

# FUND UPDATE

## BCF KiwiSaver Scheme

for the year ended 31 March 2018

This fund update was first made publicly available on 29 June 2018.

### WHAT IS THE PURPOSE OF THIS UPDATE?

This document tells you how the fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Arotahi Trust Limited prepared this update in accordance with the Financial Markets Conduct Act 2013.

This information is not audited and may be updated.

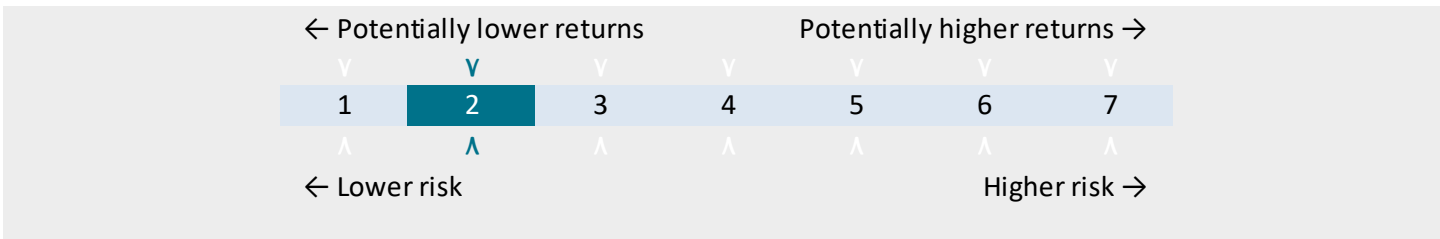
### DESCRIPTION OF THIS FUND

The fund has 100% of the assets invested in bank deposits. Diversification could happen once the fund reaches a critical size (as determined by The Trustee). The fund's aim is to achieve a real return (before tax, fees and expenses) to those available from investment banks.

|                                 |              |
|---------------------------------|--------------|
| Total value of the fund         | \$7,381,261  |
| Number of investors in the fund | 587          |
| The date the fund started       | 1 April 2011 |

### WHAT ARE THE RISKS OF INVESTING?

Risk indicator for the fund:



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at: [www.sorted.org.nz/tools/investor-kickstarter](http://www.sorted.org.nz/tools/investor-kickstarter).

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

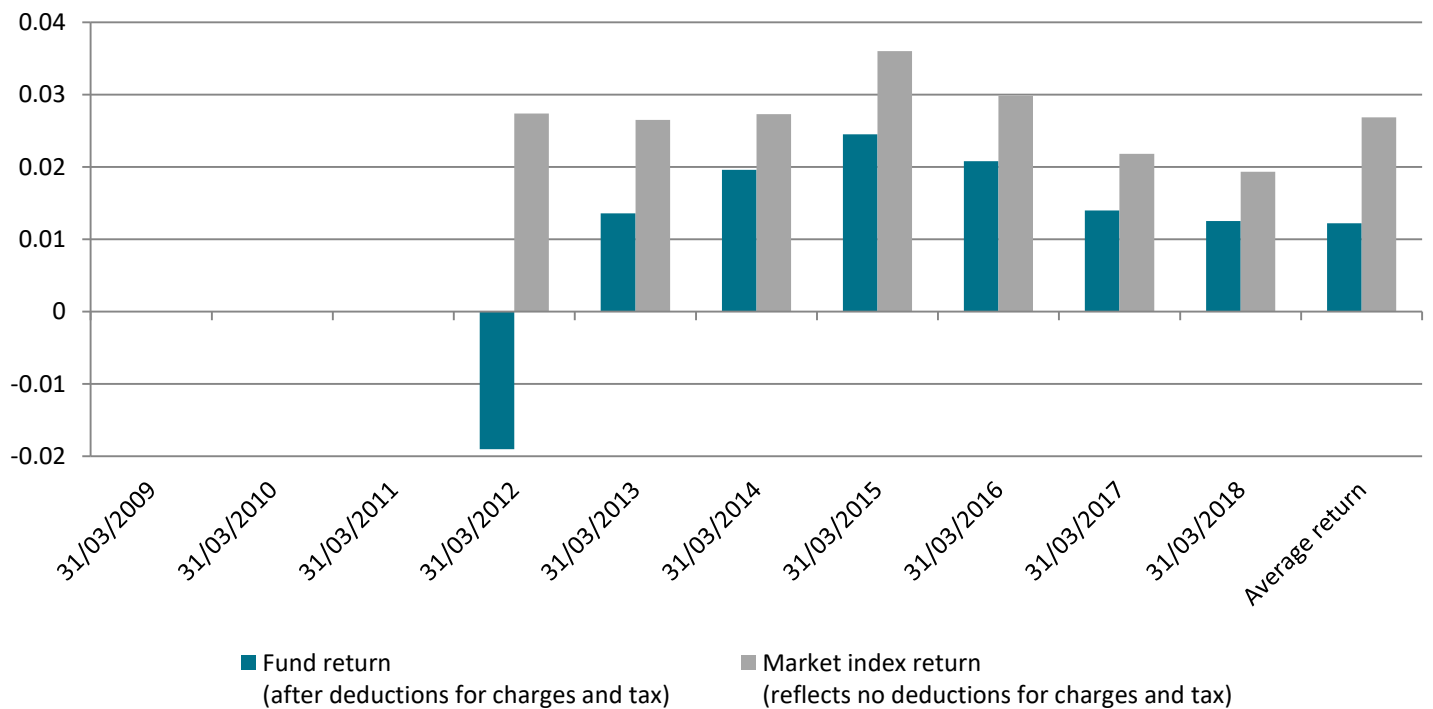
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2018. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

