



ANNUAL REPORT 2013



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TRUSTEES

Appointed by the New Zealand Fire Service Commission

Angela Foulkes
Peter Harris
Keith Taylor – until 28 March

Appointed by the New Zealand Professional Firefighters Union

Denis Fitzmaurice
Stephen Warner
Ian Wright

Independent Trustee appointed by the Trustees

Tim McGuinness

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ADMINISTRATION

Accountant

Kendons Chartered Accountants Ltd

Administration Manager

Mercer NZ Ltd

Auditor

Deloitte

Investment Consultant

Russell Investment Group Limited

Investment Managers

AMP Capital Investors Ltd
Direct Capital Ltd
Harbour Asset Management Limited
New Zealand Assets Management Ltd
OnePath (NZ) Ltd
Russell Investment Group Limited

Scheme Secretary

Barry Dent

Solicitor

DLA Phillips Fox

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This Report has been produced by the Trustees to provide you with an understanding of how the scheme has operated over the twelve months to 31 March 2013. It should be read in conjunction with the scheme's Investment Statement and the information available at www.firesuper.co.nz



Steve Warner
Chairman of Trustees

The Trustees are pleased to bring you this Annual Report of your Superannuation Scheme. This report covers the year to the 31st March 2013. During this year the Scheme's returns have been in line with market conditions. Comparisons with similar schemes and KiwiSaver show the scheme to be very competitive both in their returns and costs to members.

The returns reported here are exceptional literally as well as technically, literally by the fact that they are very good and technically because returns fall more in line with the risk profiles of each Member Choice Option than they have in the past. It is always good to report on a good year but we need to remind ourselves that as recent years have shown investment markets right now are very volatile and we should expect good and bad years going forward.

This year the Trustees reviewed their provider for investment advice. After very detailed consultation the decision was made to change from Melville Jessup Weaver to Russell Investments. Since the change over the Trustees have worked with Russell's to update the schemes Statement of Investment Policies and Objectives (SIPO) and to clarify the schemes investment outlook. This work is on-going.

Work is still progressing on some of the matters raised in

the report on the Scheme carried out by Peter Harris. During this year questionnaires were sent to all members and focus groups organised to obtain feedback from them. I would like to thank members who responded to the questionnaire and participated in the focus groups and interviews that were part of this process. Without your participation Trustees would be unable to respond to your concerns.

Matters raised by members in these forums will be actioned by the Trustees in due course.

I would like to thank my fellow Trustees and the contractors employed by the scheme for their continued efforts during the year. In closing I would recommend that you read this report. It contains very important information for you regarding your retirement savings.

Steve Warner

Chairman of Trustees



Cash Investment Choice interest credited after expenses and tax (%)	2.16
Conservative Investment Choice interest credited after expenses and tax (%)	6.66
Balanced Investment Choice interest credited after expenses and tax (%)	11.07
High Growth Investment Choice interest credited after expenses and tax (%)	13.38
New Members	65
Total Members	1759
New contributions (million)	\$ 15.542
Benefits paid (million)	\$ 18.135

Scheme net assets (million)

01 April 2012	\$ 289.453
31 March 2013	\$ 314.059



Setting the Objectives

In managing your money, Trustees start by forming a set of investment choices that provide members with distinct options for the type of investments they wish to be invested in. These choices range from a low risk “cash” type option through to a higher risk option.

Investments in less risky assets tend to be in cash or in bonds, what are termed “income” assets. The expectation is that there will be less volatility – both up and down – in the capital value of the assets. Investments in more risky assets tend to be in property or in shares. These are known as “growth” assets, because there is an expectation that returns will also come from capital gains, but at the same time there is a risk of capital losses.

To help members understand the trade-off between the expected return and risks with each of the options, the Trustees set investment objectives for each of them. These objectives vary across each member investment choice option. In general, as investors seek to achieve higher returns, they need to take on more risk, which means that the chances of negative returns also increase.

Our objectives are set in relation to changes in consumer prices, because at the end of the day the thing that matters is how your retirement savings have performed in relation to what any given amount of money will buy.

The more we strive to “beat” the Consumers Price Index (CPI), the greater the risk, so we set those objectives over longer time frames to allow for bad years as well as good. The objectives are based on what our Investment Consultant currently believes are the best estimates looking ahead for the returns and risks from investing in the various asset classes.

Currently, our objectives, after deducting fees, administration expenses and tax, for the Member Investment Choice options are:

High Growth:

CPI plus 4% per annum over ten years

Balanced:

CPI plus 3% per annum over five years

Conservative:

CPI plus 1.5% per annum over three years

Cash:

CPI plus 0.25% per annum over three years

A review of how these choice options have performed over the last four years is set out on page 9.

