

**SUPERANNUATION MASTER TRUST**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**SUPERANNUATION MASTER TRUST**  
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**For the year ended 30 September 2022**

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**SUPERANNUATION MASTER TRUST**  
**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
For the year ended 30 September 2022

	Notes	2022 \$000's	2021 \$000's
<b>INCOME</b>			
Dividend and distribution income		-	198
Interest income		52	13
Foreign exchange gains/(losses) on cash and cash equivalents		(52)	(9)
Net gains/(losses) on financial assets at fair value through profit or loss		<u>(28,675)</u>	<u>32,167</u>
<b>TOTAL INCOME</b>		<b><u>(28,675)</u></b>	<b><u>32,369</u></b>
<b>EXPENSES</b>			
Management fees	10	927	1,065
Other expenses		-	5
Insurance premiums		<u>18</u>	<u>25</u>
<b>TOTAL EXPENSES</b>		<b><u>945</u></b>	<b><u>1,095</u></b>
<b>NET PROFIT/(LOSS) BEFORE TAX</b>		<b>(29,620)</b>	31,274
Tax expense/(credit)		<u>-</u>	<u>-</u>
<b>NET PROFIT/(LOSS) AFTER TAX</b>		<b><u>(29,620)</u></b>	<b><u>31,274</u></b>
<b>MEMBERSHIP ACTIVITIES</b>			
<b>Contributions</b>			
Members' contributions		4,787	5,167
Members' PIE tax rebates		<u>1,065</u>	<u>169</u>
<b>Total Contributions</b>		<b><u>5,852</u></b>	<b><u>5,336</u></b>
<b>Withdrawals</b>			
Members' withdrawals		30,011	36,700
Members' PIE tax withdrawals		49	1,629
Administration fees	10	<u>4,776</u>	<u>5,446</u>
<b>Total Withdrawals</b>		<b><u>34,836</u></b>	<b><u>43,775</u></b>
<b>NET CONTRIBUTIONS/(WITHDRAWALS)</b>		<b><u>(28,984)</u></b>	<b><u>(38,439)</u></b>
<b>CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS</b>		<b><u>(58,604)</u></b>	<b><u>(7,165)</u></b>

These financial statements should be read in conjunction with the accompanying notes.

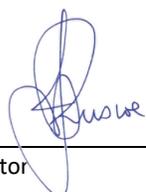
**SUPERANNUATION MASTER TRUST**  
**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS**  
As at 30 September 2022

	Notes	2022 \$000's	2021 \$000's
<b>ASSETS</b>			
Cash and cash equivalents	3	7,056	11,699
Financial assets at fair value through profit or loss	3	199,032	255,661
Receivables	3	<u>2,067</u>	<u>63</u>
<b>TOTAL ASSETS</b>		<u><b>208,155</b></u>	<u>267,423</u>
<b>LIABILITIES</b>			
Payables	4	519	1,057
Financial liabilities at fair value through profit or loss		<u>-</u>	<u>126</u>
<b>TOTAL LIABILITIES</b>		<u><b>519</b></u>	<u>1,183</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>		<u><b>207,636</b></u>	<u>266,240</u>
<b>VESTED BENEFITS</b>	5	<u><b>207,636</b></u>	<u>266,240</u>

For and on behalf of AMP Wealth Management New Zealand Limited (the Manager), who authorised the issue of these financial statements as at the date below:

  
\_\_\_\_\_  
Director

8/12/22  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Director

These financial statements should be read in conjunction with the accompanying notes.

**SUPERANNUATION MASTER TRUST**  
**STATEMENT OF CASH FLOWS**  
For the year ended 30 September 2022

	Notes	2022 \$000's	2021 \$000's
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest received		52	13
Sale/settlement of financial assets at fair value through profit or loss		52,083	43,557
Purchase of financial assets and settlement of financial liabilities at fair value through profit or loss		(26,242)	(3,355)
Expenses paid		(942)	(1,073)
Insurance premiums paid		(18)	(26)
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	8	<u>24,933</u>	<u>39,116</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Contributions received		5,878	5,809
Withdrawals paid		(35,402)	(43,977)
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		<u>(29,524)</u>	<u>(38,168)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(4,591)</b>	948
Cash and cash equivalents at the beginning of the year		11,699	10,760
Effect of exchange rate changes on cash and cash equivalents		(52)	(9)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<u><u>7,056</u></u>	<u><u>11,699</u></u>

These financial statements should be read in conjunction with the accompanying notes.

