



BCF KiwiSaver Scheme Annual Report

For the year ended 31 March 2021



BCF KiwiSaver Scheme

The Trustee is pleased to present the Annual Report of the BCF KiwiSaver Scheme (“Scheme”) for the year ended 31 March 2021.

This Annual Report has been prepared in accordance with the Financial Markets Conduct Regulations 2014 and includes information about the Scheme’s management, operation and financial performance for the year.

If you have any questions regarding this report please do not hesitate to contact Melville Jessup Weaver, the Administration Manager, on 0800 BCF INFO (0800 223 463).

Details of scheme

The name of the scheme is the BCF KiwiSaver Scheme (the “Scheme”). The Scheme is registered as a restricted KiwiSaver scheme.

The manager of the Scheme is Arotahi Trust Limited (the “Trustee”). The latest product disclosure statement for the Scheme is dated 9 December 2020 and is open for applications. A fund update for the Scheme (for the year ended 31 March 2021) was made publicly available on 6 August 2021.

The latest financial statements of the Scheme (prepared as at 31 March 2021), and the auditor’s report on those financial statements, will be lodged with the Registrar of Financial Service Providers and are available electronically by visiting companiesoffice.govt.nz/disclose, selecting *search schemes* and entering the Scheme name.

Information on contributions and scheme participants

Total members

Members	31 March 2020	31 March 2021
Contributing members	558	564
Non-contributing members	85	102
Total members	643	666

New members

New members in year ended 31 March 2021	
Transfers from other KiwiSaver schemes	29
Other new members	5
Total new members	34

Member exits

Member exits in year ended 31 March 2021	
Retirement*	9
Death	0
Transfers to other KiwiSaver schemes	1
Other reasons**	1
Total member exits	11

* ‘Retirement’ means exiting at or after reaching end payment date (the later of age 65 and having been a KiwiSaver scheme member for 5 years) and ** Permanent emigration and Invalid Enrolment

Members' accumulations

Members' accumulations	31 March 2020	31 March 2021
Total members' accumulations	\$9,745,728	\$11,034,817
Number of members with accounts	643	666

Total contributions

Contribution type	Total in year ended 31 March 2021	Number of members to whom contributions related
Member contributions	\$902,136	369
Member voluntary contributions	\$91,598	129
Employer contributions*	\$633,117	382
Government Contributions**	\$187,507	429
Transfers from other KiwiSaver schemes	\$173,700	29
Total contributions	\$1,988,058	

* These are the net employer contributions credited to the Scheme after deducting employer's superannuation contribution tax.

** Previously known as Member Tax Credits (MTC) now called Government Contributions.

Changes relating to the scheme

During the year ended 31 March 2021 the Scheme continues as a restricted KiwiSaver scheme registered under the Financial Markets Conducts Act (FMCA).

There were no changes to the BCF KiwiSaver Scheme Trust Deed in the period since the last change on 5 September 2016.

There were changes to the Statement of Investment Policy and Objectives (SIPO), to reflect changes made in the Trustee's investment strategy, and as per changes to KiwiSaver legislation. The replacement SIPO was lodged on 9 December 2020.

There were changes made to the Other Material Information (OMI) as per the changes to KiwiSaver legislation, and to reflect changes made in the Trustee's investment strategy. The replacement OMI was lodged on 9 December 2020.

The Product Disclosure Statement (PDS) for the offer of membership was updated for new members on 9 December 2020, as per the changes to KiwiSaver legislation, and to reflect changes made in the Trustee's investment strategy.

The Fund Update for the year ending 31 March 2021 will be made publicly available.

Effective 1 April 2020, the scheme changed from a benefit fund PIE to a multi rate PIE. This change means that from 1 April 2020 the investment earnings for each member will now be taxed at their own Prescribed Investor Rates (PIR), being either 10.5%, 17.5% or 28%. Members have already been advised of this change and of their responsibility to provide their correct PIR to the Administration Manager.

On 24 April 2020 a new Director was appointed, Jeffrey Paul Prestidge. Following the resignation of the Licensed Independent Trustee (LIT) Kevin Sorensen, Jeffrey Paul Prestidge was appointed as the replacement Licensed Independent Trustee. This resulted in one transaction providing for related party benefits (as contemplated by section 172(1) of the FMCA) to be given from the Scheme was entered into during the year ended 31 March 2021 on anything other than arm's-length terms. This was in relation to fees payable for the Licensed Independent Trustee. Quarterly Compliance Reporting to FMA was completed confirming there were no Limit Breaks under the Scheme's SIPO and confirming there was one new Related Party Transactions.