Allocating the Assets

Having formed the investment choices and set the objectives, we take advice from our professional Investment Consultant as to what specific allocation of assets between cash, bonds, property and equities best aligns the risk involved with the return sought.

The percentage in each asset category will vary within each Member Investment Choice option. Where appropriate, assets are also allocated between domestic and global holdings to again get the best anticipated mix of risk and return.

The differences between the asset allocation of the four investment choice options are illustrated below:

Option	Cash (%)	Income earning assets (%)	Shares (%)	Property (%)
Cash	100	0	0	0
Conservative	35	45	20	0
Balanced	5	36.5	48.5	10
High Growth	0	15	65	20



We review the combined performance of the assets within each investment choice to see if, in aggregate, we have outperformed what might have been earned by just investing in the various assets passively. This is an overall test of how our managers are doing.

Appointing the Managers

Again, on professional advice, we engage managers for the different asset types. The performance of each individual manager is regularly assessed against a “benchmark” that is relevant to the class of asset they are investing in. For example, if a manager is investing in global equities, their benchmark will be a margin against a relevant global share index measure.

The managers who invest assets for the scheme are:

- AMP Capital Investors** – Australasian shares, Global shares and NZ Property
- Direct Capital Partners** – New Zealand unlisted shares
- Harbour Asset Management** – Australasian shares
- New Zealand Assets Management** – Global shares
- OnePath** – New Zealand Cash and bonds and Global Property
- Russell Investment Group** – Global Bonds.

We review the performance of each manager each quarter, meet them face to face once a year, or more often if necessary, and can change managers if we think that is in the best interest of members.

With that background, this report now sets out:

- The performance of each Member Investment Choice option during the year.
- How assets were allocated within those choices.

In setting the scene for scheme performance this year and the variation across the investment choices it is worth noting the most significant factors that influenced the returns were:

- Growth assets such as Australasian sharemarkets and global property had stellar years with gross performance well over 20%.

- Growth assets such as global sharemarkets and New Zealand property performed very well with gross performance between 10 and 20% but the global sharemarket performance was partially offset by an increase in the New Zealand Dollar of around 4% over the year which meant any unhedged international investments were negatively affected.
- Income assets such as New Zealand and global fixed interest had a gross performance of between 6 and 8%. New Zealand cash had a gross performance of less than 3%.

This year higher risk was rewarded with higher returns as expected, which is the reverse of last year.





Cash Investment Choice

This option returned 3.47% before and 2.16% after tax and expenses for the year.

The gross performance of 3.47% is in excess of the gross benchmark of 2.69% for cash assets.

	Benchmark allocation (%) at 31 March 2013	Actual allocation (%) at 31 March 2013
Income assets		
Cash	100	100
Assets under management (\$ million)		
		37.509
Gross performance (%)	Benchmark	Option
	2.69	3.47

The administration and investment expenses for this Choice were 0.36%.

Conservative Investment Choice

This option returned 9.25% before and 6.66% after tax and expenses for the year.

The gross performance of 9.25% is in excess of the gross benchmark of 7.51% for this option. It is also in excess of the KiwiSaver Median Return of 8.9% for funds with similar asset allocation.

	Benchmark allocation (%) at 31 March 2013	Actual allocation (%) at 31 March 2013	
Growth assets			
Australasian Shares	5.0	6.8	
Global Shares	15.0	14.5	
Income assets			
New Zealand Bonds	15.0	14.7	
Global Bonds	30.0	29.8	
New Zealand Cash	35.0	34.2	
Assets under management (\$ million)			
		29.828	
Gross performance (%)	Benchmark	Option	KiwiSaver Median Return
	7.51	9.25	8.9

The administration and investment expenses for this Choice were 0.59%.

Balanced Investment Choice

This option returned 14.28% before and 11.07% after tax and expenses for the year.

The gross performance of 14.28% is above the gross benchmark of 12.85% for this option. It is also in excess of the KiwiSaver Median Return of 11.6% for funds with similar asset allocations.

	Benchmark allocation (%) at 31 March 2013	Actual allocation (%) at 31 March 2013	
Growth assets			
Australasian Shares	13.5	15.3	
Global Shares	35.0	34.4	
NZ Property	5.0	4.9	
Global Property	5.0	5.5	
Income assets			
New Zealand Bonds	12.0	11.6	
Global Bonds	24.5	24.1	
NZ Cash	5.0	4.2	
Assets under management (\$ million)			
		224.921	
Gross performance (%)	Benchmark	Option	KiwiSaver Median Return
	12.85	14.28	11.6

The administration and investment expenses for this Choice were 0.80%.

