

Annual Disclosure Statement for 1 July 2014 to 31 March 2015

# Grosvenor KiwiSaver Scheme Asset Class Conservative Fund

## What is the purpose of this statement?

This statement provides key information about the **Grosvenor KiwiSaver Scheme Asset Class Conservative Fund**. It tells you how the fund has performed and what fees it charged, and will help you to compare it with other funds. We prepared this statement in accordance with the KiwiSaver (Periodic Disclosure) Regulations 2013. This information is not audited and may be updated.

## Description of the fund

The Asset Class Conservative Fund aims to provide savers with a relatively consistent investment performance, with the opportunity to enhance the overall return through a modest degree of capital gains over the long-term. It aims to achieve a rate of return (net of fees but before tax) of at least 2.5% per annum above inflation (as measured by Statistics New Zealand's Consumer Price Index) over rolling five year periods.

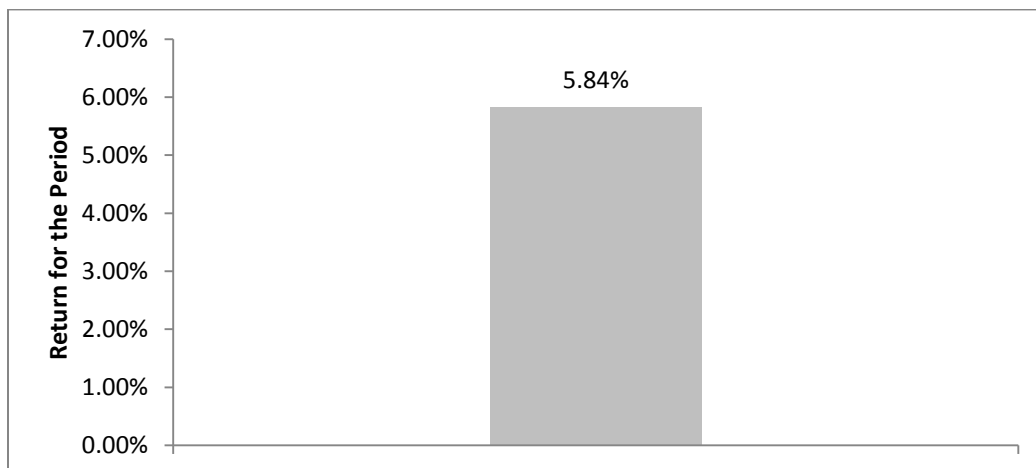
Total value of the fund	\$6,689,582
Number of members in the fund	743
Date the fund started	1 July 2014

## How has the fund performed?

	Past five years	Past period (1 July 2014 to 31 March 2015)
<b>Annual return</b> (after deductions for fund fees and tax <sup>1</sup> )	N/A	5.84%

## How has the fund performed in the past?

The fund has not been in existence for a full tax year. Therefore the graph shows only the return since the fund started to the end of the disclosure statement period being 1 July 2014 to 31 March 2015. The return is after fund fees and tax<sup>2</sup>. It's important to note that this doesn't tell you how the fund will perform in the future.



## What fees were members charged?

The returns above are after deductions for **fund fees**<sup>3</sup>. These fees were last totalled up for the nine month period to 31 March 2015 and were:

Total fund fees <sup>4</sup>	0.81% of members' investments
Which are made up of:	
Annual management fee	0.69%
Performance-based fees	0.00%
Other fees and costs	0.12%

Members were also charged **membership fees**<sup>5</sup> of \$27.00 for the nine month period to 31 March 2015<sup>6</sup>.

Members may also be charged fees for specific actions or decisions (e.g. account closure fee). See <http://www.grosvenorkiwisaver.co.nz/media/9349/gks-is-sept2014-final-web.pdf> for more information about these fees.

