

Annual report

Annual report for the year ended 30 June 2019



Details of the scheme

This annual report has been prepared for the Police Superannuation Scheme (scheme) for the year ended 30 June 2019. The manager and trustee of the scheme is PSS Trustees Limited (trustee, we or us).

The scheme is a registered workplace savings scheme. It is a restricted scheme, which means only certain people can join – in this case, employees of New Zealand Police.

The latest product disclosure statement for the scheme is dated 5 August 2019, and the scheme is open for applications.

The latest fund updates for each of the funds in the scheme for the year ended 30 June 2019 were made publicly available on 27 September 2019.

The latest financial statements for the scheme dated 12 September 2019 and the auditor's report on those financial statements were lodged with the Registrar of Financial Service Providers on 18 September 2019.

The financial statements and auditor's report, the fund updates and the product disclosure statement are available on the offer register and the scheme register at www.disclose-register.companiesoffice.govt.nz and www.policessuper.co.nz.

Information on contributions and scheme participants

This section provides a summary of changes in the membership of the scheme over the year ended 30 June 2019.

Membership	30 June 2018	30 June 2019
Total contributing scheme participants	9,500	9,956
Total non-contributing scheme participants	559	670
Total scheme participants	10,059	10,626

New members and member exits during the year ended 30 June 2019

New members	970
Transfers from other plans	–
Other new members	–
Total new members	970
Member exits due to:	
Retirement (including medical retirement)	75
Death	9
Transfers to other schemes	–
Other reasons, made up of:	
Leaving service	296
Total and permanent disablement	–
Medical disengagement/serious illness	4
Redundancy	–
In-service termination	21
Total exits	405

Member accumulations	30 June 2018	30 June 2019
Total member accumulations	\$2,034,282,551	\$2,140,603,061
Number of members	10,059	10,626

Total contributions to the scheme for the period	Total contributions during the period	Number of members who made the relevant contribution
Member contributions	\$57,508,830	10,433
Employer or other sponsor contributions	\$80,045,539	10,432
Member voluntary additional contributions	\$2,824,692	1,056
Total contributions	\$140,379,062	21,921

Changes relating to the scheme

The following is a summary of material changes relating to the scheme made during the year ended 30 June 2019.

Governing document

On 25 February 2019, the trust deed was amended to allow members to withdraw funds from the scheme for the purposes of purchasing a first home. On 28 June 2019, the trust deed was also amended to introduce provisions to facilitate the scheme becoming a PIE for the purposes of the Income Tax Act 2007.

Terms of the offer

Both the PIE tax change and the first-home withdrawal benefit have been included in the 2019 product disclosure statements (28 June 2019 and 6 August 2019). It also states the fee of \$200 for the first-home withdrawal and the standard withdrawal fee payable on each full or partial withdrawal from the same was increased from \$62.24 (8 October 2018) to \$64.33 (28 June 2019).

Statement of Investment Policy and Objectives

On 28 June 2019, the hedging position was changed from 100% to 50% hedged.

Related-party transactions

No related-party transactions were entered into during the year ended 30 June 2019 that were not on arm's length terms.

Other information for particular types of managed funds

During the period, the following withdrawals were made from the scheme:

Withdrawal type	Total number of members who made the relevant withdrawal
Retirement (including medical retirement)	75
Leaving service	296
Redundancy	–
In-service termination	21
Death/total and permanent disablement	9
Medical disengagement/serious illness	4
First-home withdrawal	119
Financial hardship	38
Matrimonial settlement	26
Partial withdrawals	2,296
Total withdrawals	2,884

The unit prices for the funds as at 1 July 2018 and 30 June 2019 were as follows:

Fund	Unit price as at 1 July 2018	Unit price as at 30 June 2019
Growth	\$1.1477	\$1.2046
Balanced	\$1.1040	\$1.1627
Stable	\$1.0623	\$1.1035
Cash Plus	\$1.0315	\$1.0484
Super Steps (Age 49)	N/A	N/A
Super Steps (Age 59)	N/A	N/A

PSS Trustees Limited, as manager and trustee of the scheme, confirms:

- all the contributions required to be made to the scheme in accordance with the trust deed have been made
- all the benefits required to be paid from the scheme in accordance with the terms of the trust deed have been paid
- the market value of the scheme property at the balance date equalled or exceeded the total value of 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 balance date.

Changes to persons involved in the scheme

The table below sets out what changes were made to persons involved in the scheme during the period ended 30 June 2019.

Person	Change
The trustee and manager of the scheme	None ¹
The directors of the trustee and manager of the scheme	Sarah Graydon was appointed as an independent director on 1 April 2019
Key personnel of the trustee and manager of the scheme	None ²
Any administration manager or investment manager of the scheme	None
The securities registrar, custodian or auditor of the scheme	None

How to find further information

Further information relating to the scheme, including financial statements, annual fund updates, the scheme's trust deed and the *Statement of Investment Policy and Objectives*, is available on the offer register and the scheme register free of charge at www.disclose-register.companiesoffice.govt.nz.

You can also obtain the above information as well as an estimate of your current benefits free of charge by contacting us through the scheme's administration manager at psscheme@mercer.com.

Contact details and complaints

If you have any questions or complaints, please contact us through our scheme secretary:

Derek Vincent
Scheme Secretary
PSS Trustees Limited
PO Box 2897
Wellington 6140
Telephone: (04) 819 2639

We are a member of Financial Services Complaints Limited (FSCL), a dispute resolution scheme approved under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

If you have made a complaint to us and it has not been resolved within 40 days or if you are dissatisfied with the proposed resolution, you can refer your complaint to:

Financial Services Complaints Limited
Level 4
101 Lambton Quay
PO Box 5967
Wellington 6145
Telephone: 0800 347 257

FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

You may also contact Mercer (N.Z.) Limited (the securities registrar) at:

Police Superannuation Scheme
c/o Mercer (N.Z.) Limited
PO Box 1849
Wellington 6140
Telephone: 0800 777 243

¹ Since balance date, on 1 September 2019, the Commissioner appointed Sandra Venables as his representative on the board of PSS Trustees Limited replacing Dave Trappitt.

² Since balance date, on 5 August 2019, Derek Vincent from Mercer (N.Z.) Limited was appointed scheme secretary.