High Growth Investment Choice

This option returned 16.84% before and 13.38% after tax and expenses for the year.

The gross performance of 16.84% is greater than the gross benchmark of 16.08% for this option. It is also in excess of the KiwiSaver Median Return of 13.6% for funds with similar asset allocations.

	Benchmark allocation (%) at 31 March 2013	Actual allocation (%) at 31 March 2013	
Growth assets			
Australasian Shares	20.0	21.7	
Global Shares	45.0	44.3	
NZ Property	10.0	9.9	
Global Property	10.0	10.5	
Income assets			
NZ Bonds	5.0	4.4	
Global Bonds	10.0	9.2	
Assets under management (\$ million)		21.801	
Gross performance (%)	Benchmark	Option	KiwiSaver Median Return
	16.08	16.84	13.6

The administration and investment expenses for this Choice were 0.89%.





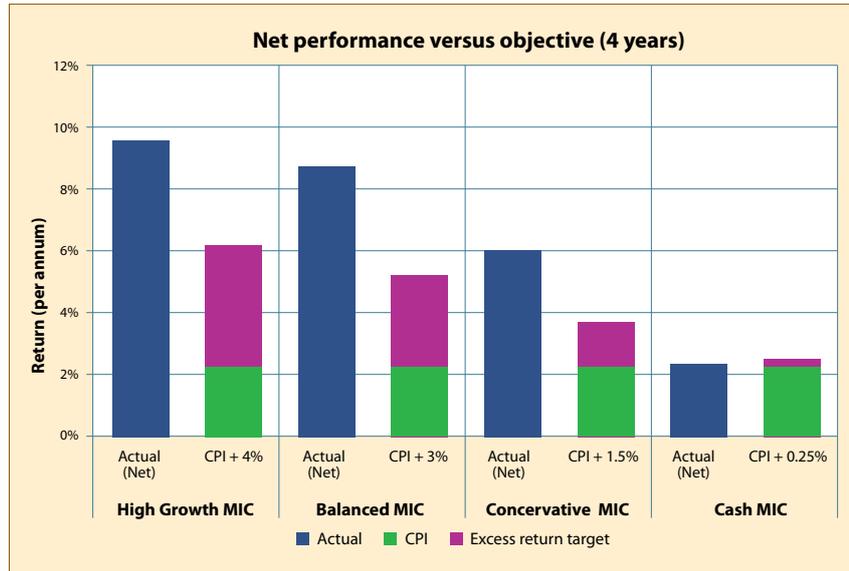
How has the Scheme performed?

The Trustees maintain a Statement of Investment Policies and Objectives (SIPO) that summarises key investment policies, the investment objectives for the various investment options and the performance expected from each investment manager compared to the most relevant benchmark index.

The current Investment Objectives from the SIPO follow as does progress towards achieving them:

Overall long term performance

Measured after the deduction of investment fees and tax.



The increase in GST to 15% in October 2010 had the effect of a one-off increase in the CPI of 2.25% at the time. The effects of the GST increase will take a number of years to work through the system.

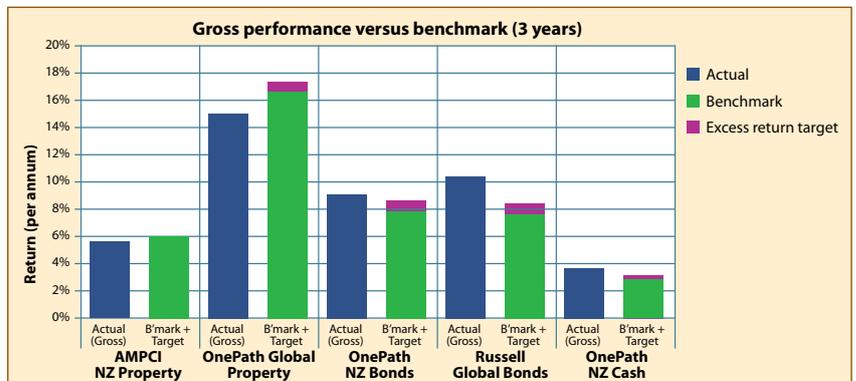
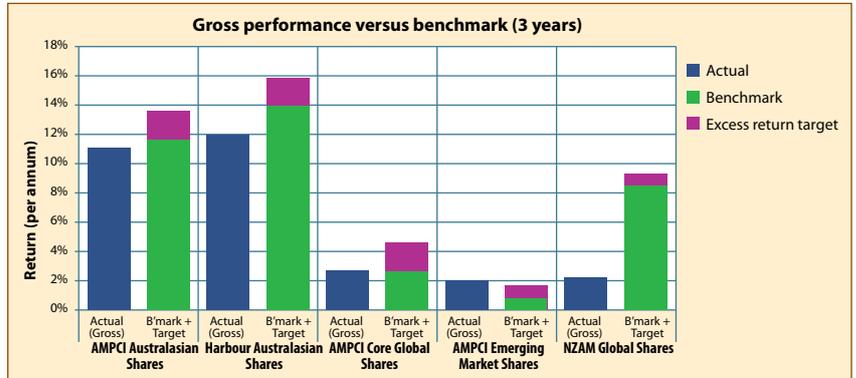
Each Member Investment choice has exceeded the benchmark over the last four years apart from the Cash option. The Cash option performance has improved since last year.

