

An

ANNUAL REPORT

that won't take a

YEAR

to read

The Gareth Morgan KiwiSaver Scheme Annual Report and
Summary Financial Statements for the year ended 31 March 2013

Welcome to an annual report of two halves.

In the first half you can find out the key info on what happened during the year in the Gareth Morgan KiwiSaver Scheme (we'll just call it the "**Scheme**" from here on in). This includes what money came in and out, what went on in global markets, and how our investment portfolios performed. Everything you need to know, written for you.

The second half is for the number crunchers. There's some good stuff here, but there are lots of figures so you might need a lie down after reading it!

Right, let's get stuck in...

**Kiwi
Wealth.**

**Gareth Morgan
KiwiSaver Scheme.**

Gareth Morgan KiwiSaver Limited is the issuer and manager of the Scheme and is a related company of Kiwibank Limited. Kiwibank Limited is a distributor but is not an issuer or promoter of the Scheme. Investments made in the Scheme do not represent bank deposits or other liabilities of Kiwibank Limited, New Zealand Post Limited or any other member of the New Zealand Post Group. They are subject to investment and other risks, including possible delays in payment of withdrawal amounts and loss of investment value. No person, including Kiwibank Limited, New Zealand Post Limited or any other member of the New Zealand Post Group, Gareth Morgan KiwiSaver Limited, Gareth Morgan Investments Limited Partnership, Public Trust as the trustee of the Scheme or any of their respective directors or board members, or the New Zealand Government guarantees the payment of members' interests in the Scheme or the payment of any earnings or returns on investment in the Scheme. The investment statement for the Scheme is available at www.gmk.co.nz or by calling 0800 427 384, or from your local Kiwibank or www.kiwibank.co.nz.

Money

MONEY In and Out

Here's a summary of the money that was put into the Scheme and the money that was taken out of the Scheme between 1 April 2012 and 31 March 2013. The summary below includes all contributions, investment returns, taxes, fees and expenses. FUM stands for funds under management – the dollar value of the members' funds in the Scheme. Note we've rounded these figures to the nearest thousand.



These figures are taken from the Scheme's audited annual financial statements for the year ended 31 March 2013, which were signed on 9 August 2013 (the "Financial Statements"). A summary of the Financial Statements is shown on pages 14 to 16.

MONEY Market review

We are a global investor, so let's take a look at what happened in global financial markets over the year.

Calmer waters after a stormy start

The economic climate ended up being much more settled than in recent years – not off the charts, just steady as she goes.

2012

April: Dark clouds hovered. Markets had to deal with the threat of Greece crashing out of the eurozone, concerns about Spanish banks staying afloat, weaker economic data in the US, and genuine fear of the Chinese economy suffering from a hard landing. None of this did much for global share markets, which rapidly went into reverse.

May – August: A few difficult months for markets as politicians scrambled to resolve the eurozone debt crisis. June was the low point for shares over the year.

September: A breakthrough for markets followed the decision by the European Central Bank to provide a backstop to governments in the eurozone. Global economies were once again beginning to show signs of acceleration, most notably the US and China.

October – December: The 'fiscal cliff' drama in the US put a dampener on things as we headed into the end of 2012. This was resolved at the very last moment, averting a sudden stop in the US federal budget which would have plunged the US over the cliff and possibly into recession in 2013. The US share market responded positively.

2013

January: The world's largest economy, the US, continued to build momentum and China gradually emerged from its slow patch. Healing in the eurozone continued.

February – March: A good environment for share markets, which found their sweet spots thanks to the triple whammy of ongoing monetary easing, growth continuing its steady plod, and no real threat of inflation. In this climate not even the Cyprus 'deposit-grab' debacle and other European woes could dampen markets.

The year wrapped up with Europe in mild recession but China and the US still growing. It ended up being a good year for bonds and shares, but it was far from plain sailing getting there. It was central banks' actions that proved to be the turning point. More about this on page 6.