**SUPERANNUATION MASTER TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 September 2022**

**1. GENERAL INFORMATION**

These financial statements are for the Superannuation Master Trust (the Scheme) for the year ended 30 September 2022 (balance date).

The Scheme is registered under the Financial Markets Conduct Act 2013 (the FMCA) as a legacy superannuation scheme. The Scheme is a defined contribution scheme.

The purpose of the Scheme is to provide retirement benefits to Members. The Scheme is closed to new Members.

The Scheme is a profit-oriented reporting entity under XRB A1 - External Reporting Board Standard A1 'Application of the Accounting Standards Framework'.

The Scheme is currently governed by a Trust Deed dated 11 October 2016 between AMP Wealth Management New Zealand Limited (the Manager) and The New Zealand Guardian Trust Company Limited (the Supervisor).

The Manager of the Scheme is a wholly owned subsidiary of AMP New Zealand Holdings Limited. The Manager's ultimate holding company is AMP Limited, a company incorporated in Australia. The Manager is incorporated and domiciled in New Zealand. The registered office of the Manager is located at Level 19, AON Centre, 29 Customs Street West, Auckland.

The Scheme is comprised of various funds (the Funds). Notwithstanding the division of the Scheme into Funds, the Scheme comprises a single trust fund with the value of the Members' interests in the Scheme determined by reference to the value of the units they hold in the Funds.

The Funds as at 30 September 2022 were as follows:

Diversified Funds

AMP Conservative Fund  
AMP Balanced Fund  
AMP Growth Fund

Single Sector Funds

AMP Cash Fund  
AMP NZ Fixed Interest Fund (formerly AMP Capital NZ Fixed Interest Fund)  
AMP Global Fixed Interest Fund  
ANZ International Property Fund (formerly AMP Capital Listed Global Property Fund)  
ANZ Australasian Property Fund (formerly AMP Capital Listed Australasian Property Fund)  
AMP Australasian Shares Fund  
AMP Australasian Shares Fund No. 2  
AMP International Shares Fund No. 2 (formerly AMP Capital International Shares (Growth))  
AMP International Shares Fund  
AMP International Shares Fund No. 3 (formerly AMP Capital International Shares (Value))  
AMP UK Cash Fund

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies that materially affect the financial statements are set out below.

### **(a) Basis of preparation**

These financial statements have been prepared in accordance with the Trust Deed governing the Scheme, the FMCA and New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), International Financial Reporting Standards (IFRS), and other applicable financial reporting standards as appropriate for profit-oriented entities.

The following accounting policies have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of certain financial assets and liabilities at fair value through profit or loss. The going concern assumption has been applied.

The Statement of Net Assets Available for Benefits is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

### **(b) Investment entities**

The Scheme meets the definition of an investment entity, but does not control any of its underlying investments.

The Manager determined that the Scheme met the definition of an investment entity by considering the number of Members in the Scheme, the Scheme's business purpose which is to generate a return to Members from capital appreciation and that substantially all of the Scheme's financial assets are measured and evaluated on a fair value basis.

### **(c) Currency**

#### *(i) Presentation currency*

The financial statements are presented in New Zealand dollars, which is the Scheme's functional and presentation currency. All values are rounded to the nearest thousand dollars (\$000's).

#### *(ii) Foreign currencies*

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of financial assets and liabilities denominated in foreign currencies using the exchange rate at balance date, are recognised in the profit and loss in the Statement of Changes in Net Assets Available for Benefits.

### **(d) Income**

Income is recognised if it is probable an economic benefit will flow to the Scheme and the income can be readily measured.

Dividend and distribution income is recognised when the right to receive payment is established.

Interest income is recognised using the effective interest rate method.

Net gains or losses on financial assets and liabilities at fair value through profit or loss includes realised gains and losses on the disposal of financial assets and liabilities and unrealised gains and losses arising from changes in the fair value of financial assets and liabilities.

