



2022

Simplicity KiwiSaver Scheme

Annual Report for the year ended 31 March 2022



Kia ora,

Greetings to our members, staff and volunteers, all of whom played a part in another banner year.

Simplicity is at heart a dignity company. We believe a dignified life is one with choices, and that more money means more choices. It's that simple.

In achieving this, the numbers speak for themselves. We're now managing over \$4 billion in KiwiSaver and Investment Funds and saving our members many millions in fees. And we've begun building affordable homes for rent.

And another huge highlight was being made a KiwiSaver default manager, just five years after Simplicity began around a kitchen table %)

We believe it's possible to make our members money and do good. 15% of all our fees go to the Simplicity Foundation, which has now reached a cumulative \$4.2 million in donations. And we're delighted that our members get a say in where the donations go %).

Simplicity is a nonprofit fund manager, owned by the Simplicity Foundation. That means all the benefits of scale go back to our members. So please keep talking about us!

Many thanks for your support. Our success only happens with amazing people and a common purpose.

Yours in Simplicity %)

Sam Stubbs
Managing Director

Updated numbers to end of March 2022

Almost \$4.2 million in cumulative donations to charity

Over \$4 billion in funds under management

Highlights

Winning the KiwiSaver provider Consumer NZ's People's Choice award for the third year running

Launching Simplicity Living

Being appointed a default KiwiSaver provider

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SECTION ONE — DETAILS OF SCHEME

Name of the scheme: Simplicity KiwiSaver Scheme

Type of scheme: KiwiSaver Scheme

Manager: Simplicity NZ Limited (Simplicity)

Supervisor: Public Trust

Product Disclosure Statement: The current Product Disclosure Statement for the scheme is dated 25 May 2022 and is open for applications.

Fund Updates: A Fund Update dated 28 July 2022 for each of the four investment funds is available for the quarter ending 30 June 2022.

Financial statements and auditor's report:

The latest full financial statements for the scheme that comply with, and have been registered under, the Financial Markets Conduct Act 2013 cover the financial year 1 April 2021 to 31 March 2022 and were authorised for issue by the manager, Simplicity NZ Limited, on 29 July 2022. The auditor's report on those financial statements was dated 29 July 2022. The auditor's report was unmodified.

SECTION TWO — INFORMATION ON CONTRIBUTIONS AND SCHEME PARTICIPANTS

Membership details FY 2022	Contributing Members	Non Contributing Members	Total Number Of Members	Members' Accumulation
Number of members at the start of the year	35,408	11,083	46,491	\$1,669,980,387
PLUS:				
Total New Members			8,063	
New Members transferring from other KiwiSaver schemes			49,385	
Other new Members			42	
LESS:				
Members transferring to other KiwiSaver schemes			2,910	
Retirement			176	
Death			15	
Other exits			279	
Total membership at the end of the year	60,789	39,812	100,601	\$2,658,327,369

CONTRIBUTIONS TABLE

Contributions	Number of Members	Total Amount
FY 2022		
Type		
Member contributions	62,270	\$147,495,271
Member voluntary contributions	16,937	\$70,926,450
Employer contributions	61,765	\$77,278,513
Government contributions	45,524	\$19,776,037
Transfers from other KiwiSaver schemes	49,457	\$799,930,177
Transfers from Australian superannuation schemes	42	\$9,289,971

SECTION THREE — CHANGES RELATING TO THE SCHEME

During the accounting period, there have been no material changes to the Scheme's Trust Deed or the Terms of Offer of Interests in the Scheme.

On 15 September 2021, the Statement of Investment Policy and Objectives (SIPO) and the Product Disclosure Statement (PDS) of the Scheme's Funds were changed to include the Default Fund and the potential investment in unlisted New Zealand property. On 3 November 2021 the SIPO was changed to adjust the asset allocations. On 22 December 2021, the PDS of the Scheme's Funds was changed to remove the annual membership fee.

