

Quarterly Disclosure Statement for 1 July 2014 to 31 March 2015

# Grosvenor KiwiSaver Scheme Options Fund

## What is the purpose of this statement?

This statement provides key information about the **Grosvenor KiwiSaver Scheme Options 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 Options Fund provides savers with the opportunity to invest in an alternative trading-based strategy which aims to deliver a high level of growth over the long-term. It aims to achieve a rate of return (net of fees but before tax) of at least 5% per annum above inflation (as measured by Statistics New Zealand's Consumer Price Index) over rolling ten year periods.

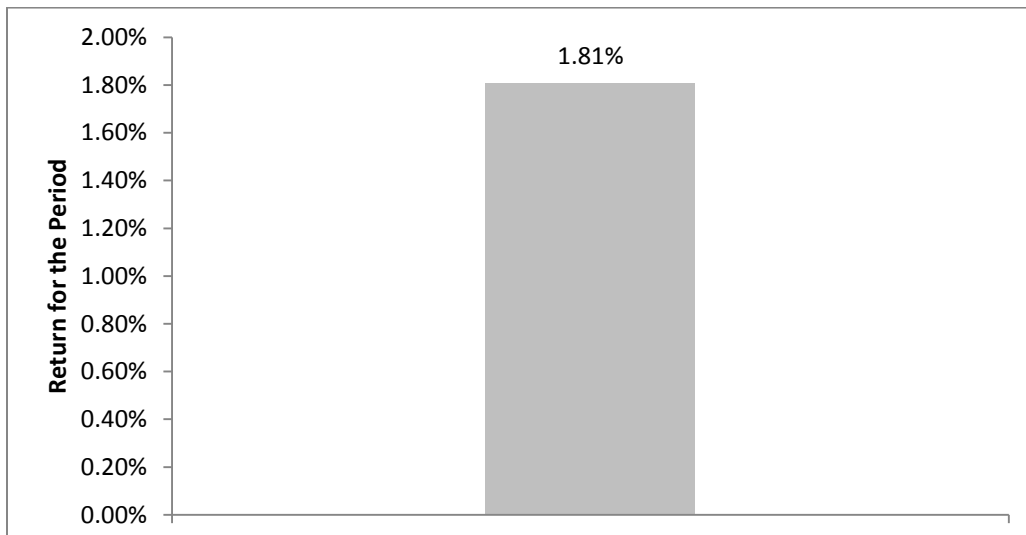
Total value of the fund	\$75,462,156
Number of members in the fund	16,703
Date the fund started	1 July 2014

## How has the fund performed?

	Past period (1 July 2014 to 31 March 2015)
<b>Return</b> (after deductions for fund fees and tax <sup>1</sup> )	1.81%

## 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:

<b>Total fund fees<sup>4</sup></b>	<b>0.74% of members' investments</b>
Which are made up of:	
Annual management fee	0.66%
Performance-based fees	0.00%
Other fees and costs	0.08%

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://grosvenorkiwisaver.co.nz/media/9349/gks-is-sept2014-final-web.pdf> for more information about these fees.

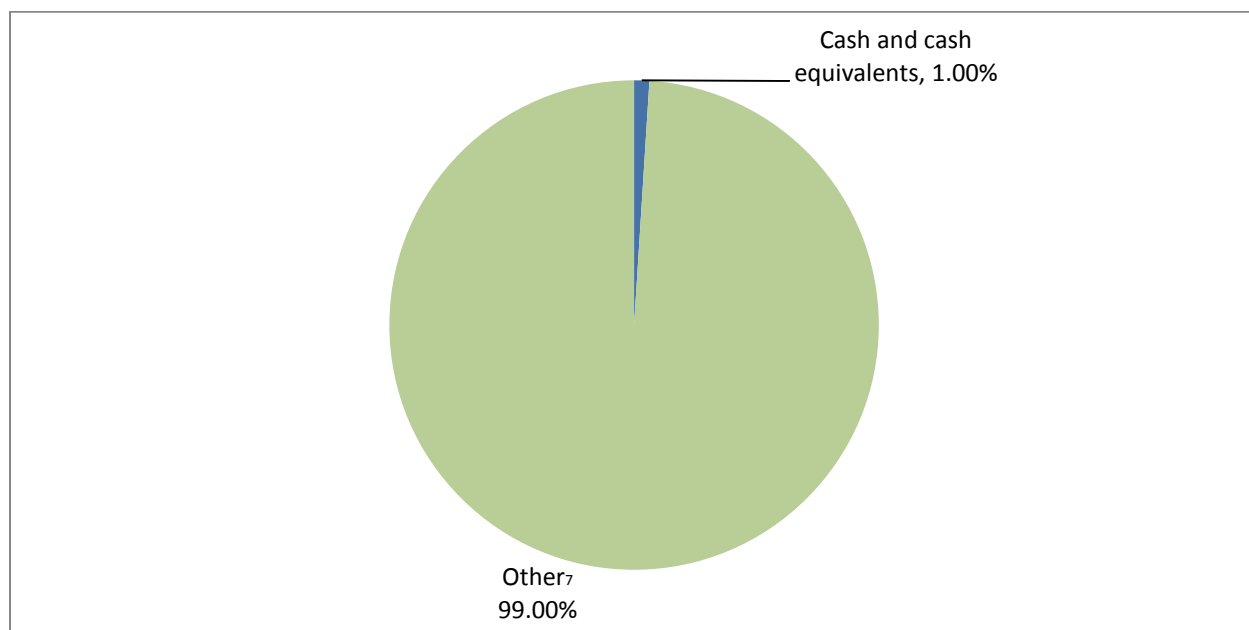
## Example of how this applies to a member

