

AXA KiwiSaver Scheme /

annual report

for the year ended 31 March 2009

helping kiwis
save

for retirement

AXA KiwiSaver Scheme

annual report

FOR THE YEAR ENDED 31 MARCH 2009

As Trustee of the AXA KiwiSaver Scheme (“the Scheme”), New Zealand Permanent Trustees Limited presents to AXA KiwiSaver Scheme members the Scheme’s Annual Report for the 12 month period from 1 April 2008 to 31 March 2009.

The Scheme, which commenced on 1 July 2007:

- is a registered KiwiSaver scheme under the KiwiSaver Act 2006 (“the Act”);
- is a default KiwiSaver scheme for the purposes of the Act;
- is a “defined contribution” scheme and was established with the principal purpose of providing retirement benefits to members based on member, member employer and other contributions and any investment earnings on those contributions;
- is a Portfolio Investment Entity (PIE) allowing the Scheme’s investment portfolios to gain the benefit of no capital gains tax for most New Zealand and Australian shares and tax investors at their Prescribed Investor Rate (“PIR”).
- enables Scheme members to pool their investments and obtain the benefit of professional investment management. The interests of each member are registered through the allocation of units in the investment portfolios selected by members or allocated by default where no member portfolio selection is made; and
- invests member funds into Superannuation Master Trust (SMT) a registered superannuation scheme. The Scheme’s funds are combined for investment purposes with the SMT’s investment funds, and allocated across a range of investment sectors within SMT. Each SMT investment sector is in turn invested into a Wholesale Unit Trust (WUT) which has a unique investment focus.

The Manager of the Scheme is National Mutual Corporate Superannuation Services Limited (“the Manager”). The Manager has delegated its investment management function to AXA Global Investors (“AXA GI”)—formerly Arcus Investment Management Ltd. Both the Manager and AXA GI are part of the Global AXA Group.

investment portfolios and performance

The AXA KiwiSaver Scheme offers five investment portfolios (“Portfolios”), each providing exposure to a range of investment sectors which is appropriate to the risk profile of the portfolio. Such exposure is generally obtained through investments in a range of underlying investment funds operated by one or more fund managers.

Returns to each Portfolio are reflected in the value of the unit price for that Portfolio, which will fluctuate in accordance with changes in the value of that Portfolio’s investments.

The unit value, in relation to any unit in a Portfolio, is the sum of all cash forming part of the assets of that Portfolio plus the market value (determined in accordance with the Trust Deed) of all other assets of that Portfolio, less liabilities incurred by the Trustee in respect of that Portfolio and less all outgoings in connection with those liabilities eg fees, divided by the number of units in that Portfolio. All units issued as a result of employer contributions to the Scheme will vest immediately.

Performance information for each Portfolio shown is calculated on the basis of the change in the value of units in the relevant Portfolio plus tax imputation credits for the 12 month period from 1 April 2008 to 31 March 2009.

The investment performance shown for all the Investment Portfolios is before tax (ie gross of tax) which is payable at the members’ applicable PIR and after the deduction of investment fees and other expenses (ie net of fees).

The value of investments, and the income from them, may go down as well as up and are not guaranteed. Past performance is not necessarily a guide to future performance, which may vary materially from the results set out below.

The five Portfolios offered are:

[KiwiSaver Income Plus](#)

[KiwiSaver Cash](#)

[KiwiSaver Conservative](#)

[KiwiSaver Balanced](#)

[KiwiSaver Growth](#)

KiwiSaver Income Plus Portfolio (DEFAULT PORTFOLIO)

The KiwiSaver Income Plus Portfolio (the default portfolio) has a mix of exposures to cash, New Zealand and International fixed interest, property, New Zealand and Australian Shares and International Shares.

