The Presbyterian Church Of Aotearoa New Zealand Beneficiary Fund

Financial Statements
For the Year Ended 30 June 2026

The Presbyterian Church Of Aotearoa New Zealand Beneficiary Fund

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The Presbyterian Church Of Aotearoa New Zealand Beneficiary Fund
Statement of Net Assets
As at 30 June 2026

	Note	30 June 2026 $	30 June 2025 $
ASSETS			
Cash and cash equivalents		9,529	15,739
Financial Assets at Fair Value Through Profit or Loss	4	52,771,225	49,879,354
Receivable from the Presbyterian Benevolent Fund	6	56,966	49,527
Sundry Receivables		14,697	13,271
Total Assets		52,852,417	49,957,891
LIABILITIES			
Sundry Creditors		34,443	37,961
Total Liabilities		34,443	37,961
NET ASSETS AVAILABLE FOR BENEFITS	3	**52,817,974**	**49,919,930**
NET ASSETS AVAILABLE FOR BENEFITS	3		
Represented by:			
Member accounts			
Member account		9,574,306	7,898,495
Continuing Value account		36,801,760	36,795,223
Employer accounts			
Employer account		6,441,908	5,226,212
		52,817,974	**49,919,930**

For and on behalf of the Trustee, who authorised the issue of these financial statements on:

Director: M. M. Gaet Date: 15/10/2026

Director: Date: 15/10/2026

The Presbyterian Church Of Aotearoa New Zealand Beneficiary Fund
Statement of Changes in Net Assets
For the year ended 30 June 2026

	Note	2026 $	2025 $
Income			
Interest		3,768	5,383
Fee Subsidy	6	150,000	150,000
Gain on Financial Assets at Fair Value Through Profit or Loss	5	5,693,770	4,089,939
		5,847,538	4,245,322
Investment Expenses			
Investment Management Fees		(445,530)	(434,854)
Investment Management Rebates		169,149	175,144
Net Investment Income		5,571,157	3,985,612
EXPENSES			
Actuarial Fees		4,025	-
Administration and Management Charges		54,000	54,000
Fees for audit of financial statement		29,705	28,859
Consulting Fees		15,280	14,620
Legal Expenses		14,994	10,407
Administration Fees	6	69,000	81,345
Sundry Expenses		34,195	36,665
Total Expenses		221,199	225,896
Net Profit		5,349,958	3,759,716
MEMBERSHIP ACTIVITIES			
Contributions			
Member Contributions		630,523	611,159
Government Contributions		27,943	26,692
Church Contributions		437,420	429,273
Total Contributions		1,095,886	1,067,124
Benefits Paid			
Regular drawdowns		1,329,429	1,355,524
Retirements / Withdrawals		2,169,635	2,223,847
Death Benefits		48,736	139,601
Total Benefits Paid		3,547,800	3,718,972
Net Membership Activities		(2,451,914)	(2,651,848)
Net Increase in Net Assets During Year		2,898,044	1,107,868
Net Assets Available For Benefits at Beginning of Year		49,919,930	48,812,062
Net Assets Available For Benefits at End of Year		**52,817,974**	**49,919,930**

The Presbyterian Church Of Aotearoa New Zealand Beneficiary Fund
Statement of Cash Flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash provided from			
Member Contributions		630,523	611,159
Church Contributions		437,420	429,273
Government Contributions		27,943	26,692
Bank Interest		1,267	3,055
		1,097,153	1,070,179
Cash applied to			
Benefits Paid		3,547,800	3,718,972
Fund Operating Costs		224,717	224,728
		3,772,517	3,943,700
Net Cash Out Flows applied to Operating Activities	7	(2,675,364)	(2,873,521)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash provided from			
Proceeds from Sale of Investments		3,692,880	3,912,603
Cash applied to			
Purchase of investments		(1,023,726)	(1,045,798)
Net Cash Flows from Investing Activities		2,669,154	2,866,805
Net (Decrease)/Increase in Cash Held		(6,210)	(6,716)
Cash at Beginning of Year		15,739	22,455
Cash at End of Year		**9,529**	**15,739**

1. (a) Fund Description

The Presbyterian Church of Aotearoa New Zealand Beneficiary Fund ("Beneficiary Fund" or "Fund") is a restricted workplace savings scheme registered under the Financial Market Conduct Act 2013 ("FMCA"). It was established in the early 1900's to provide retirement benefits to nationally ordained ministers of the Presbyterian Church of Aotearoa New Zealand ("Church").