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 \$181.00 (that's 1.81% of his initial \$10,000). Mr Smith also paid \$27.00 in membership fees. This gives Mr Smith a total return of \$154.00 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.

Other	100.00%
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## Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	Nikko AM Wholesale Option Fund	99.00%	Fund	New Zealand	
2	Cash deposit (ANZ)	0.942%	Cash and cash equivalents	New Zealand	AA-
3	Kiwibank Term Deposits 10/06/2015	0.006%	Cash and cash equivalents	New Zealand	A+
4	ANZ Bank Bill 30/04/2015	0.005%	Cash and cash equivalents	New Zealand	AA-
5	Westpac Term Deposit 15/06/2015	0.004%	Cash and cash equivalents	New Zealand	AA-
6	BNZ Term Deposit 08/07/2015	0.004%	Cash and cash equivalents	New Zealand	AA-
7	BNZ Term Deposit 12/08/2015	0.003%	Cash and cash equivalents	New Zealand	AA-
8	Westpac Term Deposit 23/04/2015	0.003%	Cash and cash equivalents	New Zealand	AA-
9	Westpac Term Deposit 02/04/2015	0.003%	Cash and cash equivalents	New Zealand	AA-
10	ANZ Term Deposit 03/06/2015	0.003%	Cash and cash equivalents	New Zealand	AA-

The top 10 investments make up 99.97% of the fund.

## 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
Ian Bellew	Fixed Income Manager, Nikko Asset Management New Zealand Limited	3 years, 2 months	Cash & Currency Manager, Nikko Asset Management New Zealand Limited	14 years
Fergus McDonald	Head of Bonds and Currency, Nikko Asset Management New Zealand Limited	14 years, 8 months	New Zealand Fixed Interest Portfolio Manager, Nikko Asset Management New Zealand Limited	10 years, 5 months
Tim O'Loan	Fixed Income Analyst, Nikko Asset Management New Zealand Limited	3 years, 0 months	Operations Analyst, New Zealand Superannuation Fund	2 years, 11 months
Peter Lynn	Managing Director, Nikko Asset Management New Zealand Limited	5 years, 2 months	Head of Strategy, Nikko Asset Management New Zealand Limited	2 years, 1 month
Anthony Harland	Chief Operating Officer/Director, Nikko Asset Management New Zealand Limited	10 years, 1 month	Client Relationship Manager, Nikko Asset Management New Zealand Limited	7 years

## Further information:

### Information about conflicts of interest

There have not been changes to the nature, or increases in the scale of, the fund's related-party transactions over the past three months. See the Grosvenor KiwiSaver Scheme's annual financial statements for more information about the scheme's related-party transactions.

### Changes to trade allocation, execution and proxy voting policies

There have not been changes to the fund's proxy voting policy in the past three months. See <http://www.grosvenorkiwisaver.co.nz/media/11306/proxy-vote-philosophy.pdf> for more information about this policy. The fund does not have trade allocation and execution policies.

### Changes to valuation methods

There have not been changes to the fund's valuation methods in the past three months.

### 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/11842/kss10026-015-qdsmarch2015-of.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 1.15% p.a. calculated daily as a percentage of the net asset value of the fund and deducted each month.

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.
7. Other covers alternative assets, being asset classes not usually accessed by retail investors, such as private equity, venture capital and hedge funds. In particular, it covers the fund's investment in the Nikko AM Wholesale Option Fund, which invests in short-term fixed interest investments, which are used as security for issuing derivatives (selling put and call options contracts).

## 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



David Beattie  
Authorised Signatory

23 April 2015