

Quarterly Disclosure Statement for 1 October 2014 to 30 September 2015

# Grosvenor KiwiSaver Scheme Capital Guaranteed Fund

## What is the purpose of this statement?

This statement provides key information about the **Grosvenor KiwiSaver Scheme Capital Guaranteed 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 Capital Guaranteed Fund aims to provide savers with a relatively consistent investment performance, subject to a capital guarantee, 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 1.5% per annum above inflation (as measured by Statistics New Zealand's Consumer Price Index) over rolling five year periods.

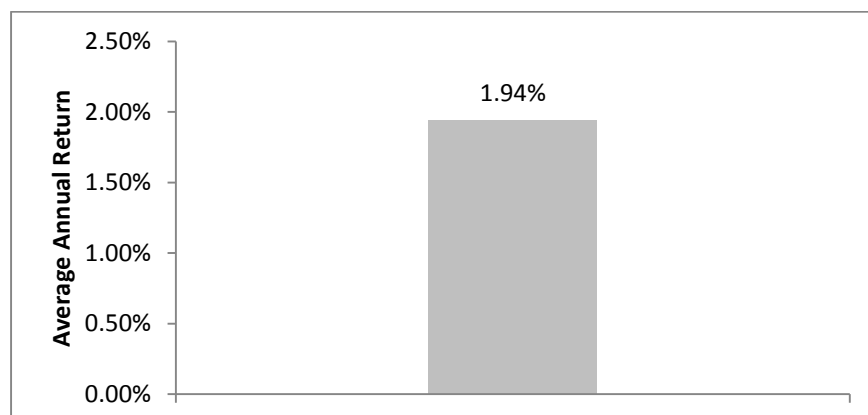
Total value of the fund	\$42,001,446
Number of members in the fund	12,163
Date the fund started	1 July 2014

## How has the fund performed?

	Past year
<b>Return</b> (after deductions for fund fees and tax <sup>1</sup> )	1.84%

## 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 average annual return since the fund started. The return is after fund fees and tax. 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>2</sup>. These fees were last totalled up for the twelve month period to 30 September 2015 and were:

<b>Total fund fees<sup>3</sup></b>	<b>0.80% of members' investments</b>
Which are made up of:	
Annual management fee	0.72%
Performance-based fees	0.00%
Other fees and costs	0.08%

Members were also charged **membership fees**<sup>4</sup> of \$36.00 for the twelve month period to 30 September 2015<sup>5</sup>.

Members may also be charged fees for specific actions or decisions (e.g. account closure fee). See <http://grosvenorkiwisaver.co.nz/media/12353/gks-investment-statement-sept-2015.pdf> for more information about these fees.

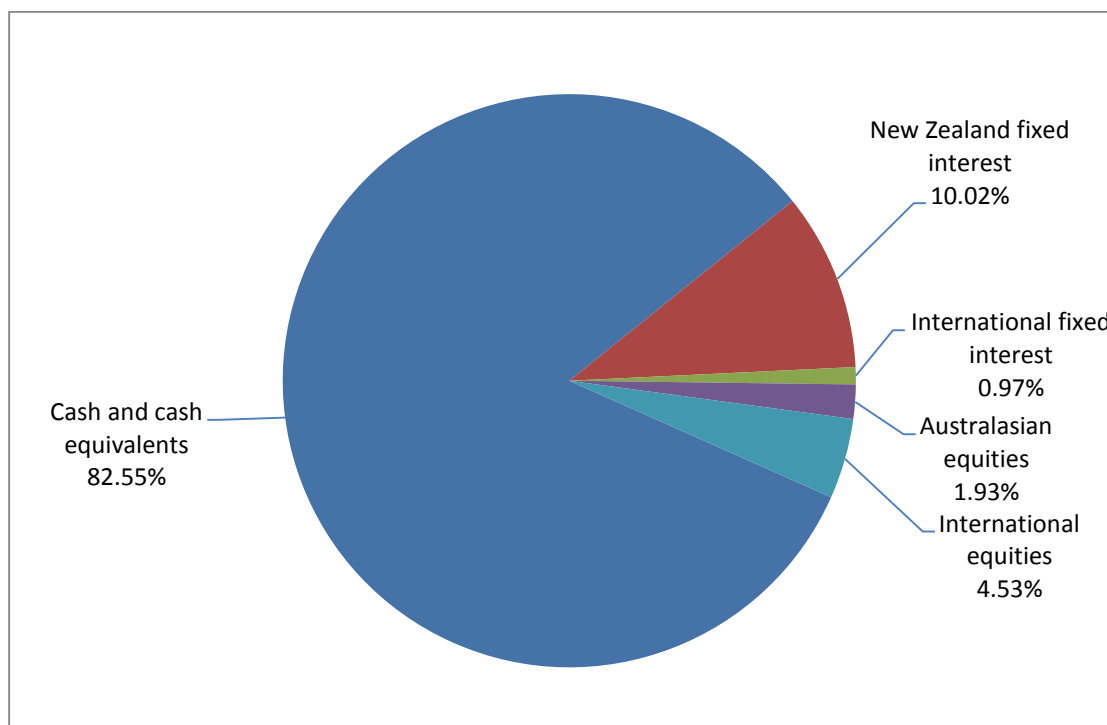
## Example of how this applies to a member