MONEY Investment returns

Returns information for the Scheme's investment portfolios is available at www.gmk.co.nz/returns and is updated monthly. Below we've shown the investment returns calculated for the year ended 31 March 2013 and since we started investing money for our members in October 2007. The benchmarks in the table are the comparable market returns for each investment portfolio. Our goal is to beat benchmark returns. We won't achieve that every year, but that's what we strive for. There's a page on our website dedicated to explaining our benchmarks at www.gmk.co.nz/benchmarks.

The returns are shown after all taxes, fees, and charges like brokerage have been deducted, so they reflect what you'd get in your hand. Figures have been rounded to one decimal place.

We use the highest Prescribed Investor Rate ("PIR") in calculating investment returns, which currently is 28%. The PIR is the rate at which your scheme investment income is taxed. If your PIR is lower than 28%, your actual returns will usually be higher.

Year ended 31 March 2013 ¹	
Cash investment portfolio	1.2%
Benchmark	0.9%
Better/worse than benchmark	0.3% better
Year ended 31 March 2013 ¹	
CashPlus investment portfolio	1.9%
Benchmark	1.1%
Better/worse than benchmark	0.8% better

¹ The Cash investment portfolio was introduced on 12 September 2012 and the CashPlus investment portfolio was introduced on 1 June 2012, so investment returns shown for these investment portfolios are only for part of the year.

Year ended 31 March 2013		Since KiwiSaver started in 2007	
		Overall	Annualised (per year) ²
Conservative investment portfolio	5.8%	19.3%	3.3%
Benchmark	3.4%	14.0%	2.4%
Better/worse than benchmark	2.4% better	5.3% better	0.9% better
Balanced investment portfolio	8.1%	13.2%	2.3%
Benchmark	6.8%	1.2%	0.2%
Better/worse than benchmark	1.3% better	12% better	2.1% better
Growth investment portfolio	9.6%	3.1%	0.6%
Benchmark	9.2%	-14.6%	-2.8%
Better/worse than benchmark	0.4% better	17.7% better	3.4% better

² We convert the returns over the whole period into a 'per year' figure that takes into account the compounding nature of investment returns.

So the bottom line is that each investment portfolio beat its relevant benchmark for the year.

Back in black

The year had more than its fair share of thrills and spills, with the game-changer for markets coming from actions of the central banks.

The environment of low interest rates, modest economic growth, and the effective removal of risks relating to a eurozone blow-up meant it ended up being a pretty decent year for shares. You can see that reflected most in the returns of our Growth investment portfolio, at **+9.6%** for the year.

It's not just shares that thrived in this environment. By driving down interest rates, the central banks boosted capital gains on fixed interest assets, such as bonds. So it also ended up being a good year for our Conservative investment portfolio, which

holds the largest amount of fixed interest assets, with returns at **+5.8%** for the year.

With a more even mix between shares and fixed interest assets, returns for our Balanced investment portfolio sit between the two at **+8.1%** for the year. We also had positive returns for the two new investment portfolios introduced during the year: Cash at **+1.2%** (for 7 months) and CashPlus at **+1.9%** (for 10 months).

After a few years of living in the shadows of the global financial crisis, we're pleased to be able to report returns (after tax and fees) firmly in the black for all our investment portfolios.

Past performance is no guide to future performance.

Our asset allocation – a sign of the times

As an active manager, we may adjust the proportion our investment portfolios have invested in the different asset classes – shares, fixed interest and cash – within agreed limits. We also change the individual securities within each asset class.

Shares carry the most risk and this is the asset class we tend to change exposures to the most, dialling up or down depending on our view of the economic backdrop, market conditions and valuations.

You'll find the greatest proportion of shares in our Growth investment portfolio, which has a 'neutral' target of 85% invested in shares, although we may go above or

below as conditions change. We may also change the mix between cash and fixed interest investments depending on our view of likely changes in interest rates.

This year our changing level of investment in shares reflected developments in the eurozone and a slowly improving global economic backdrop. Our Growth investment portfolio began the year with 80% invested in shares, dipped to 72% at one point, and then finished the year at 90% invested in shares. That journey goes some way to show just how much market conditions turned around over the year.

Remember – no investment is completely risk-free.

MONEY How much is in the Scheme?

All these numbers are as at 31 March 2013.