Asset allocation as at 31 March 2009	% WEIGHTING
Cash	30%
NZ Fixed Interest	14%
International Fixed Interest	36%
Property	2%
New Zealand and Australian Shares	4%
International Shares	14%

The KiwiSaver Income Plus Portfolio is designed for investors seeking an investment with a conservative risk profile. The KiwiSaver Income Plus Portfolio is the Scheme's Default Portfolio and as such complies with the Government's requirements for the default investment product. Contributions are invested in the KiwiSaver Income Plus Portfolio when no investment choice has been made by a member who was automatically enrolled into the Scheme by the IRD.

Monthly Investment Performance to 31 March 2009	MONTHLY INVESTMENT RETURNS
April 2008	1.44%
May 2008	0.43%
June 2008	-1.34%
July 2008	0.79%
August 2008	0.89%
September 2008	-2.87%
October 2008	-2.65%
November 2008	0.03%
December 2008	2.00%
January 2009	0.72%
February 2009	-1.74%
March 2009	0.22%
INVESTMENT PERFORMANCE FOR THE 12 MONTHS TO 31 MARCH 2009	-2.19%

Unit Price

Unit Price as at 31 March 2008	0.9789
Unit Price as at 31 March 2009	0.9563

Investment performance is gross of tax and net of investment fees and other expenses. Past performance is not necessarily a guide to future performance.

Notes:

1. The percentages shown in the above asset allocation chart reflects the benchmark weighting as at 31 March 2009 only. Investments in each asset class will vary from time to time around those benchmarks within the prescribed investment ranges.
2. The investment ranges, mixture of investments, objectives, strategies, benchmarks, the nature of the assets in which each portfolio can and does invest and the way the various investment exposures are obtained may change at any time without prior notification.

KiwiSaver Cash Portfolio

The KiwiSaver Cash Portfolio provides 100% exposure to cash sector investments. The underlying fund can invest in short-term cash securities which may include cash deposits, marketable debt securities, floating rate notes and derivative instruments.

Asset allocation as at 31 March 2009	% WEIGHTING
Bank Bills	86%
Promissory Notes	3%
Mortgage-Backed Investments	5%
Cash	0%
Local Authority Stock	6%

Short term with low risk, the KiwiSaver Cash Portfolio is designed for the short-term or the very cautious investor. The benefit of seeking lower but steady returns from these types of investments is that there is likely to be a low degree of fluctuation in the value of your investment.

Monthly Investment Performance to 31 March 2009	MONTHLY INVESTMENT RETURNS
April 2008	0.84%
May 2008	0.70%
June 2008	0.68%
July 2008	0.86%
August 2008	0.68%
September 2008	0.09%
October 2008	0.68%
November 2008	0.50%
December 2008	0.46%
January 2009	0.46%
February 2009	-0.02%
March 2009	0.27%
INVESTMENT PERFORMANCE FOR THE 12 MONTHS TO 31 MARCH 2009	6.38%

Unit Price

Unit Price as at 31 March 2008	1.0328
Unit Price as at 31 March 2009	1.0979

Investment performance is gross of tax and net of investment fees and other expenses. Past performance is not necessarily a guide to future performance.

Investment performance of the Cash Portfolio is more likely to be similar to the NZX 90-Day Bank Bill Index and should not be compared to retail bank deposits.

Notes:

1. The percentages shown in the above asset allocation chart reflects the benchmark weighting as at 31 March 2009 only. Investments in each asset class will vary from time to time around those benchmarks within the prescribed investment ranges.
2. The investment ranges, mixture of investments, objectives, strategies, benchmarks, the nature of the assets in which each portfolio can and does invest and the way the various investment exposures are obtained may change at any time without prior notification.

KiwiSaver Conservative Portfolio

The underlying assets of the KiwiSaver Conservative Portfolio are invested primarily in lower risk assets such as cash and fixed interest investments plus a smaller amount of higher risk assets such as property and shares.

Asset allocation as at 31 March 2009	% WEIGHTING
Cash	21%
NZ Fixed Interest	17%
International Fixed Interest	39%
Property	3%
New Zealand and Australian Shares	5%
International Shares	15%

The KiwiSaver Conservative Portfolio is designed for the shorter-term or the cautious investor (investing for 2-3 years). Historically, the returns tend to be steady and there is likely to be a low degree of fluctuation in the value of investments. Contributions are invested in the KiwiSaver Conservative Portfolio when no investment choice has been made by a member who has chosen the Scheme as their KiwiSaver scheme.