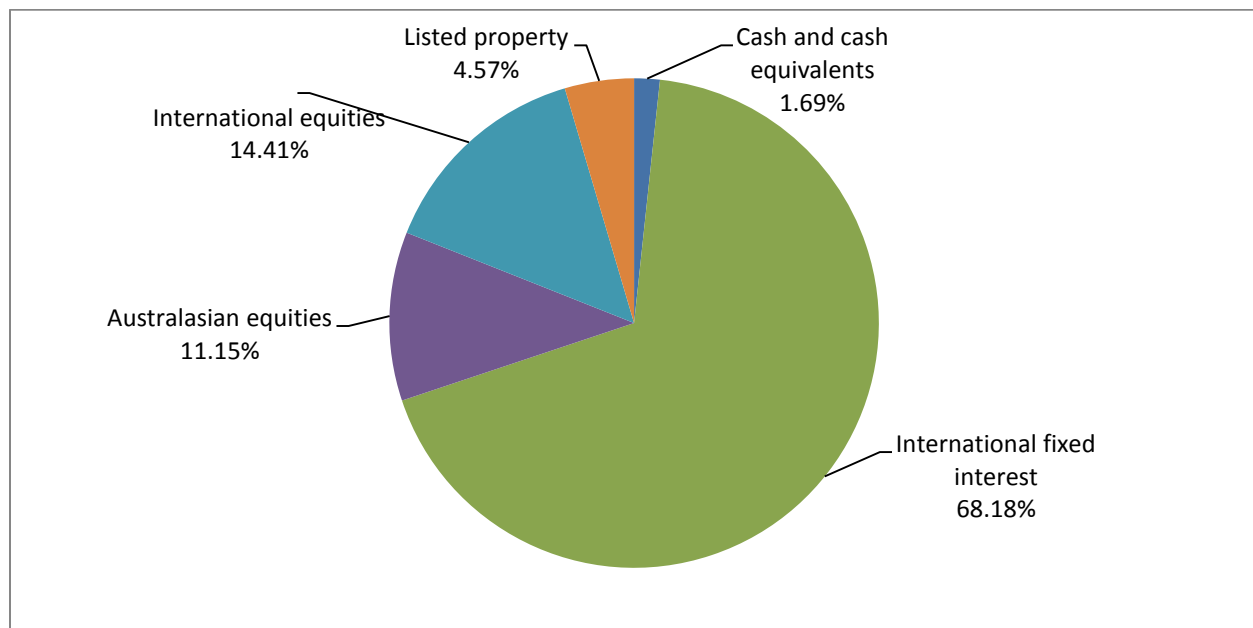
## Example of how this applies to a member

Mr Smith had \$10,000 in the fund at the start of the period commencing 1 July 2014 and didn't make any further contributions. At the end of the period, Mr Smith received a return after fund fees and tax were deducted of \$584.00 (that's 5.84% of his initial \$10,000). Mr Smith also paid \$27.00 in membership fees. This gives Mr Smith a total return of \$557.00 for the end of the nine month period to 31 March 2015.

## 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	5.00%
New Zealand fixed interest	32.50%
International fixed interest	32.50%
Australasian equities	12.50%
International equities	12.50%
Listed Property	5.00%

## Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	Dimensional Five Year Diversified Fixed Interest Trust NZD Hedged Class	42.63%	Fund	Australia	
2	Dimensional Global Bond Trust NZD Hedged Class	25.55%	Fund	Australia	
3	Dimensional Global Core Equity Trust NZD Hedged Class	7.15%	Fund	Australia	
4	Dimensional Australian Core Equity Trust	7.10%	Fund	Australia	
5	Dimensional Global Real Estate Trust	4.57%	Fund	Australia	
6	Dimensional Global Core Equity Trust	4.33%	Fund	Australia	
7	NZ Core Equity Trust	4.05%	Fund	New Zealand	
8	Dimensional Emerging Markets Trust	2.93%	Fund	Australia	
9	Cash deposit (ANZ)	1.36%	Cash and cash equivalents	New Zealand	AA-
10	Cash deposit (ASB)	0.33%	Cash and cash equivalents	New Zealand	AA-

The top 10 investments make up 100.00% of the fund. See <http://www.grosvenorkiwisaver.co.nz/media/12108/kss10026-014-ads2015-accf.csv> for a full list.

