

The Retire Fund



Annual Report 2020

Scheme snapshot

as at 31 March 2020



Fund size

\$19,750,301

Value of investments



Investment income

\$331,350

Investment income before expenses



Contributions

\$1,532,037

Member and Employer contributions



Withdrawals

\$2,044,285

Total benefit payments



Gross return

3.1%

Conservative Pool



Gross return

1.8%

Balanced Pool



Members

260

Total members



Average balance

\$75,923

Average balance of members' accounts



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Message from the Board

Dear Friends

The New Zealand Anglican Church Pension Board (the Board), as Manager and Trustee, is pleased to present the Annual Report of The Retire Fund for the year ended 31 March 2020.

After a number of years of solid returns, at the very end of this financial year there was a short sharp market downturn. In March 2020 many of the asset classes were negatively affected by concerns over the economic consequences of Covid-19. Due to the good returns in the first three quarters, the returns for the year were overall positive. Pleasingly, the Fund's investments have seen a recovery in the first quarter of the new financial year.

Returns before tax and expenses for the year, and the last five and ten years' average, were:

Pool	1 year	5 years	10 years
Balanced	1.8%	6.1%	7.1%
Conservative	3.1%	3.9%	5.1%

When it comes to retirement savings, it is important to look at longer term returns and not focus on short term spikes in investment

Yours in Christ,

The Very Reverend Lawrence Kimberley
Chairperson

performance. Being in a Pool (or mix of Pools) that suits your needs and risk profile is key to delivering your savings goals.

During the year, we saw two key features of the Fund being well utilised – the ability to invest one-off lump sums and for retired members, the ability to take partial drawdowns of their savings. During the year \$1,184,202 was paid in as voluntary lump sum contributions and \$1,370,825 was paid out as partial withdrawals.

In August 2019, the Board began trading as Anglican Financial Care / Te Maru Mihinare. The name was chosen to reflect the full range of services we provide to clergy and their dependants, and also to the wider Christian community. Our core vision 'ethical at heart' means our approach to our services goes well beyond having an ethical investment policy. We apply Christian values to the way we conduct our business and interact with you, our members, and others. Our staff are based in Wellington and are available to handle any of your queries.

We continue to thank you, our members, for your support of The Retire Fund.

Brendan O'Donovan
Licensed Independent Trustee

Annual report

For the period 1 April 2019 to 31 March 2020.

Details of Scheme

The scheme name is The Retire Fund (the Fund). The participating party section of the Fund is a restricted workplace savings scheme; and the private member section of the Fund is a legacy scheme. The Manager is The New Zealand Anglican Church Pension Board, trading as Anglican Financial Care. As the Fund is a restricted scheme, its Supervisor is the Financial Markets Authority. The Fund is not open to new members. Consequently, there is no Product Disclosure Statement. The fund updates for the Conservative Pool and Balanced Pool for the year ended 31 March 2020 were issued on 26 June 2020.

The financial statements of the Fund as at 31 March 2020, and the auditor's report on those financial statements, have been lodged with the Registrar. They are available electronically by visiting disclose-register.companiesoffice.govt.nz, selecting Search for a scheme and entering the Fund's name.

Information on contributions and scheme participants

Numerical changes in membership

The Fund's membership decreased by 13 members from 273 to 260 during the Fund year.

Members at 1 April 2019	273
Retirements	-8
Resignations	-1
Deaths	-4
Members as at 31 March 2020	260

Membership	1 April 2019	31 March 2020
Contributing members	124	121
Non-contributing members	149	139
Total members	273	260

Member Accumulations	1 April 2019	31 March 2020
Total accumulated funds	\$20,122,984	\$19,740,049
Number of members	273	260

Contributions

During the year ended 31 March 2020, the total amount of contributions received by the Fund was \$1,532,037.

	Number of members	\$
Member contributions	51	159,839
Employer contributions	66	136,294
Member voluntary additional contributions	50	1,235,904

Changes relating to the Scheme

Trust Deed

There were no changes to the Trust Deed during the year ending 31 March 2020.

SIPO

There were no changes to the Statement of Investment Policy and Objectives (SIPO) during the year ending 31 March 2020.

Related Party Transactions

The Board signed one certificate in respect of transactions giving related party benefits during the year ending 31 March 2020. This certificate was dated 19 June 2019 and related to the payment of fees to the Board member who is the Licensed Independent Trustee.

Other information for particular types of managed funds

During the year 59 members made a withdrawal that was permitted under the Financial Markets Conduct Act and the Trust Deed. These withdrawals include partial drawdowns and full payments made to a member, and different types of withdrawals to the same member.