Monthly Investment Performance to 31 March 2009	MONTHLY INVESTMENT RETURNS
April 2008 *	N/A
May 2008	0.46%
June 2008	-1.46%
July 2008	0.85%
August 2008	0.97%
September 2008	-2.88%
October 2008	-2.90%
November 2008	-0.13%
December 2008	2.17%
January 2009	0.80%
February 2009	-2.05%
March 2009	0.13%
INVESTMENT PERFORMANCE FOR THE 11 MONTHS TO 31 MARCH 2009	-4.13%

Unit Price

Unit Price as at 31 March 2008*	N/A
Unit Price as at 31 March 2009	0.9665

Investment performance is gross of tax and net of investment fees and other expenses. Past performance is not necessarily a guide to future performance.

Notes:

1. The percentages shown in the above asset allocation chart reflects the benchmark weighting as at 31 March 2009 only. Investments in each asset class will vary from time to time around those benchmarks within the prescribed investment ranges.
2. The investment ranges, mixture of investments, objectives, strategies, benchmarks, the nature of the assets in which each portfolio can and does invest and the way the various investment exposures are obtained may change at any time without prior notification.

* As the Conservative Portfolio was introduced in April 2008, investment performance figures for that month, the full 12 month period to 31 March 2009 and the unit price as at 31 March 2008 are not shown.

KiwiSaver Balanced Portfolio

The KiwiSaver Balanced Portfolio is a diversified fund designed for medium to long-term growth which invests across a range of asset classes. The Portfolio currently has a balanced mix between lower-risk (i.e. cash and fixed interest) and higher-risk growth assets (i.e. investments in property, shares and emerging market securities) aiming for a higher long-term return.

Asset allocation as at 31 March 2009	% WEIGHTING
Cash	6%
NZ Fixed Interest	4%
International Fixed Interest	31%
Property	6%
New Zealand and Australian Shares	15%
International Shares	32%
Emerging Markets	6%

The KiwiSaver Balance Portfolio is designed for the medium to long-term investor (i.e. five years plus) who is prepared to accept a higher level of risk than that under the KiwiSaver Cash, KiwiSaver Income Plus and KiwiSaver Conservative Portfolios.

Monthly Investment Performance to 31 March 2009	MONTHLY INVESTMENT RETURNS
April 2008	3.71%
May 2008	0.24%
June 2008	-4.58%
July 2008	0.80%
August 2008	0.92%
September 2008	-7.04%
October 2008	-7.22%
November 2008	-2.00%
December 2008	1.85%
January 2009	0.31%
February 2009	-4.75%
March 2009	0.97%
INVESTMENT PERFORMANCE FOR THE 12 MONTHS TO 31 MARCH 2009	-16.20%

Unit Price

Unit Price as at 31 March 2008	0.9088
Unit Price as at 31 March 2009	0.7593

Investment performance is gross of tax and net of investment fees and other expenses. Past performance is not necessarily a guide to future performance.

Notes:

1. The percentages shown in the above asset allocation chart reflects the benchmark weighting as at 31 March 2009 only. Investments in each asset class will vary from time to time around those benchmarks within the prescribed investment ranges.
2. The investment ranges, mixture of investments, objectives, strategies, benchmarks, the nature of the assets in which each portfolio can and does invest and the way the various investment exposures are obtained may change at any time without prior notification.

KiwiSaver Growth Portfolio

The KiwiSaver Growth Portfolio is a diversified fund which invests across a range of asset classes. The current investment mix is mostly shares, which traditionally tend to outperform other investment classes over the long-term, though can exhibit significant fluctuations in value over the short-term. The Portfolio also contains some higher risk property investments and lower risk fixed interest investments and cash.

