



GMI Master Trust Scheme

ANNUAL REPORT

For the year ended 31 March 2017

Details of the Scheme

Scheme name: GMI Master Trust Scheme

Type of Scheme: Managed Fund

Manager: GMI Wealth Limited

Supervisor: Public Trust

Product Disclosure Statement (PDS): Closed for applications (no PDS on issue)

Latest Fund Updates for each fund within the Scheme: 30 June 2017

Latest Scheme Financial Statements: The Scheme's latest audited financial statements (including the auditor's report dated 7 July 2017) for the year ended 31 March 2017 were lodged with the Registrar on 2 August 2017.

Information on contributions and scheme participants

Number of units on issue at the start and end of the accounting period.

	Units on issue at 1 April 2016	Units on issue at 31 March 2017
GMI Fixed Interest Fund	237,745,465	380,890,934
GMI Growth Fund	110,884,671	231,196,519

Changes relating to the scheme

1. The GMI Master Trust Scheme was transitioned under the Financial Markets Conduct Act 2013 (FMCA) on 30 November 2016. As at this date the Scheme became a registered Managed Investment Scheme under the FMCA, however the Scheme is closed for applications to retail investors.

As part of the transition, the Manager determined and the Supervisor has consented to:

- a amend and consolidate the provisions of the existing trust deed in order to:
 - i comply with the requirements of the FMCA and Regulations;
 - ii make a number of other amendments that the Supervisor and the Manager considered appropriate in connection with the Scheme becoming registered under the FMCA; and

2. The Statement of Investment Policy and Objectives (SIPO) dated 1 December 2016 was proposed by the Manager and agreed to by the Supervisor in accordance with the trust deed of the Scheme dated 25 November 2016 (Trust Deed). The SIPO specifies the policy, objectives, investment philosophy, investment style, guidelines and limits that the Manager shall follow in relation to the investment of the assets of each fund within the Scheme.

3. As part of the FMCA transition, on 12 September 2016 the GMI Superannuation Scheme (issued by a related party of the Manager, being Gareth Morgan Investments Limited Partnership (GMILP)) transferred assets by way of an in-specie transfer to the GMI Fixed Interest Fund and the GMI Growth Fund within the Scheme. The details of this in specie transfer appear in the table below:

	NZD value of transferred assets	Unit price \$	Number of units issued
GMI Fixed Interest Fund	18,834,686.27	1.1296	16,673,766.17
GMI Growth Fund	33,351,227.80	0.9562	34,878,924.70

All related party transactions entered into during the accounting period were on arms-length terms.

Other information for particular types of managed funds

Unit Prices

	Unit price at 1 April 2016 \$	Unit price at 31 March 2017 \$
GMI Fixed Interest Fund	1.1015	1.1401
GMI Growth Fund	0.9667	1.0770

Changes to persons involved in the scheme

There were no changes to the key personnel of the Manager, the Scheme's investment manager, custodian or auditor. There were changes during the accounting period (1 April 2016 – 31 March 2017) to the following:

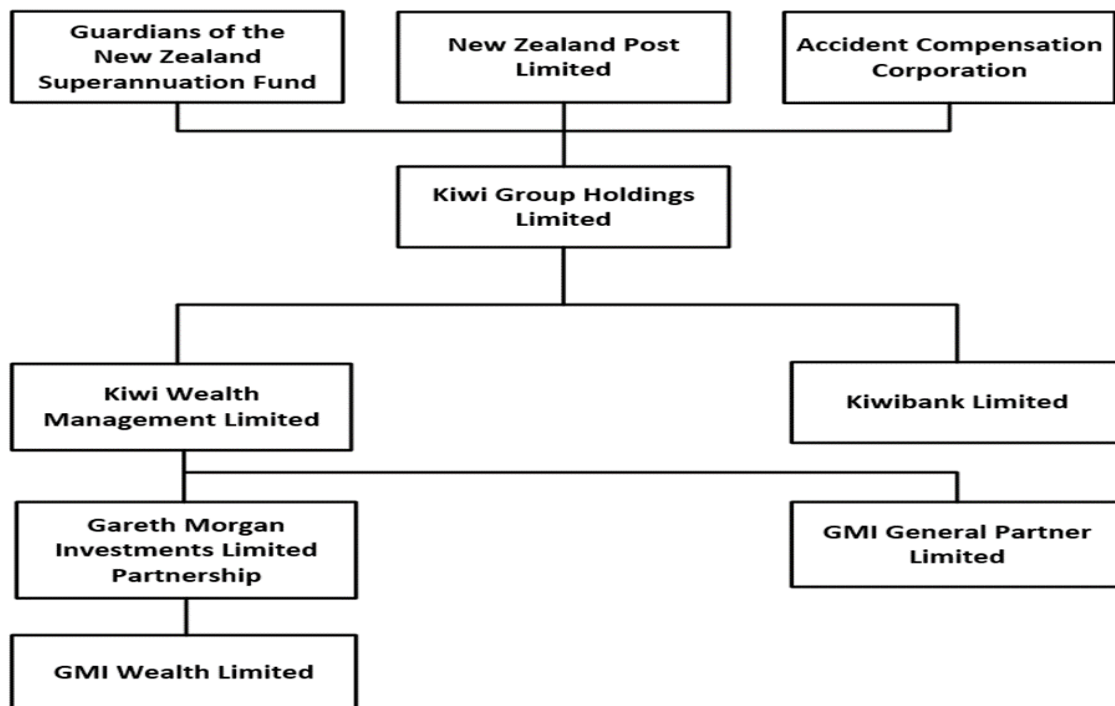
1. **The Manager:** New Shareholders in the parent company.