No related party transaction certificates were provided to Public Trust as supervisor of the Simplicity KiwiSaver Funds, during the accounting period. Subsequently on 21 April 2022 related party certificates were provided, notifying Public Trust of related party benefits due to the potential loss of Scheme property investing in the Private Equity Fund and the Property Fund, which are wholesale funds managed by Simplicity Investment Management Limited, a subsidiary of Simplicity NZ Limited.

As at 31 March 2022 the Simplicity KiwiSaver Funds had \$53,706,214 invested in the Simplicity First Home Mortgage Fund, \$14,764,358 invested in the Private Equity Fund and \$2,912,318 invested in the Property Fund.

All related party transactions were conducted on normal commercial terms and conditions during the accounting period and were on arm's-length terms.

SECTION FOUR — OTHER INFORMATION

Withdrawals FY 2022	Number of members
First home withdrawal	1,596
Retirement withdrawals (full)	176
Retirement withdrawals (partial)	325
Significant financial hardship	60
Serious illness withdrawals	24
Transfers to Australian superannuation schemes	25
Withdrawals on death	15
Transfers to other KiwiSaver schemes	2,910
Permanent emigration	59
Other enactments	8
Invalid enrolments	158

Unit Prices	Unit price: 31 March 2021	Unit price: 31 March 2022	Return to 31 March 2022*
Simplicity Conservative	1.2515	1.2143	-2.60%
Simplicity Balanced	1.4236	1.4360	1.32%
Simplicity Growth	1.5873	1.6412	3.89%
Simplicity Default [#]	-	0.9439	-

* Annual return before tax, after fees

[#] Default Fund commenced on 1 December 2021

Manager's Annual Statement

As the manager of the Simplicity KiwiSaver Scheme, we confirm that for the year ended 31 March 2022:

- all the benefits required to be paid from the Scheme in accordance with the governing documents and KiwiSaver Scheme rules have been paid;
- the market value of the assets of the Scheme at the close of the financial year, 31 March 2022, equalled or 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, where necessary, 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.

SECTION FIVE — CHANGES TO PERSONS INVOLVED IN THE SCHEME

There were no changes to the board of Simplicity NZ Limited during the year.

At the supervisor, there were no changes to the Trust Board during the year.

SECTION SIX — HOW TO FIND FURTHER INFORMATION

Information relating to the Simplicity KiwiSaver Scheme on the offer register and the scheme register can be found at www.business.govt.nz/disclose.

The scheme register includes financial statements, Trust Deed and Statement of Investment Policy and Objectives.

The offer register includes information relating to the membership and funds. It also includes Fund Updates and Other Material Information.

Information relating to the scheme, such as Fund Updates, the annual report, current Product Disclosure Statement and other useful information is available at www.simplicity.kiwi

If you require any information from us, please contact us by email: info@simplicity.kiwi

All the information can be obtained from us without charge.

SECTION SEVEN — CONTACT DETAILS AND COMPLAINTS

Contact details for the manager:

Simplicity NZ Limited
PO Box 33485
Takapuna
Auckland 0740
Telephone: 022 548 0212

Contact details for the registrar:

MMC Limited
PO Box 106 039
Auckland City
Auckland 1043
Telephone: 09 309 8926

Contact details of the supervisor:

Public Trust
Private Bag 5902
Wellington 6140
Telephone: 0800 371 471

Any queries or complaints about the Scheme can be made to:

Head of Compliance
Simplicity NZ Limited
PO Box 33485
Takapuna
Auckland 0740

Please direct any complaints about your investment to us:

Simplicity NZ Limited
PO Box 33485
Takapuna
Auckland 0740
Telephone: 022 548 0212
Email: info@simplicity.kiwi

If we are unable to resolve your complaint, you may choose to contact the supervisor:

Public Trust
Private Bag 5902
Wellington 6140
Attn: Customer Complaints
Telephone: 0800 371 471

Simplicity NZ Limited is a member of the Financial Services Complaints Limited (FSCL), which is an independent dispute resolution scheme approved by the Ministry of Consumer Affairs. FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

If you make a complaint to us or our supervisor and the complaint cannot be resolved, you may refer it to FSCL as follows:

Financial Services
Complaints Limited
PO Box 5967
Wellington 6145
Telephone: 0800 347 257