Asset allocation as at 31 March 2009	% WEIGHTING
Cash	6%
NZ Fixed Interest	2%
International Fixed Interest	9%
Property	8%
New Zealand and Australian Shares	23%
International Shares	44%
Emerging Markets	8%

The KiwiSaver Growth Portfolio is designed for the long-term investor (i.e. for at least seven years), who is prepared to accept a high level of risk.

Monthly Investment Performance to 31 March 2009	MONTHLY INVESTMENT RETURNS
April 2008	5.62%
May 2008	0.18%
June 2008	-6.36%
July 2008	0.91%
August 2008	0.72%
September 2008	-9.43%
October 2008	-10.14%
November 2008	-3.28%
December 2008	1.35%
January 2009	-0.10%
February 2009	-6.76%
March 2009	1.23%
INVESTMENT PERFORMANCE FOR THE 12 MONTHS TO 31 MARCH 2009	-24.25%

Unit Price

Unit Price as at 31 March 2008	0.8663
Unit Price as at 31 March 2009	0.6537

Investment performance is gross of tax and net of investment fees and other expenses. Past performance is not necessarily a guide to future performance.

Notes:

1. The percentages shown in the above asset allocation chart reflects the benchmark weighting as at 31 March 2009 only. Investments in each asset class will vary from time to time around those benchmarks within the prescribed investment ranges.
2. The investment ranges, mixture of investments, objectives, strategies, benchmarks, the nature of the assets in which each portfolio can and does invest and the way the various investment exposures are obtained may change at any time without prior notification.

scheme details

AS AT 31 MARCH 2009

Membership

MEMBERSHIP DETAILS	TOTAL NUMBER OF MEMBERS
Members as at 1 April 2008	35,721
New members	38,028
Less	
Serious Illness	10
Permanent Emigration	6
Death	40
Transfers out	4,134
Refund (enrolment errors)	715
Late opt-outs	933
KiwiSaver End Payment Date	-
Members as at 31 March 2009	67,911

Withdrawals

TYPES OF WITHDRAWAL	TOTAL NUMBER OF MEMBERS	TOTAL AMOUNT WITHDRAWN (\$)
First Home Withdrawal	-	-
Significant Financial Hardship	125	162,303
Serious Illness	10	22,439
Permanent Emigration	6	19,229
Death	40	100,504
End Payment Date	-	-
Total	181	304,475

Fees Charged

FEE TYPE	TOTAL AMOUNT (\$)
Monthly member fee	1,992,030
Administration Fee	111,904
Investment Management Fee	598,647
Trustee Fee	21,694
Switching Fee	-
Total amount of fees charged	\$2,724,275

Contributions Received

CONTRIBUTION TYPES	NUMBER OF MEMBERS	TOTAL AMOUNT (\$)
Member contributions at section 64 contribution rate (ie 4% or 8% deductions from salary or wages)	64,110	73,217,423
Employer contributions	65,116	20,811,948
Crown Contributions & Fee subsidy	71,699	66,265,618
Transfer in from other KiwiSaver schemes	328	1,436,028
Transfer in from registered superannuation schemes	-	-
Lump sum contributions and Other voluntary contributions over section 64 contribution rate*	2,282	3,506,565

*Lump sum contributions and other voluntary contributions over section 64 contribution rate (i.e. 4% or 8% deductions from salary or wages) have been added together.

Total Amount of Members' Accumulations

NUMBER OF MEMBERS WITH ACCUMULATIONS	TOTAL AMOUNT OF MEMBERS' ACCUMULATIONS
67,432	\$200,394,922

Fee Subsidies Credited

NUMBER OF MEMBERS	TOTAL AMOUNTS OF FEE SUBSIDIES CREDITED TO MEMBERS
71,699	\$2,535,446

AXA KiwiSaver Scheme

summary of financial statements

FOR THE YEAR ENDED 31 MARCH 2009

This summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report of the changes in net assets, net assets and cashflows of the Scheme.

The full financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Principles, incorporating New Zealand Equivalents to International Financial Reporting Standards, as are appropriate for a profit orientated entity. Specifically the summary financial statements comply with the requirements of Financial Reporting Standard No. 43 – Summary Financial Statements.