The Presbyterian Beneficiary Fund Trustee Limited ("Trustee") is the Fund's trustee and the Administration manager is Melville Jessup Weaver.

The Fund is domiciled in New Zealand and the address of the principal place of business is Level 4, 94 Dixon Street, Te Aro, Wellington, 6011.

From 1 July 2017, the Fund has been a defined contribution scheme consisting of a New Benefit Section and Complying Section. All nationally ordained ministers are required to join the Fund in accordance with the standard terms of appointment set by the Church. The Trustee may also accept applications from those deemed to be in kindred service. Personal contributions are made to the Fund at the prescribed rate of 5% of Basic Stipend. Church contributions are made to the Fund at a matching 5% of Basic Stipend (before the deduction of Employer Superannuation Contribution Tax, if any). Contribution rates for kindred members may vary. Members may withdraw their savings on reaching retirement age or leaving active ministry. Additional withdrawals may also be approved in the event of serious illness, financial hardship, first home purchase and permanent emigration.

The Fund offers five investment options: Cash; Conservative; Balanced; Moderate and Growth. The Fund's investments are managed in a socially responsible investment fashion. Members are allocated units in the investment option(s) of their choice, with daily unit pricing.

(b) Fund History

Prior to 30 June 2017 the Fund consisted of (1) a Defined Benefit Section comprising Members who joined prior to 1 January 2009 and Members who joined the Fund after 1 January 2009 but before 1 December 2016; and (2) a Complying Section available to members from 1 January 2009. The New Benefit Section was established on 1 July 2017.

The Defined Benefit Section was wound up and Members of the Defined Benefit Section as at 30 June 2017 were permitted to choose to continue their membership by placing their entitlement from the winding up of their defined benefits into a Continuing Value Account in the New Benefit Section.

(c) Trust Deed

The current Trust Deed is dated 28 September 2020. This Deed removed references to the Old DB Sections, replacing a Trust Deed dated 5 April 2018.

The Trust Deed sets out the basis on which the Fund can be terminated.

2. Summary of Material Accounting Policy Information

The following is the material accounting policy information which has been adopted in the preparation of the Financial Statements:

Basis of Preparation

The financial statements of the Fund have been prepared in accordance with generally accepted accounting practice in New Zealand ("NZ GAAP"), the requirements of the FMCA and the Trust Deed governing the Fund. They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The financial statements also comply with International Financial Reporting Standards ("IFRS").

Statement of Compliance

The material accounting policy information set out below has been applied consistently to all periods presented in these financial statements.

Measurement Base

The measurement base adopted is that of historical cost modified by the revaluation of certain financial assets which are measured at fair value through profit or loss at each reporting date. The going concern assumption has been adopted.

Functional and Presentational currency

The financial statements are presented In New Zealand dollars which is the Fund's functional and presentation currency. All values are rounded to the nearest dollar ($).

Classification of assets and liabilities

Assets and liabilities are disclosed in the Statement of Net Assets in an order that reflects their relative liquidity and are not distinguished between current and non-current.

New accounting standards and interpretations

(i) Changes in accounting policy and disclosures

There have been no material changes to accounting policies or disclosures during the year.

(ii) Accounting standards issued but not yet effective

In May 2024, the External Reporting Board (XRB) introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements, effective for annual reporting periods beginning on or after 1 January 2027. This standard replaces NZ IAS 1 Presentation of Financial Statements and introduces new requirements for the presentation of the statement of profit or loss, disclosures for so-called management-defined performance measures (MPMs) and enhanced guidance on aggregation and disaggregation of information in the financial statements. The Fund has not early adopted NZ IFRS 18 and is yet to assess its impacts.

Income

Interest income is recognised using the effective interest rate method. Gains/losses on financial assets at fair value through profit or loss includes realised gains/losses on the disposal of financial assets and unrealised gains/losses arising from changes in the fair value of financial assets.