### **(e) Expenses**

Expenses are recognised on an accrual basis.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(f) Financial instruments**

*(i) Classification*

The Scheme classifies its financial assets and financial liabilities as:

(1) Financial assets at fair value through profit or loss

The Scheme includes in this category investments in collective investment schemes and forward foreign exchange contracts in an asset position. Such financial assets are included in this category because they are not held within a business model whose objective is to either collect the contractual cash flows, or collect contractual cash flows and sell the financial assets (i.e. they are mandatorily measured at fair value through profit or loss). The Scheme does not designate any financial assets at fair value through profit or loss.

(2) Financial liabilities at fair value through profit or loss

The Scheme includes in this category forward foreign exchange contracts (derivatives) in a liability position. Derivatives in a liability position are mandatorily measured at fair value through profit or loss. The Scheme does not designate any financial liabilities at fair value through profit or loss.

(3) Financial assets at amortised cost

The Scheme includes in this category cash and cash equivalents and receivables. These assets are classified as financial assets at amortised cost because the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding and they are managed to collect the contractual cash flows.

(4) Financial liabilities at amortised cost

The Scheme includes in this category payables which may include liabilities owing by the Scheme which are unpaid as at the balance date. All financial liabilities are included in this category unless they are measured at fair value through profit or loss.

*(ii) Recognition/derecognition*

The Scheme recognises financial assets and liabilities on the date they become party to the contractual agreement (trade date).

Financial assets are derecognised when the right to receive cash flows from the asset has expired or the Scheme has transferred substantially all risks and rewards of ownership.

*(iii) Measurement*

(1) Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value. After initial recognition, financial assets and liabilities at fair value through profit or loss are revalued to fair value with changes in their fair value recognised in the profit or loss.

(2) Financial assets measured at amortised cost

Financial assets measured at amortised cost are measured initially at fair value plus transaction costs and subsequently amortised using the effective interest rate method, less expected credit losses (if any). Receivables have no significant financing component and a maturity of less than 12 months. The Scheme does not track changes in credit risk. The Scheme follows an approach similar to the simplified approach to expected credit losses (ECL) and recognises a loss allowance based on lifetime ECL at balance date due to the short term nature of these financial assets.

(3) Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost are measured at amortised cost using the effective interest method.

*(iv) Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the Statement of Net Assets Available for Benefits when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term liquid financial assets with an original date of maturity up to 90 days, and bank overdrafts.

Payments and receipts relating to the purchase and sale of financial assets at fair value through profit or loss are classified as cash flows from operating activities, as movements in the fair value of these financial assets represent the Scheme's main income generating activity.

**(h) Income tax and other taxes**

*(i) Portfolio Investment Entity (PIE) Tax*

The Scheme qualifies as and has elected to be a PIE for tax purposes.

Under the PIE regime, detailed in the Income Tax Act 2007, income is effectively taxed in the hands of the Member and therefore the Scheme has no income tax expense recognised in the Statement of Changes in Net Assets Available for Benefits.

The Manager attributes the taxable income of the Scheme to Members in accordance with the proportion of their interest in each Fund. The income attributed to each Member is taxed at the Member's prescribed investor rate (which is capped at 28%) and is recognised as a reduction or increase in the value of net assets available for benefits.

*(ii) Goods and Services Tax (GST)*

The Scheme is not registered for GST. All components of the financial statements are stated as inclusive of GST where applicable.

**(i) Contributions**

Contributions are recognised when the Manager has confirmed the validity of a Member's contribution and instructions. Each Member contributes to the Scheme in accordance with the Trust Deed and at a rate determined by the Member.

**(j) Withdrawals**

Withdrawals are recognised when the Manager has confirmed the validity of a Member's withdrawal details and instructions.

**(k) Members' funds**

Each unit issued confers an equal interest in that Fund of the Scheme to which the unit relates. A unit does not confer any rights or interests in the individual investments of the Fund or Scheme to the Member.

The rights, obligations and restrictions attached to each unit within a Fund are identical in all respects.

**(l) Net assets available for benefits**

Net assets available for benefits is the Scheme's present obligation to pay benefits to Members and is the difference between the carrying amount of the assets and the carrying amount of the liabilities.

**SUPERANNUATION MASTER TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 30 September 2022

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(m) New accounting standards and interpretations**

*(i) Changes in accounting policy and disclosures*

The accounting policies adopted are consistent with those of the previous financial year.

*(ii) Accounting standards issued but not yet effective*

No standards and interpretations have been issued with an effective date after the Scheme's balance date which would have a material impact on the financial statements of the Scheme.