Total members' funds
in the Scheme:

\$928,346,000

Yes, that's nine hundred and twenty eight million, three hundred and forty six thousand dollars in our members' accounts.

This is almost double the average member account balance across all KiwiSaver schemes – \$7,835* – which shows we've got a bunch of serious savers in our Scheme.

Average member
account balance:

\$14,471

Members

MEMBERS In and Out

Number of members
as at 31 March 2012:

57,617

Number of members
who left us:

3,659

of which 1,527 made a retirement withdrawal and left KiwiSaver completely

Number of members
who joined us:

10,192

of which 4,209 joined the Scheme directly
5,983 joined through Kiwibank

Total membership
as at 31 March
2013:

64,150

*We've calculated this using the Reserve Bank's statistics on total funds under management for all KiwiSaver schemes as at 31 March 2013 (www.rbnz.govt.nz/statistics) divided by Inland Revenue's statistics on total KiwiSaver membership as at 31 March 2013 (www.kiwisaver.govt.nz/statistics).

It's been a busy year!

Here's a whirlwind tour of the year that was for our Scheme.

April 2012

Gareth Morgan Investments Limited Partnership (that's our owner and the Scheme's Investment Manager) started the year with a new owner: Kiwi Wealth Management Limited, also known as Kiwi Wealth. The company that owns Kiwi Wealth is Kiwi Group Holdings Limited, which also owns Kiwibank Limited. That's a long way of saying we're now part of the same family as Kiwibank!

June 2012

We introduced a new investment portfolio: CashPlus, which holds up to 60% in fixed interest assets and the balance in cash*, with no shares.

July 2012

KiwiSaver had its fifth birthday... and the first KiwiSaver members became eligible to make a retirement withdrawal. See the box below to find out what our eligible members did.

August 2012

KiwiSaver membership across New Zealand exceeded all expectations and hit the two million mark!

September 2012

We introduced a new investment portfolio: Cash. As its name suggests, Cash holds 100% in cash* investments.

Our Scheme had 5,164 members who became eligible to make a retirement withdrawal within the year. Of those members:

- 5% made one or more partial retirement withdrawals (keeping their KiwiSaver account open)
- 58% stayed in KiwiSaver without dipping into their account at all

*Cash is made up of on call bank deposits, bank bills and floating rate notes, as well as bank certificates and bonds with 6 months or less to maturity.

October 2012

We added the words 'Kiwi Wealth' alongside the Gareth Morgan KiwiSaver Scheme logo in our member communications to reflect our change in ownership.

Kiwibank began distributing our Scheme, so now it's possible to join the Scheme through Kiwibank as well as through us. A huge welcome to all our members who have joined in this way! This means that our members who are also Kiwibank customers have some new options for managing their KiwiSaver account; at Kiwibank branches and through Kiwibank internet banking.

December 2012

It was awards season, and didn't we do well!

We were thrilled to win the People's Choice KiwiSaver Scheme Communication Award at the Workplace Savings Awards... again. That makes us the first KiwiSaver provider to bag the prize two years in a row.

Then we were proud finalists in the 2012 WriteMark New Zealand Plain English Awards (Private Sector category), for both our 2012 annual report and our website. Hang on, not quite done yet...

We also got the highest scores in all the service categories in the Nielsen Company Top KiwiSaver Providers survey – see the back page for more.

By the end of 2012 our membership hit the 60,000 milestone. So you're in good company!

Now for the number crunching...

Gareth Morgan KiwiSaver Scheme

Statutory Information

For the year ended 31 March 2013

In accordance with section 123 of the KiwiSaver Act 2006, Gareth Morgan KiwiSaver Limited as manager (the “**Manager**”) of the Gareth Morgan KiwiSaver Scheme (the “**Scheme**”) reports as follows:

About the Scheme

As at 31 March 2013:

- (i) the Manager is the manager, promoter, registrar and administration manager;
- (ii) Public Trust is the trustee;
- (iii) Gareth Morgan Investments Limited Partnership is the investment manager (the “**Investment Manager**”);
- (iv) JBWere (NZ) Nominees Limited is the custodian; and
- (v) KPMG is the auditor.