A reporting period of four years is used this year while performance data for the High Growth, Conservative and Cash options since their inception in October 2008 is gathered.



Individual Manager Performance compared to Benchmark

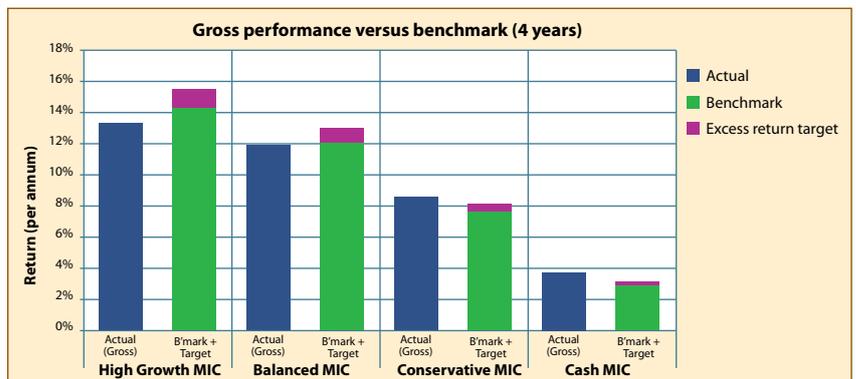
Measured before the deduction of investment fees and tax. The measurement period is rolling 3 years.



The manager performance for growth assets – shares and property – has been below the benchmark and the Trustees set target over the three year period. The manager performance for income assets – bonds and cash – has been in excess of the benchmark and the Trustees set target over the three year period.

Investment Choice Performance compared to Benchmark

Measured before the deduction of investment fees and tax. The measurement period is rolling 4 years.



Over the period the gross performance for the High Growth and Balanced options have failed to meet the established targets, however the Conservative and Cash options have.

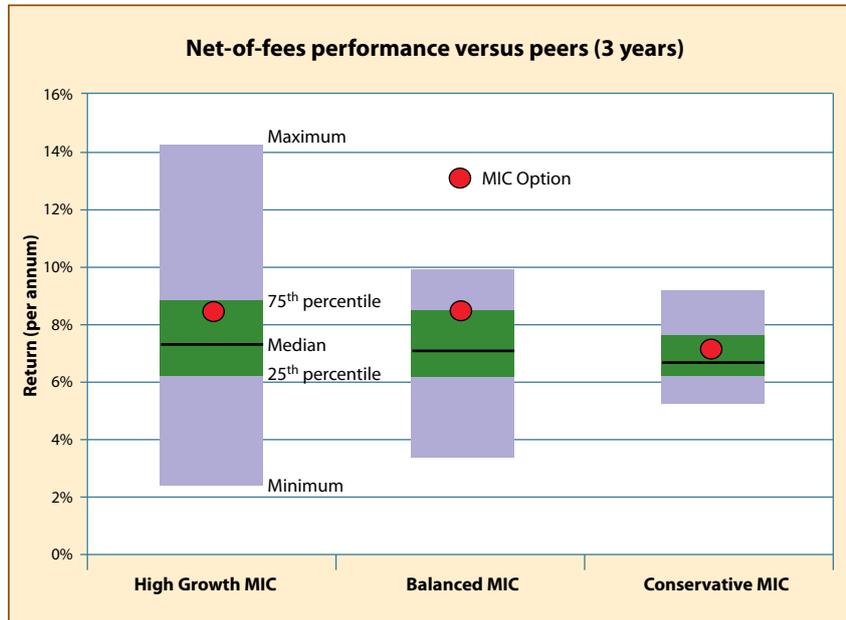
A reporting period of four years is used this year while performance data for the High Growth, Conservative and Cash options since their inception in October 2008 is gathered.