**3. FINANCIAL ASSETS**

	<b>2022</b>	2021
	<b>\$000's</b>	\$000's
<b>Financial assets at fair value through profit or loss</b>		
AMP Capital Australasian Property Index Fund	-	3,330
AMP Capital Global Property Securities Fund	-	4,585
AMP Capital NZ Fixed Interest Fund	-	4,303
AMP Wholesale Australian Equities Fund	<b>2,716</b>	3,643
AMP Wholesale Cash Fund	<b>5,009</b>	5,321
AMP Wholesale Diversified Fund 2*	<b>23,982</b>	31,528
AMP Wholesale Diversified Fund 5*	<b>98,222</b>	126,558
AMP Wholesale Diversified Fund 6*	<b>41,717</b>	49,911
AMP Wholesale Global Bond Fund	<b>931</b>	1,488
AMP Wholesale Global Equities Fund*	<b>11,297</b>	3,473
AMP Wholesale New Zealand Equities Fund	<b>6,475</b>	9,255
AMP Wholesale NZ Sovereign Bond Fund	<b>2,948</b>	-
ANZ Wholesale International Property Securities Fund	<b>3,357</b>	-
ANZ Wholesale Trans-Tasman Property Securities Fund	<b>2,378</b>	-
Wholesale Unit Trust Global Shares Fund 1	-	7,804
Wholesale Unit Trust Global Shares Fund 2	-	4,462
<b>Total financial assets at fair value through profit or loss</b>	<b><u>199,032</u></b>	<u>255,661</u>

\* Financial assets exceeding 5% of net assets available for benefits.

**Financial assets at amortised cost**

Cash and cash equivalents	<b>7,056</b>	11,699
Receivables	<b><u>2,067</u></b>	<u>63</u>
<b>Total financial assets at amortised cost</b>	<b><u>9,123</u></b>	<u>11,762</u>

**Total financial assets**

<b><u>208,155</u></b>	<u>267,423</u>
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**Analysis of receivables**

Fee rebates receivable from underlying fund managers	-	63
Other receivables from underlying fund managers	<b>2,051</b>	-
PIE tax receivable	<b>16</b>	-
<b>Total receivables</b>	<b><u>2,067</u></b>	<u>63</u>

**Analysis of cash and cash equivalents**

NZD Bank account	<b>2,844</b>	6,340
Great British Pound Bank account (presented in NZD)	<b>4,212</b>	5,359
<b>Total cash and cash equivalents</b>	<b><u>7,056</u></b>	<u>11,699</u>

**SUPERANNUATION MASTER TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 30 September 2022

**4. FINANCIAL LIABILITIES**

	<b>2022</b>	2021
	<b>\$000's</b>	\$000's
<b>Financial liabilities at fair value through profit or loss</b>		
Forward foreign exchange contracts	-	126
<b>Financial liabilities at amortised cost</b>		
Payables	<u>519</u>	<u>1,057</u>
<b>Total financial liabilities</b>	<u><u>519</u></u>	<u><u>1,183</u></u>
<b>Analysis of payables</b>		
Management fees payable	68	83
Administration fees payable	353	446
Insurance premiums payable	1	1
Withdrawals payable	43	515
PIE tax payable	-	1
Contributions received but not validated	<u>54</u>	<u>11</u>
<b>Total payables</b>	<u><u>519</u></u>	<u><u>1,057</u></u>

**5. VESTED BENEFITS**

Vested benefits are benefits payable to Members, under the conditions of the Scheme, on the basis of all Members ceasing to be Members of the Scheme at balance date. The vested benefits as at 30 September equalled the net assets available for benefits.

**6. GUARANTEED BENEFITS**

No guarantees have been made in respect of any part of the amounts available for benefits (2021: nil).

**7. CAPITAL MANAGEMENT**

The Scheme's capital is represented by redeemable units with no par value and is reflected as net assets available for benefits in the Statement of Net Assets Available for Benefits. In accordance with the accounting policies and the risk management policies in note 9, the Scheme endeavours to invest contributions received in appropriate investments whilst maintaining sufficient liquidity to meet any withdrawal requests. The terms and conditions attached to units in the Scheme can be found in note 2(k).