Mr Smith had \$10,000 in the fund at the start of the year and didn't make any further contributions. At the end of the year, Mr Smith received a return after fund fees and tax were deducted of \$184.00 (that's 1.84% of his initial \$10,000). Mr Smith also paid \$36.00 in membership fees. This gives Mr Smith a total return of \$148.00 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	60.00%
New Zealand fixed interest	12.50%
International fixed interest	12.50%
Australasian equities	5.00%
International equities	10.00%

## Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	ANZ Term Deposit 02/10/2015	8.49%	Cash and cash equivalents	New Zealand	AA-
2	Kiwibank Term Deposit 11/12/2015	7.48%	Cash and cash equivalents	New Zealand	A+
3	BNZ Term Deposit 11/01/2016	4.97%	Cash and cash equivalents	New Zealand	AA-
4	Westpac Bank Bill 11/12/2015	4.91%	Cash and cash equivalents	New Zealand	AA-
5	BNZ Term Deposit 04/02/2016	4.33%	Cash and cash equivalents	New Zealand	AA-
6	ANZ Term Deposit 26/11/2015	3.75%	Cash and cash equivalents	New Zealand	AA-
7	ANZ Term Deposit 27/01/2016	3.72%	Cash and cash equivalents	New Zealand	AA-
8	ASB Bank Bill 30/10/2015	3.69%	Cash and cash equivalents	New Zealand	AA-
9	ASB Enhanced Bank Bill 17/12/2015	3.67%	Cash and cash equivalents	New Zealand	AA-
10	Westpac Bank Bill 30/10/2015	3.38%	Cash and cash equivalents	New Zealand	AA-

The top 10 investments make up 48.39% 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
David Beattie	CIO and Joint CEO, Grosvenor Financial Services Group	14 years, 10 months	CIO, Westpac Financial Services	10 years, 2 months
Nic Craven	Research Manager, Grosvenor Financial Services Group	1 year, 5 months	Senior Advisor, MBMG Capital Partners	8 months
Allan Yeo	Managing Director, Grosvenor Financial Services Group	17 years, 3 months	Associate Director, Barclays Bank plc	2 years
Rowan Calvert	Senior Equity Analyst, Grosvenor Financial Services Group	5 years, 2 months	Surveillance Analyst, New Zealand Exchange	4 years, 10 months
Conrad Wong	Fixed Interest Analyst, Grosvenor Financial Services Group	4 years, 7 month		

## 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://grosvenorkiwisaver.co.nz/media/12803/kss10026-011-qdssept2015-cgf.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.
2. 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).
3. The fund first starting accepting contributions on 1 July 2014. The basis for calculating Total Fund Fees for the purpose of this disclosure statement is materially different to the Total Fund Fees shown in the fund's Annual Disclosure Statement which was for the nine month period from 1 July 2014 to 31 March 2015. The fund fees disclosed are based on fund fees charged during the twelve month period from 1 October 2014 to 30 September 2015.
4. Membership fees are the fixed dollar charges for membership in the KiwiSaver scheme. From 18 September 2015, this fee will not be charged unless the balance of the member's account is greater than \$500.
5. The basis for calculating Membership fees for the purpose of this disclosure statement is materially different to the Membership fees shown in the Annual Disclosure Statement which was for the nine month period from 1 July 2014 to 31 March 2015. The Membership fees disclosed are based on fees charged during the twelve month period from 1 October 2014 to 30 September 2015.

## 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 light grey rectangular background.

David Beattie  
Authorised Signatory

21 October 2015