The reporting currency is the NZ dollar.

You can obtain a copy of the full financial statements free of charge from:

AXA New Zealand Customer Services
PO Box 1692
Wellington 6140

This summary is extracted from the full financial statements for the year ended 31 March 2009, which were authorised for issue on 15 July 2009, and for which an unqualified audit opinion has been given. This summary has also been examined by PricewaterhouseCoopers and a copy of their unqualified opinion is included in this report.

statement of changes in net assets

	YEAR ENDED 31-MAR-09	6 MONTH PERIOD ENDED 31-MAR-08
Investment income		
Net (losses) on financial instruments held at fair value through profit or loss	(6,766,749)	(833,782)
Total investment (loss)	(6,766,749)	(833,782)
Expenses		
Administration fee	(2,103,934)	(380,391)
Management fee	(598,647)	(51,788)
Trustee fee	(21,694)	(4,097)
Total expenses	(2,724,275)	(436,276)
Loss before Membership activities	(9,491,024)	(1,270,058)
Membership activities		
Opening Members' funds	56,815,360	-
Contributions	165,237,582	59,903,411
Withdrawals	(2,193,782)	(15,531)
Transfers to other providers	(9,121,090)	(1,688,238)
Member attributed taxation	(852,124)	(114,224)
Net Membership activities	209,885,946	58,085,418
Closing Members' funds	200,394,922	56,815,360

statement of net assets

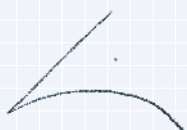
Assets		
Cash and cash equivalents	1,453,487	4,320,292
Financial assets held at fair value through profit or loss	200,939,487	52,715,326
Total assets	202,392,974	57,035,618
Liabilities		
Cash and cash equivalents	(161,834)	-
Other liabilities	(1,836,218)	(220,258)
Total liabilities (other than liabilities for accrued benefits)	(1,998,052)	(220,258)
Net Assets available to pay benefits	200,394,922	56,815,360
Liability for Accrued Benefits	200,394,922	56,815,360

statement of cash flows

	YEAR ENDED 31-MAR-09	6 MONTH PERIOD ENDED 31-MAR-08
Net cash (outflows) from operating activities	(157,608,004)	(53,875,538)
Net cash inflows from financing activities	154,579,365	58,195,830
Cash at beginning of period	4,320,292	-
Balance at end of period	1,291,653	4,320,292
Comprising:		
Intercompany account	(161,834)	4,320,292
Cash at bank	1,453,487	-
Total cash balance	1,291,653	4,320,292

Authorised for issue by the Trustee:

New Zealand Permanent Trustees Limited



Gary Roger Delbridge
15 JULY 2009



Grant Peter Brenton
15 JULY 2009

auditor's report

To the Members of the AXA Kiwisaver Scheme

We have audited the summary financial statements of the AXA KiwiSaver Scheme for the year ended 31 March 2009 on pages 10 to 12.

Trustee's responsibilities

The Trustee is responsible for the preparation and presentation of the summary financial statements in accordance with generally accepted accounting practice in New Zealand.

Auditors' responsibilities

We are responsible for expressing to you an independent opinion on the summary financial statements presented by the Trustee.

Basis of opinion

Our audit was conducted in accordance with New Zealand Auditing Standards and involved carrying out procedures to ensure the summary financial statements are consistent with the full financial statements on which the summary financial statements are based. We also evaluated the overall adequacy of the presentation of information in the summary financial statements against the requirements of Financial Reporting Standard No.43 – Summary Financial Statements.

We have no relationship with or interests in the Scheme other than in our capacity as auditors.

Unqualified opinion

In our opinion:

- a) the amounts set out in the summary financial statements have been correctly extracted from the full financial statements of the Scheme and are consistent in all material respects with the full financial statements, upon which we expressed an unqualified audit opinion in our report to the members dated 21 July 2009; and
- b) the information reported in the summary financial statements complies with Financial Reporting Standard No.43 – Summary Financial Statements.