## HOW HAS THE FUND PERFORMED?

|   | Average over past five years | Past year |
|---|------------------------------|-----------|
| Annual return<br>(after deductions for charges and tax)                   | 1.83%                        | 1.25%     |
| Annual return<br>(after deductions for charges but before tax)            | 2.51%                        | 1.94%     |
| Market index annual return<br>(reflects no deduction for charges and tax) | 2.68%                        | 1.93%     |

The market index return is the strategic asset allocation weighted benchmark index return, where the benchmark indices are defined in the Statement of Investment Policy and Objectives. Additional information about the market index is available on the scheme register at: <https://www.companiesoffice.govt.nz/disclose> search for BCF KiwiSaver Scheme.

## ANNUAL RETURN GRAPH



This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 31 March 2018.

Important: This does not tell you how the fund will perform in the future.

## WHAT FEES ARE INVESTORS CHARGED?

Investors in the fund pay fund charges. In the year to 31 March 2018 these were:

|  | % of net asset value       |
|--|----------------------------|
| <b>TOTAL FUND CHARGES</b>                          | <b>1.63%</b>               |
| <b>Which are made up of:</b>                       |                            |
| <b>TOTAL MANAGEMENT AND ADMINISTRATION CHARGES</b> | <b>1.63%</b>               |
| <b>Including:</b>                                  |                            |
| Manager's basic fee                                | <b>1.63%</b>               |
| Other management and administration charges        | <b>0.00%</b>               |
| <b>TOTAL PERFORMANCE BASED FEES</b>                | <b>0.00%</b>               |
|  | Dollar amount per investor |
| <b>OTHER CHARGES</b>                               | <b>\$50</b>                |

Small differences in fees and charges can have a big impact on your investment over the long term.

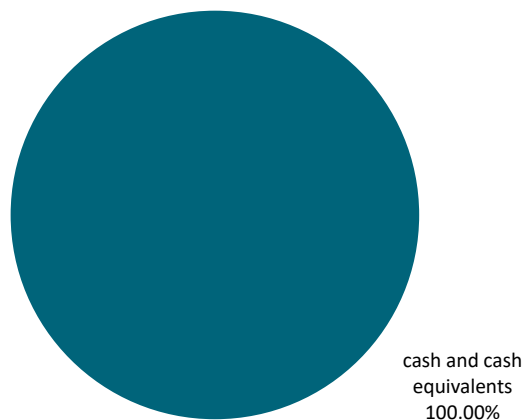
## EXAMPLE OF HOW THIS APPLIES TO AN INVESTOR

Lucy had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Lucy received a return after fund charges were deducted of \$125.29 (that is 1.25% of her initial \$10,000. Lucy also paid \$50.00 in other charges. This gives Lucy a total return after tax of \$75.29 for the year.

## WHAT DOES THE FUND INVEST IN?

### Actual investment mix

This shows the types of assets that the fund invests in



### Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

|                              |         |
|------------------------------|---------|
| cash and cash equivalents    | 100.00% |
| New Zealand fixed interest   | 0.00%   |
| International fixed interest | 0.00%   |
| Australasian equities        | 0.00%   |
| international equities       | 0.00%   |
| listed property              | 0.00%   |

## TOP 10 INVESTMENTS

|    | Name                  | % of fund net assets | Type                     | Country | Credit rating (if applicable) |
|----|-----------------------|----------------------|--------------------------|---------|-------------------------------|
| 1  | ASB Term Deposit      | 22.47%               | cash and cash equivalent | NZ      |                               |
| 2  | Westpac Term Deposit  | 9.09%                | cash and cash equivalent | NZ      |                               |
| 3  | TSB Term Deposit      | 25.66%               | cash and cash equivalent | NZ      |                               |
| 4  | BNZ Term Deposit      | 23.16%               | cash and cash equivalent | NZ      |                               |
| 5  | KiwiBank Term Deposit | 19.62%               | cash and cash equivalent | NZ      |                               |
| 6  | ANZ Current Account   | 0.71%                | cash and cash equivalent | NZ      |                               |
| 7  |                       |                      |                          |         |                               |
| 8  |                       |                      |                          |         |                               |
| 9  |                       |                      |                          |         |                               |
| 10 |                       |                      |                          |         |                               |

The top 6 investments make up 100.00% of the fund.

Refer to the Statement of Investment Policy and Objectives for more information which is available from: [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose).

## KEY PERSONNEL

This shows the directors and employees who have the most influence on the investment decisions of the fund.

|   | Name                  | Current position                  | Time in current position | Previous or other position | Time in previous or other position |
|---|-----------------------|-----------------------------------|--------------------------|----------------------------|------------------------------------|
| 1 | Kevin Cedric Sorensen | Director of Arotahi Trust Limited |                          |                            | 2 year 2months                     |
| 2 | Maurice Allen Hall    | Director of Arotahi Trust Limited |                          |                            | 5 years                            |
| 3 | John McKay Mason      | Director of Arotahi Trust Limited |                          |                            | 5 years                            |

## FURTHER INFORMATION

You can also obtain this information and some additional information from the offer register at: [www.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose).

## NOTES