Performance compared to KiwiSaver Funds

Measured after the deduction of investment fees but before the deduction of administration expenses and tax. Compared to funds within ±5% growth asset allocation. The measurement period is rolling 3 years.

The performance of all three investment choice options compared to the scheme's peers is very satisfactory.



Investment Configuration

There were few changes made during the year to the investment configuration.

After a review of the Investment Adviser, Trustees appointed the Russell Investment Group as the scheme's Investment Consultant to replace Melville Jessup Weaver from 01 July 2012. The Russell Investment Group, in a review of the then Statement of Investment Policies and Objectives (SIPO), advised there were no areas that required urgent attention. Trustees then commenced a review of the SIPO which was almost complete by 31 March. This review has identified Trustee's investment beliefs, covered various currency hedging possibilities and identified potential new asset classes for investment.

In September 2012 all investments in the OnePath High Yield Bond Fund were transferred to the OnePath High Grade Bond Fund as OnePath closed down the High Yield Fund.

During the year AMP Capital Investors advised of slight reductions in investment fees charged to some of the funds the scheme invests into.

In December 2012 Trustees commenced a review of the Global Shares mandate. At 31 March the review was almost complete.

At year's end the investment in Direct Capital totaled \$2,215,424 of a committed capital contribution of \$5.0 million on behalf of the Balanced Member Investment Choice option. Direct Capital manages a fund that invests in a mix of smaller unlisted private companies in New Zealand.

The Trustees have maintained a close watch on the scheme's investments and sought regular advice from the Investment Consultant. Trustees are satisfied that a good level of liquidity is maintained at all times to meet any cash flow requirements the scheme may have.



Trustees

Trustees met on eight occasions during the year.

New Zealand Fire Service Commission Report into FireSuper

As reported last year there were four recommendations where scheme Trustees had an ability to influence changes. They were:

- The Composition of the Trustee Board,
- Performance comparatives with KiwiSaver,
- Review of the Investment Adviser, and the
- Development of a Communications Strategy.

Recommendations set out in the last three recommendations above have been implemented. In the case of the composition of the Trustee Board, Trustees are awaiting upcoming legislation prior to finalising action on this recommendation.

Trustees have developed a policy related to access to Member Accumulations whilst remaining a Member of the scheme and have provided this to the New Zealand Fire Service Commission.

The Costs

Administration expenses and investment management fees for the year totaled \$ 2.19 million, up from last year, as a result of all investment management fees paid to Investment Managers being able to be included in this year's Financial Statements and the growth of funds under management during the year. Administration expenses were also up this year because of the first payment of a Financial Markets Authority – FMA – Levy having to be paid.

Some investment managers deduct fees from inside their Investment Funds. Others directly bill the scheme for fees in accordance with their Investment Management agreements. Since 2010, in the interest of transparency, Trustees have developed and enhanced a process to include both types of investment fees we pay in the expenses section of the scheme's financial statements. This is the first full year of disclosure of all these fees paid by the scheme.

The Trustees use an international method of measuring and comparing these expenses from year to year known as the 'Management Expenses Ratio' (MER). This ratio shows the level and trend in scheme expenses for investment and administration compared against the total funds being managed. The MER comparison over the last four years is shown below:

To 31 March	Investment	Administration	Total
	MER (%)	MER (%)	MER (%)
2013	0.545	0.181	0.726
2012	0.461	0.200	0.661
2011	0.496	0.208	0.704
2010	0.574	0.217	0.791

When you compare these costs to retail savings products in the market place the scheme's costs are significantly lower.

Scheme Administration

Mercer continued to administer the scheme dealing with day to day enquiries through the HelpLine from their call centre in Melbourne.

Carrie Talbot continues to administer the scheme in a very professional manner.

134 Members made elections to change their Member Investment Choice options during the year.

The Mercer web site was updated a number of times during the year which improved the functionality for Members.

As a result of an error, incorrect interim interest rates were credited to Accumulations in July 2012. The incorrect rates were reversed and the correct rates were applied in September and backdated to July.

An ambiguity in the Trust Deed related to a Member's 'Normal Retirement Date' was identified during the year. Trustees resolved to apply benefit payments in an identical manner to that which had applied since the scheme's inception and to amend the Trust Deed in due course.



Significant Financial Hardship Benefit – Canterbury Earthquakes

An amendment to the Trust Deed in March 2012 permitted Trustees to pay such benefits provided Members met all the criteria established. Trustees set up a Sub Committee of Steve Warner and Peter Harris to deal with the applications received and twelve applications totaling \$ 446 400 were approved.