**SUPERANNUATION MASTER TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 30 September 2022

**8. RECONCILIATION OF NET PROFIT/(LOSS) AFTER TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES**

	<b>2022</b>	2021
	<b>\$000's</b>	\$000's
<b>Net profit/(loss) after tax</b>	<b>(29,620)</b>	31,274
Reinvested dividend and distribution income	-	(198)
Net (gains)/losses on financial assets at fair value through profit or loss	<b>28,675</b>	(32,167)
Sale/settlement of financial assets at fair value through profit or loss	<b>52,083</b>	43,557
Purchase of financial assets and settlement of financial liabilities at fair value through profit or loss	<b>(26,242)</b>	(3,355)
Net change in operating payables	<b>(15)</b>	(4)
Foreign exchange (gains)/losses on cash and cash equivalents	<b>52</b>	<b>9</b>
<b>Net cash inflow/(outflow) from operating activities</b>	<b><u>24,933</u></b>	<b><u>39,116</u></b>

**9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

**(a) Financial risk management objectives, policies and processes**

The Scheme may be exposed to credit risk, market risk (including unit price risk, interest rate risk and foreign exchange risk), and liquidity and cash flow risk arising from the financial assets and liabilities it holds.

The Manager is responsible for identifying and controlling the risks that arise from these financial assets and liabilities. The Manager agrees policies for managing each of the risks identified below.

The Manager also monitors information about the total fair value of financial assets and liabilities exposed to risk, as well as compliance with established benchmark asset allocations and ranges. These benchmark asset allocations and ranges reflect the investment strategy, objectives and policy, and market environment of the Scheme, as well as the level of risk that the Scheme is willing to accept. This information is prepared and reported to relevant parties within the Manager on a regular basis as deemed appropriate, including key management personnel, appropriate committees, and ultimately the Supervisor of the Scheme.

In order to avoid excessive concentration of risk (which would arise, for example, when a number of financial assets are entered into with the same counterparty), the Manager monitors the Scheme's exposure to ensure concentrations of risk remain within acceptable levels and reduces exposure to manage excessive risk concentrations when they arise.

**(b) Credit risk**

The Scheme's cash and cash equivalents and forward foreign exchange contracts are not past due or impaired. The Scheme's receivables are subject to the ECL model under NZ IFRS 9 'Financial Instruments'. No ECL allowance has been recorded. The carrying amount of these assets best represents their maximum credit risk exposure at balance date.

Cash and cash equivalents and forward foreign exchange contracts are held with banks registered in New Zealand.

**(c) Market risk**

Three components of market risk have been identified for the Scheme: unit price risk, interest rate risk and foreign exchange risk.

These risks are managed by ensuring that all investment activities are transacted in accordance with established benchmark asset allocations and ranges.

The Scheme invests primarily in units in collective investment schemes (underlying funds), either single-sector or diversified funds of domestic or international securities. This reduces the impact of a particular security underperforming.

*(i) Unit price risk*

The table below shows the impact on the Statement of Changes in Net Assets Available for Benefits and Statement of Net Assets Available for Benefits due to a reasonably possible change in the unit price, with all other variables held constant.

**SUPERANNUATION MASTER TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 30 September 2022

**9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

**(c) Market risk (continued)**

	<b>Increase/(decrease) on net profit/(loss) before tax and Increase/(decrease) on net assets available for benefits</b>	
	<b>2022</b>	2021
	<b>\$000's</b>	\$000's
Change in unit price:		
+10%	<b>19,903</b>	25,566
-10%	<b>(19,903)</b>	(25,566)

*(ii) Interest rate risk*

The Scheme's exposure to interest rate risk primarily arises from changes in interest rates applicable to cash and cash equivalents.

The Manager actively monitors interest rate risk exposure and takes actions as necessary. This includes regular review of interest rates applicable to cash balances. The Scheme has no significant direct investments subject to interest rate risk. The Scheme's exposure to interest rate risk is not deemed significant.

*(iii) Foreign exchange risk*

The Scheme entered into forward foreign exchange contracts designed to manage some or all of the foreign exchange exposure that may be inherent in some of its underlying funds. Forward foreign exchange contracts were entered into in the normal course of business. They were considered to be part of the investment process and were not managed in isolation. The Scheme did not hold any open forward foreign exchange contracts at balance date.

Exposure to foreign currency risk also arises as the Scheme holds foreign currency cash and cash equivalent balances (see note 3).