Expenses

Expenses are recognised on an accruals basis.

2. Summary of Material Accounting Policy Information (Cont'd)

Goods and Services Tax (GST)
The Fund is not registered for GST and consequently all components of the financial statements are stated inclusive of GST where appropriate.

Taxation
The Fund is a registered charitable entity which means that Income earned by the Fund is exempt from income tax in New Zealand.

Financial Instruments

(i) Classification
The Fund classifies its financial assets and financial liabilities as:

(1) Financial assets at fair value through profit or loss
The Fund includes in this category investments in managed investment funds. They are mandatorily measured at fair value through profit or loss because they are retirement benefit plan investments.
(2) Financial assets at amortised cost

The Fund includes in this category cash and cash equivalents, sundry receivables and receivables from the Presbytarian Benevolent Fund. These assets are classified as financial assets at amortised cost because the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding and are managed to collect the contractual cash flows.
(3) Financial liabilities at amortised cost
The Fund includes in this category payables which may include sundry creditors which are unpaid at balance date. All financial liabilities are included in this category.

(ii) Recognition/Derecognition
The Fund recognises financial assets and liabilities on the date they become party to the contractual agreement (trade date).

Financial assets are derecognised when the right to receive cash flows from the asset has expired or the Fund has transferred substantially all risks and rewards of ownership.

(iii) Measurement
(1) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are measured initially at fair value. After initial recognition, financial assets at fair value through profit or loss are revalued to fair value with changes in their fair value recognised in the profit or loss.
(2) Financial assets at amortised cost
Financial assets measured at amortised cost are measured initially at fair value plus transaction costs and subsequently amortised using the effective interest rate method, less expected credit losses (if any).
(3) Financial liabilities at amortised cost
Financial liabilities measured at amortised cost are measured using the effective interest method.

Statement of Cash Flows
The cash flows of the Scheme do not include those of the investment manager(s). The following are definitions of the terms used in the Statement of Cash Flows:

Cash and cash equivalents - includes cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Operating activities - include all transactions and other events that are not investing activities.

Investing activities - comprise acquisition and disposal of investments. Investments include securities not falling within the definition of cash.

Member contributions and benefits paid
Contributions and benefits are accounted for on an accruals basis. Contributions are recognised in the Statement of Changes in Net Assets when they become receivable or are received. Benefits are recognised in the Statement of Changes in Net Assets when they become payable resulting in financial liability.

Members' funds
Each unit issued confers an equal interest in the investment option of the Fund to which the unit relates. A unit does not confer any rights or interest in the individual investment options of the Fund to the member.

Net assets available for benefits
Net assets available for benefits is the Fund's present obligation to pay benefits to members and is the difference between the carrying amount of the assets and the carrying amount of the liabilities.

Capital risk management
The Fund's primary purpose is to ensure that its net assets are sufficient to meet all present and future obligations of the Fund. The Fund is not subject to any externally imposed capital requirements.

The Fund achieves this through obtaining contributions from members and the Church and investing these into appropriate investments in accordance with its Statement of Investment Policies and Objectives ("SIPO").

3. Net Assets Available for Benefits:

Changes in net assets available for benefits as at 30 June 2026:	Member Account	Employer Account	Continuing Value Account	Total 2026
	$	$	$	$
Balance at 1 July 2025	7,898,494	5,226,212	36,795,224	49,919,930
Contributions	630,523	465,363	-	1,095,886
Withdrawals	(363,768)	(198,843)	(2,985,189)	(3,547,800)
Net Investment movement	1,409,057	949,176	2,991,725	5,349,958
Balance at 30 June 2026	9,574,306	6,441,908	36,801,760	52,817,974

Changes in net assets available for benefits as at 30 June 2025:	Member Account	Employer Account	Continuing Value Account	Total 2025
	$	$	$	$
Balance at 1 July 2024	6,489,654	4,243,007	38,079,399	48,812,060
Contributions	611,159	455,965	-	1,067,124
Withdrawals	(174,303)	(102,430)	(3,442,238)	(3,718,971)
Net Investment movement	971,984	629,670	2,158,063	3,759,717
Balance at 30 June 2025	7,898,494	5,226,212	36,795,224	49,919,930

The Continuing Value Account represents Members' wind up entitlements reinvested in the Fund. These balances are available for withdrawal at any time.