Legislation

This year has seen a number of future changes to KiwiSaver identified. Changes to KiwiSaver invariably also mean changes to the scheme’s Complying Fund – our KiwiSaver equivalent inside the scheme. Changes have been outlined to Members in SuperNews.

During the year work was completed to ensure compliance with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT) by the operative date of 30 June 2013.

The eventual passing of the Financial Markets Conduct Bill later in 2013 will have a significant effect on how the scheme will operate going forward.

Disputes

One Complaint was received during the year and resolved in accordance with the Disputes Resolution Procedure and within the time frame set out in it.

The Disputes Resolution Procedure is set out inside the back cover of this Report.

Financial Services Complaints Limited (FSCL) continues to administer the Dispute Resolution Scheme on behalf of the Trustees. No Complaints/Disputes were escalated to FSCL during the year.



Privacy Issues

The scheme’s Privacy Officer reported that the scheme had complied with the Privacy Act and its principles throughout the year. No complaints related to privacy issues were received during the year.

Voluntary Contributions

During the year the scheme received voluntary contributions totaling \$97,712. Thirty Members made voluntary contributions to the scheme in excess of their normal contributions.

PRI Membership



The scheme continued its policy of having adopted the United Nations Principles of Responsible Investing (UNPRI) during the year.

Membership

The number of Members of the scheme decreased slightly during the year. A breakdown of the Membership changes for the year follows:

Members at 01 April 2012	1772
New Members	80
Members leaving	
Death	0
Dismissal	0
Loss of medical/physical fitness	7
Resignation	50
Retirement	32
Retrenchment	4
Subtotal	93
Members at 31 March 2013	1759

There were 53 deferred Members of the scheme at 31 March 2013.



CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2013

		2013	2012
		\$	\$
Investment and Administration Activities			
Investment Revenue	Note 1	34,651,222	9,187,746
Investment Expenses		<u>(1,645,515)</u>	<u>(861,200)</u>
Net Investment Revenue		33,005,707	8,326,546
Administration Expenses	Note 2	<u>(545,484)</u>	<u>(455,041)</u>
Change in Net Assets Before Taxation and Membership Activities		32,460,223	7,871,505
Taxation Expense		<u>(5,260,668)</u>	<u>(4,815,399)</u>
Change in Net Assets After Taxation		<u>27,199,555</u>	<u>3,056,106</u>
Membership Activities			
Contributions:			
Transfers In		-	-
Members	6,233,085	-	6,004,922
Lump Sum	97,711	-	45,249
Employer	9,090,276	-	8,893,286
FSC Reimbursement	120,633	-	131,709
		<u>15,541,705</u>	<u>15,075,166</u>
Withdrawals, Retirements and Other Benefits		<u>(18,135,307)</u>	<u>(12,086,487)</u>
Net Contributions Received		<u>(2,593,602)</u>	<u>2,988,679</u>
Liability for Promised Benefits			
Liability for Promised Benefits at Beginning of Year		289,453,111	283,408,326
Net Increase in Net Assets After Taxation		27,199,555	3,056,106
Net Contributions Received		<u>(2,593,602)</u>	<u>2,988,679</u>
Liability for Promised Benefits at End of Year		<u>314,059,064</u>	<u>289,453,111</u>
Represented as at 31 March by:			
Member Accounts		130,120,495	118,887,160
Employer Accounts		183,938,569	170,565,951
Reserve Account		-	-
Liability for Promised Benefits		<u>314,059,064</u>	<u>289,453,111</u>
NET ASSETS AS AT 31 MARCH 2013			
Assets			
Cash		153,798	321,763
Investments:			
Short Term Securities	57,554,066	-	59,192,606
New Zealand Fixed Interest	31,056,009	-	29,256,321
Offshore Fixed Interest	64,621,815	-	59,401,751
New Zealand Equities	19,503,353	-	15,446,441
Offshore Equities	112,992,673	-	101,054,103
Property	28,036,349	-	24,569,988
		<u>313,764,265</u>	<u>288,921,210</u>
Receivables	287,645	<u>287,645</u>	<u>584,740</u>
Total Assets		<u>314,205,708</u>	<u>289,827,713</u>
Less:			
Payables	56,428	-	348,245
Tax Payable	-	-	26,357
Deferred Tax Liability	90,216	<u>146,644</u>	<u>374,602</u>
Net Assets Available to Pay Benefits at End of Year		<u>314,059,064</u>	<u>289,453,111</u>