In accordance with the Scheme's investment policies, the Manager monitors the currency exposure. The Scheme's exposure to foreign exchange risk is not deemed significant.

**(d) Liquidity and cash flow risk**

Due to the nature of a superannuation scheme, it is unlikely that a significant number of Members would withdraw at the same time. However, to control liquidity risk, the Scheme invests in financial assets, which under normal market conditions are readily convertible to cash. In addition, the Scheme invests within established investment ranges to ensure there is no concentration of risk.

Payables have no contractual maturities but are typically settled within 30 days. Receivables outstanding at balance date are generally due to be settled within 90 days of balance date.

**(e) Fair value of financial assets and liabilities**

The fair value of units held in underlying funds is determined by reference to published exit prices, being the redemption price established by the underlying fund manager.

The fair value of forward foreign exchange contracts that are not exchange-traded is estimated at the amount that would be received or paid to terminate the contract at balance date taking into account the underlying market exposures and current market conditions (volatility and appropriate yield curve) and the current credit worthiness of the counterparties.

NZ IFRS 13 'Fair Value Measurement' require fair value measurements to be disclosed by the source of inputs, using a three level hierarchy. The fair value of the Scheme's financial assets and liabilities at fair value through profit or loss are classified as being Level 2, as they are measured using inputs that are directly observable at balance date (2021: Level 2).

**SUPERANNUATION MASTER TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 30 September 2022

**10. RELATED PARTIES**

**(a) Manager's fees and other transactions**

Under the terms of the Trust Deed, the Manager is entitled to charge fees in relation to the administration and management of the Scheme.

*(i) Administration Fees: for members who joined after 1 August 2004*

Plan Fee (% per annum of funds under management)

Locked-in plans: base fee of 1.19% plus adviser fee of 0% to 1% as agreed between the Member and their adviser.

Unlocked plans: base fee 1.40% plus adviser fee of 0% to 1% as agreed between the Member and their adviser.

*(ii) Administration Fees: for members who joined before 1 August 2004*

Scaled Plan Fee (% per annum of funds under management)

Up to \$100,000	1.40%
\$100,001 to \$250,000	1.20%
\$250,001 to \$500,000	0.91%
\$500,001 to \$1,000,000	0.75%
\$1,000,001 to \$5,000,000	0.70%
Over \$5,000,001	0.65%

Plan Fee (% per annum of funds under management)

An advisor fee of 0% to 1% as agreed between the Member and their adviser.

*(iii) Management Fee (per annum):*

	<b>Annual Management Fee</b>
<u>Diversified Funds</u>	
AMP Conservative Fund	0.36%
AMP Balanced Fund	0.40%
AMP Growth Fund	0.40%
<u>Single Sector Funds</u>	
AMP Cash Fund	0.21%
AMP NZ Fixed Interest Fund	0.40%
AMP Global Fixed Interest Fund	0.40%
ANZ International Property Fund	0.40%
ANZ Australasian Property Fund	0.40%
AMP Australasian Shares Fund	0.37%
AMP Australasian Shares Fund No. 2	0.37%
AMP International Shares Fund No. 2	0.35%
AMP International Shares Fund	0.35%
AMP International Shares Fund No. 3	0.35%
AMP UK Cash Fund	0.30%

Fees charged by the Manager during the year are shown in the Statement of Changes in Net Assets Available for Benefits. Fees payable to the Manager are shown in note 4. Outstanding balances at year end are unsecured, interest free and settlement occurs in cash.

Under the terms of the Trust Deed, the Manager and Supervisor may recover costs and expenses such as audit costs, printing and postage, legal fees and system costs charged by third parties. In August 2020 the Manager decided to stop recovering these costs and expenses from the Scheme.

**SUPERANNUATION MASTER TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 30 September 2022**

**10. RELATED PARTIES (continued)**

The Manager pays the Supervisor fees and underlying fund managers' fees on behalf of the Scheme. Supervisor fees for the year ended 30 September 2022 amounted to \$29,000 (2021: \$33,000). In addition, for the year ended 30 September 2022, the Manager paid, on behalf of the Scheme, audit fees of \$37,000 and other assurance services provided by the auditor of \$36,000. These other services included agreed upon procedures, audit of special purpose financial statements, assurance in relation to Trust Deed compliance and audit of the Member register.

No related party debts have been written off or forgiven during the year (2021: nil).

