master Trust Deed dated 4 May 2018. The Scheme's three funds, the Conservative Fund, Balanced Fund, and Growth Fund (the **Funds**) were established pursuant to establishment deeds dated 4 May 2018.




The Funds received their first investment and commenced operation effective 31 July 2018.

<b>Scheme name</b>	Kiwi Wealth Managed Funds
<b>Type of scheme</b>	Registered managed investment scheme
<b>Manager</b>	Kiwi Wealth Limited
<b>Supervisor</b>	Public Trust
<b>The date of the latest Product Disclosure Statement</b>	23 June 2020
<b>Status of the Product Disclosure Statement</b>	Open for applications
<b>The date of the latest fund update for each fund to which the Scheme relates</b>	Dated 28 July 2020 and are for the quarter ended 30 June 2020
<b>The latest financial statements and auditor's report</b>	The Scheme's latest audited financial statements (including the auditor's report) for the year ended 31 March 2020 were lodged with the Registrar on 18 August 2020

# 03

## Information on contributions and Scheme participants

At both 1 April 2019 and 31 March 2020, the Scheme had three managed investment products (funds) on issue.

FUND	NUMBER OF UNITS ON ISSUE*	
	31 March 2019	31 March 2020
 Conservative Fund	1,575,041	9,593,851
 Balanced Fund	4,431,409	17,960,323
 Growth Fund	2,269,517	12,239,794

\*The number of units on issue at each date is after transactions have been processed using each date's respective unit price.

# 04

## Changes relating to the Scheme




There were no material changes to the Scheme's governing documents, terms of offer of the Funds or the Statement of Investment Policy and Objectives of the Scheme during the year ended 31 March 2020.

There were no changes to the nature or scale of related party transactions.

All related party transactions during the period to 31 March 2020 were on an arm's length basis and enacted on normal commercial terms.

# 05

## Other information for particular types of managed funds

FUND	UNIT PRICES	
	31 March 2019	31 March 2020
 Conservative Fund	\$1.0336	\$1.0676
 Balanced Fund	\$1.0157	\$1.0055
 Growth Fund	\$0.9988	\$0.9559



# 06

## Changes to persons involved in the Scheme

### Changes to the directors of the manager

#### On 1 February 2020

**Greg Behrens** was appointed as a director.

#### 31 March 2020

**Dame Alison Paterson** stepped down as Board Chair and a director on 31 March 2020 and Greg Behrens was appointed as the new Board Chair.

### Changes in senior management of the manager

#### On 17 May 2019

**David Bruce** resigned from his position as Chief Technology Officer at Kiwi Wealth.

#### 1 January 2020

**Craig Ward** was appointed to Chief Technology Officer of Kiwi Wealth.

#### On 23 March 2020

**Melissa Vasta** was appointed to Acting GM Product and Retail.

### Changes to the supervisor's board

During the year, the Supervisor had the following Board changes:

#### On 1 April 2019

**Kirsty Campbell** was appointed as a board member.

**Vicki Sykes** was appointed as a board member.

#### On 31 October 2019

**Fiona Oliver** completed her term as a board member.

**Bevan Killick** completed his term as a board member.

#### On 1 February 2020

**Kevin Murphy** was appointed as a board member.

**Meleane Burgess** was appointed as a board member.

# 07

## How to find further information



Further information relating to the Scheme, including financial statements, the annual report, the Scheme's trust deed, and SIPO is available on the scheme register at

[www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) by searching 'Kiwi Wealth Managed Funds'.

The quarterly fund updates, the Product Disclosure Statement and other material information is available on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) by searching 'Kiwi Wealth Managed Funds'.

A copy of the information on the offer register or scheme register is available on request from the Registrar of Financial Service Providers. The above information is also available free of charge at [www.kiwiwealth.co.nz](http://www.kiwiwealth.co.nz) or by contacting us through one of the ways listed on page 10.

Once your account has been opened, you can view information about your investment by logging on through [www.kiwiwealth.co.nz](http://www.kiwiwealth.co.nz). This information will include your Annual PIE Tax Statement which will include the amount of PIE income attributed to you and the amount of PIE tax paid at your PIR. You will also be asked to check your PIR. You can obtain general information about us and the Scheme at [www.kiwiwealth.co.nz](http://www.kiwiwealth.co.nz).

# 08

## Contact details and complaints

We'd love to hear from you, the good, the bad and the ugly! If you'd like to get in touch, please contact us or the Kiwi Wealth Managed Funds Customer Services Manager through the following channels:



**Online:**

[www.kiwiwealth.co.nz/feedback](http://www.kiwiwealth.co.nz/feedback)

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**Call:** 0800 427 384

during normal business hours

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**Email:** [questions@kiwiwealth.co.nz](mailto:questions@kiwiwealth.co.nz)

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**Write to:**

FreePost 210729  
Kiwi Wealth Limited  
PO Box 50617  
Porirua 5240

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**Attention:**

Kiwi Wealth Managed Funds  
Customer Services Manager

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### The Manager

If you have a complaint, you can lodge it with us or the Kiwi Wealth Managed Funds Complaints Officer using the contact details to the left:

**Attention:** Kiwi Wealth Managed Funds  
Complaints Officer

We are a member of the Insurance & Financial Services Ombudsman Scheme (IFSO), an approved dispute resolution scheme. If you have complained to us and you have reached the end of our internal complaints process without your complaint being resolved to your satisfaction, the IFSO may be able to consider your complaint. Other criteria must also be met.

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**Call:** 0800 888 202

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**Fax:** (04) 499 7614

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**Email:** [info@ifso.nz](mailto:info@ifso.nz)

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**Write to:**

Insurance & Financial Services  
Ombudsman Scheme  
PO Box 10-845  
Wellington 6143

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The IFSO will not charge a fee to any complainant to investigate or resolve a complaint.

## The Supervisor

You can also make a complaint to Public Trust:



**Call:** 0800 371 471 during normal business hours



**Write to:**  
General Manager  
Corporate Trustee Services  
Public Trust  
Private Bag 5902  
Wellington 6140

Public Trust is a member of an approved dispute resolution scheme operated by Financial Services Complaints Limited ('FSCL'). If your complaint to Public Trust has not been resolved you can refer it to FSCL.



**Call:** 0800 347 257



**Email:** [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)



**Write to:**  
Financial Services Complaints Limited  
4th Floor, 101 Lambton Quay  
PO Box 5967  
Wellington 6140

FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

## The Securities Registrar

You may also contact MMC Limited (the securities registrar). They can be contacted at:



**Call:** 09 309 8926



**Write to:**  
MMC Limited  
PO Box 106 039  
Auckland City  
Auckland 1143







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