NOTES FOR THE YEAR ENDED 31 MARCH 2013

	2013	2012
	\$	\$
Note 1: Investment Revenue		
Interest	20,753	19,390
Dividends	3,122,707	2,794,913
Change in Net Market Value of:		
New Zealand Fixed Interest	4,353,821	4,694,277
Offshore Fixed Interest	4,502,146	3,766,674
New Zealand Equities	3,306,057	(761,368)
Offshore Equities	15,239,442	(2,542,297)
Property	4,106,296	1,216,157
	<u>31,507,762</u>	<u>6,373,443</u>
Total Investment Revenue	<u>34,651,222</u>	<u>9,187,746</u>
Note 2: Administration Expenses		
Accountancy Fees	13,244	10,373
Administration Fees	268,636	237,497
Audit Fees	17,825	18,250
Legal Fees	47,367	49,422
Levies	40,092	-
Printing & Stationery	20,119	11,350
Tax Consultancy Fees	69,420	44,936
Trustees Fees & Expenses	66,082	81,329
Other Administration Fees	2,699	1,884
	<u>545,484</u>	<u>455,041</u>
Summary of Cash Flows		
Net Cash Flows from Operating Activities	(1,941,246)	3,126,692
Net Cash Flows from Investing Activities	1,773,281	(2,855,916)

SUMMARY FINANCIAL STATEMENTS

Presented on pages 14 and 15 are the Summary Financial Statements of the New Zealand Fire Service Superannuation Scheme, a profit-oriented entity, for the year ended 31 March 2013, which were extracted from the full Financial Statements which comply with the New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and with International Financial Reporting Standards ('IFRS'). The full Financial Statements were authorised for issue by the Trustees on 23 May 2013.

An unmodified audit report was issued for the full Financial Statements on 23 May 2013.

As the summary Financial Statements do not include all the disclosures that are in the full Financial Statements, it cannot be expected to provide as complete an understanding of the change in net assets, net assets and cash flows of the scheme as provided by the full Financial Statements. These summary Financial Statements are in compliance with FRS-43: Summary Financial Reports.

The full Financial Statements are available to Members from the scheme Secretary at no charge from:

The Secretary to the Trustees

New Zealand Fire Service Superannuation Scheme
PO Box 36287
Merivale
CHRISTCHURCH 8146.





Report on the Summary Financial Statements

The accompanying summary financial statements of New Zealand Fire Service Superannuation Scheme (the Scheme) on pages 14 and 15, which comprise the summary statement of net assets as at 31 March 2013, and the summary statement of changes in net assets and summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of New Zealand Fire Service Superannuation Scheme for the year ended 31 March 2013. We expressed an unmodified audit opinion on those financial statements in our report dated 23 May 2013.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Scheme.

This report is made solely to the Scheme's members, as a body, for the purpose of expressing an opinion on the summary financial statements for the year ended 31 March 2013. Our audit has been undertaken so that we might state to the Scheme's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme's members as a body, for our audit work, for this report, or for the opinions we have formed.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation of a summary of the audited financial statements, in accordance with FRS-43: Summary Financial Statements.

Auditor's Responsibilities

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 Engagements to Report on Summary Financial Statements.

Other than in our capacity as auditor and the provision of taxation advice, we have no relationship with or interests in New Zealand Fire Service Superannuation Scheme.

Opinion

In our opinion, the summary financial statements are correctly extracted from the audited financial statements of the Scheme for the year ended 31 March 2013 and are consistent, in all material respects, with those financial statements, in accordance with FRS-43.

Chartered Accountants
23 May 2013
Wellington, New Zealand.

This audit report relates to the summary financial statements of the New Zealand Fire Service Superannuation Scheme for the year ended 31 March 2013 included on the New Zealand Fire Service Superannuation Scheme's website. The Board of Trustees is responsible for the maintenance and integrity of the New Zealand Fire Service Superannuation Scheme's website. We have not been engaged to report on the integrity of New Zealand Fire Service Superannuation Scheme website. We accept no responsibility for any changes that may have occurred to the summary financial statements since they were initially presented on the website. The audit report refers only to the summary financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/ from these summary financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited summary financial statements and related audit report dated 23 May 2013 to confirm the information included in the audited summary financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements and summary financial statements may differ from legislation in other jurisdictions.