In late 2016 there were changes to the ownership structure of the parent company that owns the Manager. The Manager is wholly owned by GMILP, which in turn is owned by Kiwi Wealth Management Limited (KWML). KWML is a wholly owned subsidiary of Kiwi Group Holdings Limited (KGHL), which in turn was 100% owned by New Zealand Post Limited.

In September 2016, New Zealand Post agreed to sell 47% of the holding company, KGHL to:

- the Guardians of the New Zealand Superannuation Fund (25%) and
- the Accident Compensation Corporation (22%).

The relevant ownership structure is shown below:



2. **The directors of the Manager:** Appointment of a new director - Michael O'Donnell became a director of the Manager on 16 March 2017.
3. **The supervisor or any of its Board members:** Changes to the Board members of the Supervisor as follows:
 - Susan Mary Anna McCormack completed her term as a Board member on 30 April 2016.
 - Dilkhush (Dinu) Harry completed his term as a Board member on 31 October 2016.
 - Diana Marie Puketapu completed her term as a Board member on 31 October 2016.
 - Dianne Victoria McAteer was appointed as a Board member on 1 November 2016.
 - Graham Arthur Naylor was appointed as a Board member on 1 November 2016.
 - Bevan Edward Killick was appointed as a Board member on 1 November 2016

Subsequent to 31 March 2017, Public Trust had the following Board changes:

- Huei Min (Lyn) Lim completed her term as a Board member on 30 June 2017.
- Ian Fitzgerald was appointed as a Board Member on 22 May 2017.
- Sarah Roberts 4 year term as Chair ends in August and in September Ian Fitzgerald will be Sarah Roberts' replacement.

How to find further information

Further information relating to the Scheme, including the Trust Deed, the SIPO, financial statements, and annual reports are available on the scheme register at www.companiesoffice.govt.nz/disclose. The quarterly fund updates and register entries are available on the offer register at www.companiesoffice.govt.nz/disclose. A copy of the information on the offer register or scheme register is available on request from the Registrar of Financial Service Providers.

Fund updates, financial statements and annual reports are also available free of charge at www.kiwiwealth.co.nz/scheme-fund-documents or by contacting us through one of the ways listed below.

You can obtain general information about us at www.kiwiwealth.co.nz.

Contact details and complaints

How to complain to, or contact the Manager:

You can lodge a complaint with us:

Online: www.kiwiwealth.co.nz/feedback

Call: 0800 427 384 during normal business hours

Email: questions@kiwiwealth.co.nz

Write to:

FreePost 210729
GMI Wealth Limited
PO Box 50617
Porirua 5240
Attention: GMI Master Trust Complaints

You can also contact, or make a complaint to Public Trust:

Call: 0800 371 471 during normal business hours

Write to:

General Manager
Corporate Trustee Services
Public Trust
PO Box 5067
Wellington 6145

Public Trust is a member of an approved dispute resolution scheme operated by Financial Services Complaints Limited ('FSCL'). If your complaint to Public Trust has not been resolved, you can refer it to FSCL.

Call: 0800 347 257

Write to:

Financial Services Complaints Limited
4th Floor, 101 Lambton Quay
PO Box 5967
Wellington 6145

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