PricewaterhouseCoopers was appointed as auditor of the Scheme in place of KPMG on 7 May 2013 and performed the audit for the year ended 31 March 2013.

A memorandum of amendments to the prospectus of the Scheme dated 13 September 2012 (as amended on 16 October 2012) was registered with the Registrar of Financial Service Providers on 14 December 2012.

Investment Performance

The returns of each of the Scheme’s investment portfolios for the financial year ended 31 March 2013 and since inception (when we first started investing money for our members back in October 2007):

Scheme Investment Portfolios	Year ended 31 Mar 2013*		Since inception (p.a.)	
	17.5% PIR	28% PIR	17.5% PIR	28% PIR
Cash*	1.4%	1.2%	n/a	n/a
CashPlus*	2.2%	1.9%	n/a	n/a
Conservative	6.5%	5.8%	3.8%	3.3%
Balanced	8.9%	8.1%	2.8%	2.3%
Growth	10.3%	9.6%	0.9%	0.6%

**The Cash investment portfolio was introduced on 12 September 2012 and the CashPlus investment portfolio was introduced on 1 June 2012, so for these investment portfolios the returns shown are only for part of the year.*

The above table shows the rates of return of each investment portfolio, after fees and taxes for the top two Prescribed Investor Rates of 17.5% and 28%. They have also been rounded to one decimal place. The returns since inception are annualised – this means we convert the returns over the whole period into a ‘per year’ figure that takes into account the compounding nature of investment returns.

Fees

The total amount of direct fees charged by the Manager during the financial year:

Year ended 31 Mar 2013

Direct Manager fees	\$ 8,504,685
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No indirect fees were charged by the Manager to the Scheme during the year. The Scheme was not charged any direct or indirect fees by any other person specified in clause 2 of the KiwiSaver scheme rules.

Membership

Changes in the numbers of Scheme members during the financial year:

Year ended 31 Mar 2013

Contributing members at the start of the year	40,752
Total entries for the year (including existing members resuming contributions)	13,384
Total permanent exits and temporary exits for the year (including members stopping contributions)	8,898
Members on contributions holidays at the end of the year	1,393
Other non-contributing members (not on contributions holidays) at the end of the year	17,519

Withdrawals

The number of members of the Scheme who made a withdrawal during the financial year, and the total amount withdrawn by those members:

Year ended 31 Mar 2013

	Number of Members	\$000s
First home (including second chance) withdrawal	300	3,661
Significant financial hardship	148	921
Serious illness	28	400
Permanent emigration	137	1,243
End payment date (retirement) withdrawal	1,785	25,928

Contributions

The total amount of each type of contribution received by the Manager for the financial year and the number of members credited with each type of contribution:

Year ended 31 Mar 2013

	Number of Members	\$000s
Employee contributions	40,295	79,155
Employer contributions	38,960	37,307
Government contributions	49,360	25,299
Transfers from other KiwiSaver schemes	4,091	30,481
Transfers from registered superannuation schemes (non-KiwiSaver)	177	8,855
Voluntary contributions paid via Inland Revenue	2,915	4,191
Voluntary contributions paid directly to the Scheme	11,318	15,004

The total amount of members' accumulations at the end of the financial year and the number of members with accumulations:

Year ended 31 Mar 2013

	Number of Members	\$000s
Members' accumulations	61,898	928,346

During the year ended 31 March 2013 no members transferred money from an Australian complying superannuation scheme to the Scheme, as this option was not yet available.

Changes relating to the Scheme

Amendments to the trust deed of the Scheme

The trust deed was amended and consolidated:

On 2 April 2012

- to permit a variable fee of up to 1% per annum of a member's account balance to be paid by each member in respect of the Scheme; and
- to permit certain related party transactions to be entered.

On 13 September 2012

- to effect a restructure of the Scheme required by the KiwiSaver Amendment Act 2011. As a result, the Manager became the issuer of the Scheme and (except for assessing significant financial hardship and serious illness withdrawal applications) it assumed primary responsibility for the Scheme's management and administration. Additionally, under that act the Trustee became the supervisor of certain functions performed by the Manager.