On 5 April 2022 the Supervisor accepted a loan from the Manager to borrow money to fund the purchase of units in the Funds of the Scheme for Members who were entitled to PIE tax rebates. The loan was repayable on receipt of the PIE tax rebates from the Inland Revenue and no interest was payable. The loan of \$921,000 was repaid on 11 April 2022.

**11. CONTINGENT ASSETS, LIABILITIES AND COMMITMENTS**

There are no contingent assets, liabilities or commitments as at balance date (2021: nil).

**12. CHANGES TO THE TRUST DEED**

There were no changes to the Trust Deed in the year ended 30 September 2022.

**13. EVENTS AFTER BALANCE DATE**

There have been no significant events since 30 September 2022 that require disclosure in these financial statements.



## Independent auditor's report to the Members of the Superannuation Master Trust

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of the Superannuation Master Trust (the "Scheme") on pages 1 to 13 which comprise the statement of net assets available for benefits of the Scheme as at 30 September 2022, the statement of changes in net assets available for benefits and the statement of cash flows for the year then ended, and the notes to the financial statements including a summary of significant accounting policies.

In our opinion, the financial statements on pages 1 to 13 present fairly, in all material respects, the financial position of the Scheme as at 30 September 2022 and its financial performance and cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

This report is made solely to the Scheme's Members, as a body. 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 and the Scheme's Members, as a body, for our audit work, for this report, or for the opinion we have formed.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Scheme in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Ernst & Young provides other assurance services and agreed upon procedures to the Scheme. Partners and employees of our firm may deal with the Scheme on normal terms within the ordinary course of the business of the Scheme. We have no other relationship with, or interest in, the Scheme.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements of the Scheme as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



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We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of the audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinions on the accompanying financial statements.

### Financial Assets at fair value through profit or loss

Why significant	How our audit addressed the key audit matter
<ul style="list-style-type: none"><li>▶ The Scheme's financial assets at fair value through profit or loss ("Financial assets") represents approximately 96% of the Scheme's total assets.</li><li>▶ As detailed in the Scheme's accounting policies, as described in Note 2 to the financial statements, these financial assets are recognised at fair value through profit or loss in accordance with NZ IFRS 9: <i>Financial Instruments</i>.</li><li>▶ Volatility and other market drivers can have a significant impact on the value of these financial assets and the financial statements as a whole, therefore, they are considered a key area of audit focus.</li><li>▶ Disclosures regarding the Scheme's financial assets at 30 September 2022 are included in Note 3 to the financial statements and financial risks are included in Note 9 to the financial statements.</li></ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"><li>▶ Gaining an understanding of the processes used to record investment transactions and the revaluation of the financial asset portfolio.</li><li>▶ Obtaining and considering the Independent Assurance Reports on Controls and respective update letters for the managers of the funds in which the Scheme invests. We considered the implications of any control deficiencies identified in these Reports on our audit.</li><li>▶ Receiving third party confirmations directly, for each underlying fund, of the number of units issued to the Scheme and their respective exit price at balance date and agreeing the recorded holdings to those confirmations.</li><li>▶ Recalculating the valuation of the Scheme's financial asset portfolio at balance date. To validate the fair value in accordance with NZ IFRS 9, we agreed the pricing used for valuation purposes to the exit prices from third party confirmations.</li><li>▶ Agreeing a sample of investment applications and redemptions to investment confirmations from underlying fund managers or other appropriate documentation.</li></ul>

- ▶ Assessing whether the disclosures in the financial statements appropriately reflected the Scheme's exposure to financial instrument risk with reference to NZ IFRS 7 *Financial Instruments: Disclosures*.

### **Information other than the financial statements and auditor's report**

The Manager is responsible for the Annual Report, which includes information other than the financial statements and auditor's report which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and, if uncorrected, to take appropriate action to bring the matter to the attention of the Members for whom our auditor's report was prepared.

### **Manager's responsibilities for the financial statements**

The Manager is responsible, on behalf of the Scheme, for the preparation and fair presentation of the financial statements in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing on behalf of the Scheme, the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Scheme or cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (New Zealand) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of Members taken on the basis of these financial statements.



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A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website: <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-2/>. This description forms part of our auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Stuart Mutch.

A handwritten signature in black ink that reads 'Ernst &amp; Young' in a cursive script.

Chartered Accountants  
Wellington  
16 December 2022