4. Investments at Fair Value Through Profit or Loss

The Fund utilises a number of financial instruments in the course of its normal investing activities. Details of material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised in respect of each class of financial asset and financial liability are disclosed in the Material accounting policy information.

The Trustee has approved a SIPO which establishes investment portfolio objectives and target asset allocations. Performance against these targets is reviewed at least quarterly by the Trustee and asset reallocations undertaken as required.

Investments as at 30 June consist of the following:

	2026 $	2025 $
Mercer - Cash Fund	519,953	323,713
Mercer - Conservative Fund	9,181,546	9,099,711
Mercer - Balanced Fund	30,455,630	29,688,620
Mercer - Growth Fund	11,799,049	9,874,730
Mercer - Moderate Fund	815,047	892,580
Total Investments	52,771,225	49,879,354

	2026	2025
Investment classes > 5% of Net Assets		
Mercer - Conservative Fund	17%	18%
Mercer - Balance Fund	58%	59%
Mercer - Growth Fund	22%	20%

5. Gains on Financial Assets Held at Fair Value Through Profit or Loss

	2026 $	2025 $
Mercer Investments	5,693,770	4,089,939
	5,693,770	4,089,939

6. Related Party Transactions

The Trustee of the Presbyterian Benevolent Fund has agreed to grant $150,000 per annum for a period of five years from 1 July 2023 as an administration fee subsidy.

The Presbyterian Benevolent Fund makes quarterly contibutions of $37,500 to an on call account which the Fund draws on for administration expenses.

The Fund paid $69,000 to The Presbyterian Church Property Trustees for administration services provided (2025: $81,345).

No debts were forgiven during the year (2025: Nil).

7. Reconciliation of Net Cash Flows from Operating Activities to Increase/(Decrease) in Net Assets

	2026 $	2025 $
Net Profit before membership activities	5,349,958	3,759,716
Non-cash items		
Gain on financial assets at fair value through profit or loss	(5,693,770)	(4,089,939)
Interest income received	(2,500)	(2,328)
Management fee	277,807	272,981
Fee Subsidy	(150,000)	(150,000)
Movement in working capital items		
(Increase)/Decrease in Sundry Receivables	(1,426)	(13,271)
(Decrease)/Increase in Sundry Creditors	(3,519)	1,168
Membership Activities		
Contribution received	1,095,886	1,067,124
Benefit paid	(3,547,800)	(3,718,972)
Net Cash Out Flows Applied to Operating Activities	(2,675,364)	(2,873,521)

8. Financial Instruments

Financial Instruments by Category As at 30 June 2026 Assets as per the Statement of Net Assets	Financial assets at Amortised cost $	Financial assets at fair value through profit and loss $
Financial assets at Fair Value Through Profit or Loss	-	52,771,225
Receivable from the Presbyterian Benevolent Fund	56,966	-
Sundry Receivables	14,697	-
Cash and Cash Equivalents	9,529	-
Total	81,192	52,771,225

As at 30 June 2026 Liabilities as per the Statement of Net Assets	Financial liabilities at Amortised cost $	Financial liabilities at fair value through profit and loss $
Sundry Creditors	34,443	-
Total	34,443	-

Financial Instruments by Category As at 30 June 2025 Assets as per the Statement of Net Assets	Financial assets at Amortised cost $	Financial assets at fair value through profit and loss $
Financial assets at Fair Value Through Profit or Loss	-	49,879,354
Receivable from the Presbyterian Benevolent Fund	49,527	-
Sundry Receivables	13,271	-
Cash and Cash Equivalents	15,739	-
Total	78,537	49,879,354

As at 30 June 2025 Liabilities as per the Statement of Net Assets	Financial liabilities at Amortised cost $	Financial liabilities at fair value through profit and loss $
Sundry Creditors	37,961	-
Total	37,961	-

9. Financial Risk Management

The Trustees have determined, in consultation with professional investment advisors, an investment strategy for the Fund. This strategy is contained in the SIPO. This document is regularly reviewed by the Trustees to ensure it remains appropriate for prevailing market conditions and the liability profile of the Fund.