No other amendments to the trust deed were made during the year ended 31 March 2013.

Amendments to the terms of the offer of interests in the Scheme

On 1 June 2012

- the CashPlus investment portfolio was added as an investment portfolio in which members of the Scheme may have their accumulations invested.

On 2 July 2012

- the fee payable for the CashPlus investment portfolio was reduced to 0.7%; and
- the minimum contribution amount for payments by direct debit or cheque was reduced to \$20.

On 12 September 2012

- the Cash investment portfolio was added as a further investment portfolio.

No other changes were made to the terms of the offer of interests in the Scheme during the year ended 31 March 2013.

Amendments to the investment objectives and policy for the Scheme

The investment objectives and policy for the Scheme were amended:

On 2 April 2012

- to add investment objectives relating to the CashPlus investment portfolio;
- to add investment restrictions in relation to New Zealand Government and Local Government Funding Authority debt securities;
- to clarify the use of certain encumbrances; and
- to permit the related party transactions mentioned above.

On 12 June 2012

- to add investment objectives relating to the Cash investment portfolio.

No other changes were made to the investment objectives and policy during the year ended 31 March 2013.

Other changes during the year

On 31 March 2012

- Charles Andrea Purcell and Samuel Gareth Morgan ceased to be directors of the Manager; and
- Paul Robert Brock and Stuart Lindsay Bremner were appointed as directors of the Manager.

On 13 September 2012

- the custodian of the Scheme changed from Portfolio Custodial Nominees Limited to JBWere (NZ) Nominees Limited.

On 31 October 2012

- Hinerangi Ada Raumati completed her term as a board member of Public Trust.

No other changes occurred during the year ended 31 March 2013.

Changes after year end

30 April 2013 – Robin Gilmer Hill completed his term as a board member of Public Trust.

7 May 2013 – PricewaterhouseCoopers was appointed as auditor of the Scheme in place of KPMG.

30 June 2013 – Trevor David Janes completed his term as a board member and chair of Public Trust.

1 July 2013 – Sarah Mary Roberts was appointed as chair of the board of Public Trust.

5 July 2013 – Stuart Lindsay Bremner ceased to be a director of the Manager.

15 July 2013 – Brian Joseph Roche was appointed as a director of the Manager.

Financial statements and auditors' report

Financial statements for the year ended 31 March 2013 that comply with the Financial Reporting Act 1993 were signed on 9 August 2013 and registered under that act on 20 August 2013. An unmodified auditors' report on those financial statements was also signed on 9 August 2013 and did not refer to a fundamental uncertainty and was not qualified in any way.

The summary financial statements of the Scheme for the year ended 31 March 2013 are on pages 14 to 16. An auditors' report on those summary financial statements of the Scheme is on page 17.

The most recent prospectus, and financial statements and other documents of, or relating to, the Scheme, are filed on a public register at the Companies Office of the Ministry of Business, Innovation and Employment and are available for public inspection (including online at <http://www.business.govt.nz/companies> under 'search other registers').

You can obtain a copy of the full financial statements, auditors' report, an estimate of your benefits, or a copy of the most recent registered prospectus relating to the Scheme from the Manager via its website www.gmk.co.nz or on request by calling 0800 427 384.

Gareth Morgan KiwiSaver Scheme

Summary Financial Statements

These summary financial statements are for the Gareth Morgan KiwiSaver Scheme (the “Scheme”) and cover the years ended 31 March 2013, 31 March 2012, 31 March 2011, 31 March 2010 and 31 March 2009. They were taken from the full audited financial statements relating to the same periods.

The full financial statements for the years ended 31 March 2013, 31 March 2012, 31 March 2011, 31 March 2010 and 31 March 2009 were prepared in accordance with New Zealand equivalents to International Financial Reporting Standards, International Financial Reporting Standards and other applicable New Zealand Financial Reporting Standards as appropriate.

The Scheme was established and is domiciled in New Zealand and its members are mainly located in New Zealand. The summary financial statements are presented in New Zealand dollars and rounded to the nearest thousand dollars (\$000).