Other information for particular types of managed funds

During the year 38 Scheme participants made a withdrawal that was permitted under the FMCA and the trust deed, and the grounds on which those withdrawals were made were as follows:

Withdrawal type	Number of members
Full withdrawals	11
End payment date (retirement) – full withdrawals	9
End payment date (death) – full withdrawals	0
Permanent Emigration	1
KiwiSaver Opt Out/ Invalid Enrolment	0
Transfers to other KiwiSaver schemes	1
Partial withdrawals	27
End payment date (retirement) – partial withdrawals	7
First home withdrawals	20

The Scheme's **after**-tax investment return (but before expenses and costs) for the year ended 31 March 2021 was 1.80% at a prescribed investor rate (PIR) of 28% and 2.07% at a PIR of 17.5% and 2.24% at a PIR of 10.5%.

Due to the deduction of the fixed annual membership fee of \$52 per member (applied monthly), it is not possible to advise in this Annual Report the crediting rate applied to members' balances after expenses, costs and tax, as that rate differed for each individual member.

The Trustee confirms that for the year ended 31 March 2021:

1. All the benefits required to be paid from the Scheme in accordance with the terms of the trust deed and the KiwiSaver scheme rules have been paid.
2. The market value of the property of the Scheme as at 31 March 2021 equaled the total value of 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 as at that date.

Changes to persons involved in the scheme

There was one change during the year to the Trustee directors. A new director, Jeffrey Prestidge who is also a Licensed Independent Trustee, was appointed on 24 April 2020. Kevin Sorensen resigned as a Director and as the Licensed Independent Trustee. There were no changes to the Administration Manager, the securities registrar (which is the Administration Manager) or the auditor of the Scheme.

The directors of Arotahi Trust Limited as at 31 March 2021 were:

- Maurice Hall
- John Mason
- Jeffrey Prestidge

There were no changes in the control of the Trustee during the year ended 31 March 2021.

How to find further information

The following information is available electronically (and free of charge) on the Disclose Register at companiesoffice.govt.nz/disclose:

- copies of the trust deed, the Scheme's latest audited financial statements, the statement of investment policy and objectives and the annual report (select *search schemes* and enter the Scheme name) and
- copies of the product disclosure statement, the annual fund update and other material information relating to the Scheme (select *search offers* and enter the Scheme name).

Copies of the statement of investment policy and objectives, the product disclosure statement, the latest annual report and the latest fund update (as well as other information about the Scheme) are also available on the Scheme's website bcfkiwisaver.co.nz/.

You can obtain a copy of any of those documents from the Trustee free of charge by writing to the Administration Manager at the following address:

BCF KiwiSaver Scheme Administration Team

Melville Jessup Weaver

Level 7, 20 Ballance Street

P O Box 1096, Wellington 6140

Phone: 0800 BCF INFO (0800 223 463) or

Phone: 04 499 0277

Email bcfkiwisaver@mjlw.co.nz

Contact details and complaints

Contact details for the Trustee are:

The Directors

Arotahi Trust Limited
5 Noel Rogers Place, Milson
Palmerston North 4414

Any queries or complaints about the Scheme can be made by contacting the Trustee at the above address.

The Administration Manager also acts as the securities registrar for the Scheme and can be contacted (in that capacity) at the above address.

The Trustee has established a process to deal with any complaints that members might have. The process is confidential, providing members with the ability to be satisfied that all their dealings with the Scheme have been handled properly. The first step is to contact either the Trustee or the Administration Manager in confidence to set out your complaint.

Members also have the right to send their complaints directly to the Scheme's external disputes resolution service, Financial Services Complaints Limited ("FSCL"). FSCL's contact details are:

Website: www.fscl.org.nz
Email: info@fscl.org.nz
Telephone: 0800 347257 (call free for consumers)
(04) 472 FSCL (472 3725)
Fax: (04) 472 3727
Postal address: PO Box 5967 Lambton Quay
Wellington 6145

Neither we nor FSCL will charge a fee to any complainant to investigate or resolve a complaint.

Who else is involved in providing the Scheme?

Administration Manager

Melville Jessup Weaver

Kiwi Wealth House
Level 7, 20 Ballance Street
PO Box 1096
Wellington 6011

Auditor

Deloitte

Deloitte Limited
Level 12, 20 Customhouse Quay
Wellington 6011

Solicitor

Chapman Tripp

10 Customhouse Quay
PO Box 993
Wellington 6140

BCF KiwiSaver Scheme

c/o PO Box 5206

Terrace End

Palmerston North 4441

Tel: 0800 BCF INFO (223 4636)

Email: bcfkiwisaver@mjlw.co.nz

<http://bcfkiwisaver.co.nz/>