The SIPO includes an investment target (i.e. to achieve a rate of return that exceeds an investment Index) for each manager in each asset class that they manage for the Fund. Failure by an Investment manager to achieve the benchmark rate of return can result in its mandate being terminated.

The asset classes can be divided into growth and income assets. Growth assets offer significant long-term growth prospects but at the expense of potentially large variations in the short-term asset valuation, whereas income assets are not expected to vary as greatly in their capital value, and provide a regular income stream.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Currency risk, interest rate risk and Other price risk.

The Investments at fair value through profit & loss are managed by Mercer. The Fund has no influence over how the underlying risks relating to these investments are controlled or mitigated, but considers the underlying investments to be of such a diverse nature so as to reduce significant exposure to the impact of market movements.

The Trustees have considered risk management for the Fund and have set objectives (detailed in the SIPO) including the target risk profile and asset allocation for the investment fund as well as defining performance target objectives within each asset class. The Trustee utilises the services of Mercer Investment Trusts New Zealand to design and implement investment strategies for the Fund.

9. Financial Risk Management (Cont'd)

Market Risk (Cont'd)

Currency risk

The Fund is indirectly exposed to currency risk in that future currency movements will affect the valuation of investments which invest in foreign currency denominated investments. During the year the Fund did not directly hold investments denominated in foreign currency.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The Fund's exposure to interest rate risk primarily arises from changes in interest rates applicable to cash and cash equivalents and Presbyterian Investment Fund deposits. The Fund is indirectly exposed to interest rate risk in that future interest rate movements will affect the valuation of investments which invest in cash and fixed interest investments. Interest rate risk management activities are undertaken by the Trustees in accordance with the investment mandate. The Fund's exposure to interest rate risk is not deemed significant.

Other Price Risk

Other price risk is the risk that the fair value of the Fund's Investments will fluctuate as a result of changes in the price of the Fund's Investments. Price risk exposure arises from the Fund's Investment portfolios. Other price risk management activities are undertaken by the investment manager in accordance with the Investment mandates set by the Trustee.

The table below shows the impact on the statement of changes in net assets available for benefits and the statement of net assets due to a reasonably possible change in the price of the Fund's Investments with all other variables held constant:

30 June 2026			30 June 2025		
Change in the price	Increase/ (Decrease) in Profit before tax	Increase/ (Decrease) in amount available for benefits	Change in the price	Increase/ (Decrease) in Profit before tax	Increase/ (Decrease) in amount available for benefits
	$	$		$	$
+15%	7,915,684	7,915,684	+15%	7,481,903	7,481,903
-15%	(7,915,684)	(7,915,684)	-15%	(7,481,903)	(7,481,903)

Credit Risk

Credit Risk is the risk a counterparty to a financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss. Concentrations of credit risk are determined on a direct holdings level and are minimised primarily by ensuring counterparties together with their respective limits are approved and ensuring that transactions are undertaken with a number of counterparties.

Cash and cash equivalents and Presbyterian Investment Fund deposits are not past due or impaired. Cash and cash equivalents are held with banks registered in New Zealand.

The carrying value of financial assets represents the Fund's maximum exposures to credit risk at balance date.

Liquidity Risk

Liquidity risk is the risk the Fund will encounter difficulty in raising funds to meet its obligation to pay members. Due to the nature of the Fund it is unlikely a significant number of members would withdraw at the same time. However, to control liquidity risk, the Fund invests in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Fund invests within established limits to ensure no concentration of credit risk. Sundry creditors are typically settled within 30 days.

Fair Value

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, determined in accordance with the Fund's accounting policies.