The full financial statements for the year ended 31 March 2013 were authorised for issue on 9 August 2013 and an unmodified audit opinion dated 9 August 2013 was given by PricewaterhouseCoopers. The full financial statements for the year ended 31 March 2013 were registered under the Financial Reporting Act 1993 on 20 August 2013.

No items in the summary financial statements are of such incidence and size, or of such a nature, that disclosure is necessary to explain the performance of the Scheme.

The summary financial statements cannot be expected to provide as complete an understanding as is provided by the full financial statements of the Scheme.

Audit fees paid in respect of the Scheme for each period presented were paid by the Manager out of the fee it deducts from each member’s member account and are not separately deducted from the Scheme. Accordingly, audit fees are considered a non-applicable item for the purposes of these summary financial statements and are not presented.

There were no material changes in the activities of the Scheme during the periods to which the financial statements relate.

The accounting policy in relation to the treatment of amounts of cash and cash equivalents in the statement of net assets has changed during the year ended 31 March 2013 from accounting for amounts deemed by the Manager as investment cash and cash equivalents as part of the investments amounts in the statement of net assets to accounting for them as part of the amounts shown for cash and cash equivalents. Additionally, the definition of cash and cash equivalents changed to include financial instruments with original maturities of 90 days or less. Together, these changes in accounting policies enable the reporting of the full financial statements to better align with industry practice and more clearly report the assets of the Scheme. As a result of the changes, the summary statement of net assets for the year ended 31 March 2012 has been restated. The effect of the changes is that the cash and cash equivalents amount in the summary statement of net assets for the year ended 31 March 2012 increased by \$50,161,000, and the financial assets held at fair value through profit and loss (previously classified as ‘Investments’) in the same summary statement of net assets decreased by that amount.

No other material changes were made to the accounting policies used to which the amounts presented relate. The full financial statements for the year ended 31 March 2013 should be referred to for information on accounting policy changes and reclassifications for amounts not presented in these summary financial statements.

Gareth Morgan KiwiSaver Scheme

Summary Financial Statements

For the years ended 31 March 2013, 31 March 2012, 31 March 2011, 31 March 2010, and 31 March 2009

Statement of Changes in Net Assets

	Year ended				
	31 Mar 2013	31 Mar 2012	31 Mar 2011	31 Mar 2010	31 Mar 2009
	\$000s	\$000s	\$000s	\$000s	\$000s
Investment activities					
Investment income					
Dividend and distribution income	11,697	8,326	3,842	4,703	1,241
Interest income	14,980	13,061	9,524	5,187	2,918
Net changes in fair value of financial assets and liabilities through profit or loss	66,047	11,296	10,671	9,074	(11,962)
Foreign exchange losses	(417)	(1,496)	-	-	-
Net investment income	92,307	31,187	24,037	18,964	(7,803)
Expenses					
Management and administration fees	8,505	6,603	4,813	2,958	1,511
Transaction fees and expenses	1,940	1,943	6	7	(60)
Interest expense	-	-	-	7	5
Total expenses	10,445	8,546	4,819	2,972	1,456
Net increase in net assets before membership activities	81,862	22,641	19,218	15,992	(9,259)
Net assets attributable to members at beginning of the year	715,042	525,136	334,375	142,158	38,396
Membership activities					
Contributions					
Crown contributions	25,299	46,587	43,980	39,694	32,440
Employer contributions	37,307	44,928	40,049	33,495	16,416
Employee contributions	79,155	77,166	70,373	63,173	46,167
Voluntary contributions	19,195	16,845	15,808	13,358	8,157
Transfers from other schemes	39,336	13,186	17,099	30,823	11,421
Manager reimbursements	14	4	-	8	6
Withdrawals					
Permitted withdrawals	(33,473)	(4,187)	(1,605)	(501)	(166)
Transfers to other schemes	(23,201)	(17,334)	(10,142)	(2,605)	(413)
Refunds to members/Inland Revenue	(853)	(607)	(500)	(1,087)	(71)
PIE tax paid and payable	(11,337)	(9,323)	(3,519)	(133)	(936)
Net membership activities	131,442	167,265	171,543	176,225	113,021
Benefits accrued to members' accounts	213,304	189,906	190,761	192,217	103,762
Members' funds at end of the period	928,346	715,042	525,136	334,375	142,158