In accordance with the reporting requirements of the Superannuation Schemes Act 1989 the Trustees:

- Confirm that all contributions required to be made to the scheme in accordance with the Trust Deed for the year ended 31 March 2013 have been made.
- Certify that all the benefits required to be paid from the scheme in accordance with the Trust Deed for the year ended 31 March 2013 have been paid.
- Certify that the market value of the assets of the scheme as at 31 March 2013 equaled or exceeded the total value of all benefits that would have been payable had all Members ceased to be Members at that date.
- Confirm there have been no amendments to the Trust Deed of the scheme during the year ended on 31 March 2013.
- Confirm the interim interest rates for the Member Investment Choice options that applied from 01 April 2012 to 31 March 2013 were:

Interest rates (%)	Cash Option	Conservative Option	Balanced Option	High Growth Option
April	+0.18	+0.25	+0.12	+0.11
May	+0.20	+0.14	-1.01	-1.96
June	+0.13	-0.03	-0.14	-0.16
July	+0.17	+0.70	+1.05	+1.19
August	+0.21	+1.04	+1.90	+2.44
September	+0.17	+0.86	+1.27	+1.52
October	+0.17	+0.49	+0.84	+1.07
November	+0.18	+0.72	+1.17	+1.43
December	+0.19	+0.58	+1.08	+1.38
January	+0.17	+0.86	+2.27	+3.09
February	+0.16	+0.48	+0.84	+1.08
March	+0.19	+0.70	+1.28	+1.64

- Confirm the market value of assets subject to complying fund rules is \$ 2 128 082 these assets relate to 94 Members and the value of withdrawals subject to complying fund rules was nil.

In accordance with the Securities Act 1978 the Trustees confirm:

That no trustee, promoter, or manager of the scheme, or any director of that trustee, promoter, or manager has, during the last 5 years preceding the balance date, been adjudged bankrupt or insolvent, convicted of any crime involving dishonesty, prohibited from acting as a director of a company, or placed in statutory management or receivership.

None of the scheme's assets (calculated in accordance with generally accepted accounting practice) was, at any time during the year preceding the balance date, represented directly or indirectly by any securities that were issued by a trustee, manager or custodian of the scheme (or any associated person of any of them).

No legal proceedings or arbitrations were pending at the balance date that may have a material adverse effect on the scheme.

In their opinion, after due enquiry by them, that neither

- the value of the scheme's assets relative to its liabilities (including contingent liabilities);
- the ability of the scheme to pay its debts as they become due in the normal course of business

have materially and adversely changed since the balance date.

IF YOU HAVE A COMPLAINT – FOLLOW THIS PROCEDURE

1. Members, including deferred Members and pensioners, are advised that the Secretary to the Trustees, Barry Dent, is the named individual whom they should contact if they have any dispute or a complaint about the operation of the scheme. His contact details are set out inside the front cover.
2. In the case of a dispute or a complaint about the operation of the scheme he is to:
 - acknowledge receipt of the complaint,
 - check whether or not anonymity is requested and advise the Member whether or not that is likely to be practicable,
 - advise the Member when a substantive reply can be expected,
 - ensure that the Trustees are notified of the complaint,
 - ensure that the complaint is dealt with within 40 days following its receipt.
3. The Trustees have formed a sub-committee to handle complaints. Membership of the sub-committee is Angela Foulkes, Steve Warner and Barry Dent.
4. The sub-committee shall make a decision on all complaints received. If you are not satisfied with the decision you have the right to take an unresolved complaint to FSCL – Financial Services Complaints Limited – who have been selected as the scheme's Disputes Resolution Scheme provider.



5. The FSCL contact details are:

Website: www.fscl.org.nz

Email: info@fscl.org.nz

Freephone: 0800 347257

Telephone: (04) 472FSCL (472 3725)

Fax: (04) 472 3727

Postal Address: PO Box 5967
Lambton Quay
WELLINGTON 6145.

Comment:

- **Complaints about the rates of return of the scheme or the level of benefits provided in the Trust Deed.** These are not matters that would be expected to be dealt with by this procedure. Members are encouraged to write to the Secretary to the Trustees at any time to bring them to the attention of the Trustees.
- **Complaints of a clerical nature, such as contributions not being recorded correctly or personal details not being corrected.** These are not matters that would be expected to be dealt with by this procedure. Members should write to the Secretary to the Trustees immediately an error is detected in order that it can be corrected as soon as possible.
- **Complaints about failure to exercise a discretion by Trustees.** Members generally do not appreciate that Trustees can, at law, be required to consider whether or not to exercise a discretion, but cannot be compelled to exercise it. Complaints about the exercise or non-exercise of a discretion may be addressed under this procedure.
- **Complaints about employer actions or non-actions.** These are outside the scope of this procedure, but the Trustees intend to advise the employer of the nature and frequency of these complaints as necessary and at least on an annual basis.





New Zealand Fire Service Superannuation Scheme PO Box 36287, Merivale, CHRISTCHURCH 8146