The Fund classifies fair value measurements of financial instruments at fair value through profit or loss using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included within level 1 that are directly observable or;

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement Is categorised in its entirety Is determined on the basis of the lowest level input that Is significant to the fair value measurement. For this purpose, the significance of the input Is assessed against the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement Is a level 3 measurement. Assessing the' significance of a particular Input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes "observable" requires judgement by the Trustees. The Trustees consider "observable" to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The following table analyses the fair value hierarchy of the Fund's financial assets (by class) measured at fair value:

30 June 2026	Level 1	Level 2	Level 3	Total
Assets	$	$	$	$
Mercer Investments	-	52,771,225	-	52,771,225
	-	52,771,225	-	52,771,225

30 June 2025	Level 1	Level 2	Level 3	Total
Assets	$	$	$	$
Mercer Investments	-	49,879,354	-	49,879,354
	-	49,879,354	-	49,879,354

The fair value of the units held in the Mercer investment funds is determined by reference to published exit prices, being the redemption price established by Mercer. The redemption price reflects fair value and no adjustments are made to the exit price.

10. **Vested Benefits**
Vested benefits are benefits payable to members under conditions of the Fund, on the basis of all members ceasing to be members of the Fund at balance date. The vested benefits at 30 June 2026 is $52,817,974 (2025: $49,919,930).

11. **Commitments and Contingent Liabilities**
There were no commitments and no contingent liabilities outstanding as at 30 June 2026. (2025: Nil).

12. **Events After Balance Date**
There have been no material events after balance date that require adjustment to or disclosure in the financial statements.

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Independent auditor's report to the members of The Presbyterian Church of Aotearoa New Zealand Beneficiary Fund

Opinion

We have audited the financial statements of The Presbyterian Church of Aotearoa New Zealand Beneficiary Fund (the "Fund") on pages 1 to 9, which comprise the statement of net assets of the Fund as at 30 June 2026, the statement of changes in net assets and statement of cash flows for the year then ended of the Fund, and the notes to the financial statements including material accounting policy information.

In our opinion, the financial statements on pages 1 to 9 present fairly, in all material respects, the financial position of the Fund as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Fund 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 as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these Professional and Ethical Standard 1.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interest in, the Fund. Partners and employees of our firm may deal with the Fund on normal terms within the ordinary course of trading activities of the business of the Fund.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of the audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

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Financial assets at fair value through profit or loss

Why significant	How our audit addressed the key audit matter
► The Fund's financial assets at fair value through profit or loss ("investments") represent approximately 99% of the Fund's total assets. ► As detailed in the Fund's accounting policies, as described in Note 2 to the financial statements, these investments are recognised at fair value through profit or loss in accordance with NZ IAS 26: *Accounting and Reporting by Retirement Benefit Plans*. ► Volatility and other market drivers can have a significant impact on the value of these investments and the financial statements as a whole. We therefore consider this a key focus area of the audit. ► Disclosures regarding the Fund's investments at 30 June 2026 are included in Note 4 and regarding financial risks are included in Note 9 to the financial statements.	Our audit procedures included: ► Gaining an understanding of the processes used to record investment transactions and the revaluation of the investment portfolio. ► Receiving third party confirmation directly, for all investments held, of the number of units issued to the Fund and their respective exit price at balance date and agreeing the recorded holdings to that confirmation. ► To validate the fair value, agreeing the pricing used for valuation purposes to the exit prices from the third-party confirmation. ► Considering the reliability of the unit price at balance date confirmed by the external fund manager with reference to the unit price of applications or redemptions made close to period end. ► Agreeing investment applications and redemptions to the third-party confirmation received directly from the fund manager, and to bank statements. ► Assessing the adequacy and appropriateness of the disclosures in the Notes to the financial statements, including with reference to NZ IFRS 7 *Financial Instruments: Disclosures*.

Information other than the financial statements and auditor's report

The directors are responsible for the other information. The other information comprises the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the 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 during the audit, or otherwise appears to be materially misstated.

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If, based upon 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.

Directors' responsibilities for the financial statements

The directors are responsible, on behalf of the Fund, for the preparation and fair presentation of the financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing on behalf of the Fund the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Fund or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are 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 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 International Standards on Auditing (New Zealand) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website: https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1/. This description forms part of our auditor's report.

The engagement partner on the audit resulting in this independence auditor's report is Lianne Austin.

Ernst + Young

Chartered Accountants
Wellington
21 October 2026