Gareth Morgan KiwiSaver Scheme

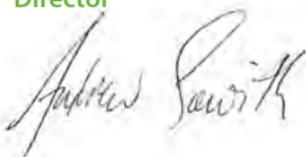
Statement of Net Assets

As at 31 March 2013, 31 March 2012, 31 March 2011, 31 March 2010, and 31 March 2009

	As at				
	31 Mar 2013	31 Mar 2012	31 Mar 2011	31 Mar 2010	31 Mar 2009
	\$000s	\$000s Restated	\$000s	\$000s	\$000s
Current assets					
Cash and cash equivalents	87,103	72,754	16,316	14,012	12,016
Receivables	3,729	3,459	2,786	1,774	721
Financial assets held at fair value through profit and loss	847,666	646,835	501,229	318,061	129,622
Derivatives held for trading	-	-	4,964	1,123	-
Total assets	938,498	723,048	525,295	334,970	142,359
Total tangible assets	938,498	723,048	525,295	334,970	142,359
Less current liabilities					
Management and administration fees payable	(814)	(635)	(475)	(317)	(166)
Financial liabilities held at fair value through profit and loss	-	(2,944)	-	-	-
Payables for securities purchased	(4,350)	-	-	-	(23)
PIE tax payable	(4,988)	(4,427)	316	(278)	(12)
Total liabilities	(10,152)	(8,006)	(159)	(595)	(201)
Net assets available to pay benefits to members	928,346	715,042	525,136	334,375	142,158

On behalf of the directors of Gareth Morgan KiwiSaver Limited who authorised these summary financial statements for issue on 9 August 2013:

Director



Date: 9 August 2013



Independent Auditors' Report on the Summary Financial Statements

To the Members of the Gareth Morgan KiwiSaver Scheme

The accompanying summary financial statements which comprise the summary statements of net assets as at 31 March 2013, 2012, 2011, 2010 and 2009 and the summary statements of changes in net assets for the years then ended, and related notes, are derived from the audited financial statements of the Gareth Morgan KiwiSaver Scheme (the "Scheme") for the years ended 31 March 2013, 2012, 2011, 2010 and 2009.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Scheme.

This report is made solely to the Scheme's members, as a body. Our work has been undertaken so that we might state those matters we are required to state to them in a report from the auditor and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme's members, as a body, for this report, or for the opinions we have formed. In addition, we take no responsibility for, nor do we report on, any part of the annual report not specifically mentioned in our report.

Manager's Responsibility for the Summary Financial Statements

The Manager is responsible for the preparation of summary financial statements in accordance with clause 7 of Schedule 5A of the Securities Regulations 2009 as required to be presented in the annual report pursuant to clause 4(3)(b)(ii) of Schedule 1A of the KiwiSaver Regulations 2006.

Auditors' Responsibility

Our responsibility is to express an opinion on these summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) 810: *Engagements to Report on Summary Financial Statements*. These standards require that we comply with relevant ethical requirements and plan and perform our procedures to obtain sufficient appropriate evidence as the basis for expressing our opinion about whether the amounts set out in the summary financial statements have, in all material respects, been correctly taken from the audited financial statements of the Scheme for the years ended 31 March 2013, 2012, 2011, 2010 and 2009.

Annual Financial Statements

Our audit of the annual financial statements for the year ended 31 March 2013 was completed on 9 August 2013 and our unmodified opinion was issued on that date. We have not undertaken any additional audit procedures from the date of the completion of our audit.

Other than in our capacity as auditors for the year ended 31 March 2013 we have no relationships with, or interests in, the Scheme.

The audit of the annual financial statements for the years ended 31 March 2012, 2011, 2010 and 2009 was completed by KPMG.