Withdrawal type	Number of members
Retirement	50
Resignation	6
Death	4

After allowing for administration costs and tax, based on the member's Prescribed Investor Rate (PIR), the earning rates declared for each quarterly period to the year ended 31 March 2020 were:

Quarter ending	Investment Pool	10.5% PIR	17.5% PIR	28% PIR
30 June 2019	Conservative Pool	1.37%	1.27%	1.10%
	Balanced Pool	3.12%	3.07%	2.99%
30 September 2019	Conservative Pool	0.97%	0.90%	0.74%
	Balanced Pool	2.67%	2.68%	2.69%
31 December 2019	Conservative Pool	0.38%	0.35%	0.29%
	Balanced Pool	1.76%	1.67%	1.52%
31 March 2020	Conservative Pool	-0.74%	-0.68%	-0.58%
	Balanced Pool	-6.57%	-6.47%	-6.30%

Where earnings needed to be allocated between quarters (e.g. a total withdrawal of a retirement benefit) then an interim rate was applied. The Trustee's policy is that the interim rate for each investment pool is the average return of the previous 20 quarters, unless otherwise determined by the Trustee. The interim rates for each quarter were as follows:

Quarter ending	Investment Pool	10.5% PIR	17.5% PIR	28% PIR
30 June 2019	Conservative Pool	0.82%	0.76%	0.66%
	Balanced Pool	1.58%	1.55%	1.49%
30 September 2019	Conservative Pool	0.82%	0.76%	0.66%
	Balanced Pool	1.62%	1.58%	1.52%
31 December 2019	Conservative Pool	0.80%	0.74%	0.64%
	Balanced Pool	1.63%	1.59%	1.54%
31 March 2020	Conservative Pool	0.75%	0.70%	0.60%
	Balanced Pool	1.59%	1.55%	1.49%

With the significant decline in world share markets in March 2020, the interim rates for the quarter ended 31 March 2020 were regularly reviewed until the final rates were declared. The dates of the review and the interim rates applied from that date were:

Review date	Investment Fund	10.5% PIR	17.5% PIR	28% PIR
11 March 2020	Conservative Pool	0.70%	0.60%	0.50%
	Balanced Pool	-4.70%	-4.70%	-4.80%
20 March 2020	Conservative Pool	0.60%	0.60%	0.50%
	Balanced Pool	-9.70%	-9.80%	-9.80%
31 March 2020	Conservative Pool	0.60%	0.60%	0.50%
	Balanced Pool	-7.30%	-7.40%	-7.40%
8 April 2020	Conservative Pool	-0.58%	-0.65%	-0.70%
	Balanced Pool	-6.53%	-6.70%	-6.79%

Manager's Statement

The Board, as Manager of the Fund, states that:

- » all contributions required to be made to the Fund in accordance with the terms of the Trust Deed have been made;
- » all benefits required to be paid from the Fund in accordance with the terms of the Trust Deed have been paid; and

- » the market value of the property of the Fund as at 31 March 2020 exceeded the total value of benefits that would have been payable had all members of the Fund ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at 31 March 2020.

Changes to persons involved in the scheme

In September 2019, Ian Millard QC retired as Chair of the Board's Investment Committee and was replaced by Brendan O'Donovan.

How to find further information

You can obtain a copy of the Trust Deed, the Fund's latest audited financial statements or the Statement of Investment Policy and Objectives, electronically (and free of charge), by visiting companiesoffice.govt.nz/disclose, selecting Search schemes and entering the Fund's name. A copy can also be obtained from angfincare.nz/resources-2/.

You can obtain a copy of those documents (or an estimate of your benefits) free of charge by writing to the Manager as follows:

Funds Administrator
Anglican Financial Care
PO Box 12 287
Wellington 6144

Contact details and complaints

If you have an enquiry, you can contact the Manager as follows:

Write to: Funds Administrator
Anglican Financial Care
PO Box 12 287
Wellington 6144

Phone: 04 473 9369

Email: admin@angfincare.nz

If you have a complaint about the operation of the Fund, please contact us (as above). If we cannot resolve your concerns then you can make a formal written complaint.

Write to: Chairperson of the Board (Confidential)
Anglican Financial Care
PO Box 12 287
Wellington 6144

If you are not satisfied with our response to your complaint you can refer your concerns to the independent approved dispute resolution scheme:

Write to: Financial Services Complaints Limited
PO Box 5967
Lambton Quay
Wellington 6145

Phone: 0800 347 257

Web: www.fscl.org.nz

Email: info@fscl.org.nz

Neither we nor Financial Services Complaints Limited will charge you a fee to investigate or resolve a complaint.

You can also contact the Supervisor with an enquiry or complaint:

Write to: Financial Markets Authority
PO Box 106 672
Auckland 1143

Phone: 0800 434 566

Please note there is no statutory ombudsman for this Fund.