We completed our work for the purposes of this report on 21 July 2009 and our unqualified opinion is expressed as at that date.



Chartered Accountants
Wellington

This audit report relates to the summary financial statements of the AXA KiwiSaver Scheme for the period ended 31 March 2009 included on the www.axakiwisaver.co.nz website. AXA New Zealand is responsible for the maintenance and integrity of the www.axakiwisaver.co.nz website. We have not been engaged to report on the integrity of the www.axakiwisaver.co.nz 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 21 July 2009 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.



trustee's certification

To the Members of the AXA KiwiSaver Scheme (‘the scheme’) for the year ended 31 March 2009

As required by section 123 (2) of the KiwiSaver Act 2006 (‘the Act’) New Zealand Permanent Trustees Limited as Trustee of the Scheme, certifies that:

All the benefits required to be paid from the Scheme in accordance with the terms of the Trust Deed have been paid. There were no outstanding claims as at 31 March 2009.

The market value of the assets of the Scheme at the close of the financial year exceeded the total value of the benefits that would have been payable had all Members of the Scheme 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 the close of the financial year.

Further, New Zealand Permanent Trustees Limited certifies in accordance with s.123 (4) of the Act that:

Any fee subsidies received in respect of each member of the Scheme have been applied in accordance with the prescribed requirements; and

There is a scheme provider agreement between the Commissioner of Inland Revenue and National Mutual Corporate Superannuation Services Limited as Provider of the Scheme that remains in force; and

There has been no fee increase of either the Trustee, Administration Manager, Investment Manager, Promoter or any other person charging a fee for services in relation to the provision of the Scheme during the year ending 31 March 2009.

New Zealand Permanent Trustees Limited confirms in accordance with s.123 (3) (b) of the Act that contributions received in respect of each Member, including contributions paid via the Commissioner of Inland Revenue in respect of that Member, have been applied in accordance with the Trust Deed.

Dennis Church General Manager
New Zealand Permanent Trustees Limited

28 AUGUST 2009

Amendments to the Trust Deed since the date of the last Annual Report

There were no amendments to the Trust Deed dated 22 March 2007.

The Prospectus

The latest Prospectus for the Scheme was registered on 26 September 2008.

directory

Administration manager:

National Mutual Corporate
Superannuation Services Limited
PO Box 1692
Wellington 6140
New Zealand

Investment manager:

AXA Global Investors Limited
PO Box 603
Wellington 6140
New Zealand

Trustee:

New Zealand Permanent Trustees Limited
PO Box 5067
Wellington 6145
New Zealand

The Trustee of the Scheme is New Zealand Permanent Trustees Limited (NZPT).

The Directors of the Trustee and changes since the date of the last annual report are:

Susan Brown (*appointed 3 July 2009*)
Ann Veronica Brennan (*resigned 3 July 2009*)
Gary Roger Delbridge
Grenville Barron Gaskell
Grant Peter Brenton (*appointed 12 December 2008*)
Donald James Mather (*resigned 12 December 2008*)

Actuarial advice:

AXA New Zealand Actuarial Division

Auditors:

PricewaterhouseCoopers
(previously Deloitte)

Solicitors:

AXA New Zealand Legal Division
and Kensington Swan

correspondence

Contact names and addresses for the Scheme are as follows:

For administrative matters and questions relating to your benefit entitlements:

AXA New Zealand
Freepost AXA
PO Box 1692
Wellington 6140
New Zealand
Freephone: 0800 29 27 28
Freefax: 0800 161 699
Email: kiwisaver@axa.co.nz

Correspondence intended for the Trustee, New Zealand Permanent Trustees Limited, should be addressed to:

New Zealand Permanent Trustees Limited
PO Box 5067
Wellington 6145
New Zealand
Phone: 04 978 4497

For more information call
your financial adviser or
contact us on **0800 292 728**.

A disclosure statement is available
from your financial adviser on request
and free of charge.

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redefining / standards