Opinion

In our opinion, the summary financial statements on pages 14 to 16 have been correctly taken from the audited financial statements of the Scheme for the years ended 31 March 2013, 2012, 2011, 2010 and 2009, from which they were extracted in accordance with the requirements of clause 7 of Schedule 5A of the Securities Regulations 2009.

Restriction on Distribution or Use

This report has been prepared for inclusion in the annual report. We disclaim any responsibility for reliance on this report or the amounts included in the summary financial statements, for any purpose other than that for which they were prepared.

Chartered Accountants

Pricewaterhousecoopers

9 August 2013 Wellington

Manager's statement

The Manager states that:

- (i) all the benefits required to be paid from the Scheme in accordance with the terms of the trust deed of the Scheme and the KiwiSaver scheme rules have been paid;
- (ii) the market value of the assets of the Scheme at the close of the year ended 31 March 2013 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 close of that financial year;
- (iii) there is a scheme provider agreement between the Commissioner of Inland Revenue and the Manager that remained in force throughout the year ended 31 March 2013;
- (iv) there was no fee increase during the year ended 31 March 2013 by any person listed in clause 2 of the KiwiSaver scheme rules; and
- (v) contributions received in respect of each member, including contributions paid by way of the Commissioner of Inland Revenue in respect of that member, have been applied in accordance with the trust deed of the Scheme and the KiwiSaver Act 2006.

Andrew Gawith

Director

Gareth Morgan KiwiSaver Limited



Date: 9 August 2013

Paul Brock

Director

Gareth Morgan KiwiSaver Limited



Date: 9 August 2013

Trustee's statement

Public Trust states that, in respect of the year ended 31 March 2013, it is satisfied that the Manager has not breached an issuer obligation (as defined in section 4(1) of the Securities Trustees and Statutory Supervisors Act 2011) in a material respect.

Dennis Church

General Manager

Corporate Trustee Services, Public Trust



Date: 9 August 2013

See page 19 for who to contact with inquiries and complaints.

Inquiries and complaints

Any questions? Direct any inquiries about the Scheme to:

Member Services Officer
Gareth Morgan KiwiSaver Limited
PO Box 10068
Level 10, 109 Featherston Street
Wellington 6143
Phone: **0800 427 384**
Email: questions@gmk.co.nz

Any problems? Direct any complaints about the Scheme to:

Our Member Services Officer at the contact details above, or email complaints@gmk.co.nz

You can also contact the Trustee at:

General Manager
Corporate Trustee Services
Public Trust
PO Box 5067
Level 10, 141 Willis Street
Wellington 6145
Phone: **0800 371 471**

If neither the Manager nor the Trustee can resolve your complaint, or if you have a complaint about the Manager or Trustee, you can contact the external dispute resolution scheme for the Manager and Trustee, the Insurance and Savings Ombudsman:

Office of the ISO
PO Box 10845
Level 11, 15–17 Murphy Street
Wellington 6143
Phone: **0800 888 202**
Email: info@iombudsman.org.nz

Alternatively, you can contact the Financial Markets Authority:

Financial Markets Authority
PO Box 106 672
Auckland 1143
Phone: **0800 434 567** or submit a complaint via their website at www.fma.govt.nz

Out in front for customer satisfaction

We were very pleased to receive the results of **The Nielsen Company survey** of the top twelve KiwiSaver providers for December 2012, which for the **third year running** placed us as the hands-down winner for customer satisfaction.

Online account management facilities

91%

of our members surveyed rated us very good or excellent for online account management facilities.
The next best result was 62%.

Customer service

84%

of our members surveyed rated us very good or excellent for customer service.
The next best result was 61%.

Openness and transparency

85%

of our members surveyed rated us very good or excellent for openness and transparency of fees.
The next best result was 65%.

87%

of our members surveyed rated us very good or excellent for openness and transparency of returns.
The next best result was 67%.

Member recommendations

The Gareth Morgan KiwiSaver Scheme was the most likely KiwiSaver scheme to be recommended by its members.

Communication

90%

of our members surveyed rated us very good or excellent for ongoing communication.
The next best result was 75%.

Source: The Nielsen Company survey of the customers of the top twelve KiwiSaver providers, December 2012 (the top providers are those with the largest number of members).