## 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
Graham Lennon	Director and Head of International Portfolio Management, DFA Australia Limited	5 years, 7 months	Senior Portfolio Manager and Vice President, DFA Australia Limited	3 years, 3 months
Jed Fogdall	Co-Head of Portfolio Management and Vice President, Dimensional Fund Advisors	3 years, 2 months	Portfolio Manager, Dimensional Fund Advisors	7 years, 5 months
Joseph Chi	Co-Head of Portfolio Management and Vice President, Dimensional Fund Advisors	3 years, 2 months	Portfolio Manager, Dimensional Fund Advisors	6 years, 5 months
Nicholas Stewart	Executive Director, Stewart Financial Group Limited	12 years, 10 months	Wealth Manager, Stewart Financial Group Limited	1 year, 9 months
Don Stewart	Executive Director, Stewart Financial Group Limited	28 years, 3 months	Financial Adviser, National Mutual Limited	13 years, 8 months

## Further information:

### Electronic disclosure of this information

Most of the information contained in this statement, including some additional information, is available in a spreadsheet at <http://www.grosvenorkiwisaver.co.nz/media/12108/kss10026-014-ads2015-accf.csv>.

## Notes

1. Returns in this statement are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax rate may be lower. The fund first starting accepting contributions on 1 July 2014. Therefore the Past Period Return is for the period 1 July 2014 to 31 March 2015.
2. The fund first started accepting contributions on 1 July 2014. Therefore the Return is for the period 1 July 2014 to 31 March 2015.
3. Fund fees are fees charged as a percentage of a member's interest in the fund (i.e. as a percentage of their KiwiSaver account balance).
4. The basis for calculating Total Fund Fees for the purpose of this disclosure statement is materially different to how Total Fund Fees are charged in the fund. The fund first starting accepting contributions on 1 July 2014. The fund fees disclosed are based on fund fees charged during the nine month period from 1 July 2014 to 31 March 2015 instead of a 12 month period. The fund's actual Annual Management Fee as disclosed in the Investment Statement, is 1.19% p.a. calculated daily as a percentage of the net asset value of the fund and deducted each month. The basis for calculating Total Fund Fees for the purpose of this disclosure statement is different to how Total Fund fees were calculated in the Quarterly Disclosure Statement for the 9 nine month period from 1 July 2014 to 31 March 2015 whereby the methodology relating to any external management fee rebates now use an updated daily basis method.
5. Membership fees are the fixed dollar charges for membership in the KiwiSaver scheme.
6. The basis for calculating Membership fees for the purpose of this disclosure statement is materially different to how Membership fees are charged in the fund. The fund first starting accepting contributions on 1 July 2014. The Membership fees disclosed are based on fees charged during the nine month period from 1 July 2014 to 31 March 2015 instead of a 12 month period.

## Manager's certificate

In accordance with Regulation 41 of the KiwiSaver (Periodic Disclosure) Regulations 2013, Grosvenor Investment Management Limited certifies that:

1. the disclosure statement has been prepared for the purposes of the regulations;
2. to the best of its knowledge after making reasonable inquiry, all information required by the regulations has been disclosed in accordance with the regulations and the information presented is accurate; and
3. the disclosure statement does not contain any matter that is likely to deceive or mislead with regard to any particular that would be material to an offer of an interest in the Grosvenor KiwiSaver Scheme.

On behalf of Grosvenor Investment Management Limited

A handwritten signature in black ink, appearing to read 'D Beattie', is written over a faint rectangular stamp.

David Beattie  
Authorised Signatory

27 May 2015