

NEWSLETTER NO. 43: OCTOBER 1998

This newsletter contains:

Part A: Annual Report & related matters

1. Annual Report to the Minister of Commerce

Part B: General matters

2. Financial Reporting Act 1993
3. Quotation of Government Actuary comments

Part C: Housekeeping

4. Office move
5. Office closure: Christmas and New Year

1. Annual Report to the Minister of Commerce

- 1.1 A copy of my Annual Report under section 28 of the Superannuation Schemes Act 1989 for the year ended 30 June 1998 is enclosed.
- 1.2 The report follows the same format as the report prepared last year, except that a number of the Appendices have been discontinued. A printout of the Appendices included in last years annual report updated to 31 December 1997 is available on request.

2. Financial Accounts

- 2.1 The following is an extract from Newsletter 41 as it appears that some trustees and administration managers may not have realised their obligations to lodge accounts under the Financial Reporting Act 1993.

“Prior to 1 October 1997 the trustees of a registered superannuation scheme were not an issuer for the purposes of the Financial Reporting Act 1993 (section 6(e)). From that date superannuation schemes registered under the Superannuation Schemes Act 1989 which come within the definition of "issuer" in section 4(1) of the Financial Reporting Act ("FRA") are subject to the provisions of the FRA.

“Trustees' attention is therefore drawn to the provisions of the Financial Reporting Act and in particular the following sections -

“Section 9A-

(2) For the purposes of this Act, a requirement on the trustees of a superannuation scheme that is registered under the Superannuation Schemes Act 1989 to prepare and register financial statements shall be construed as a requirement to prepare and register,--

(a) If the liabilities of the trustee and the scheme are not limited to a separate fund, financial statements in respect of the scheme; or

(b) If the liabilities of the trustee or the scheme are limited to a separate fund, financial statements in respect of both the scheme and that fund.

“Section 18 -

(1) The directors of an issuer must ensure that, within 20 working days after the financial statements of the issuer and any group financial statements are required to be signed, copies of those statements together with a copy of the auditor's report on those statements are delivered to the Registrar for registration.

(1A) Any financial statements to which subsection (1) of this section applies and that are required for the purposes of this Act may also contain or be accompanied by financial statements and any auditor's report on those statements, that are required for the purposes of a prospectus under the Securities Act 1978.

(2) The issuer must, at the same time, pay to the Registrar the prescribed registration fee.

(3) The copies delivered to the Registrar pursuant to subsection (1) of this section must be certified to be correct copies by 2 directors of the issuer, or, where the issuer has only one director, by that director.

“The current prescribed fee is \$250.00

“In relation to the auditing of financial statements trustees' attention is drawn to section 15 of the FRA which imposes the requirement that financial statements be audited. By section 15(3) however, this requirement shall not apply in respect of a registered superannuation scheme if the annual accounts of that scheme are not required to be audited under section 13 of the Superannuation Schemes Act 1989.

“Registration of financial accounts with the Registrar of Companies under the FRA are to be made to -

**The Registrar of Companies
Business and Registries Branch
Ministry of Commerce
P O Box 5771
Wellesley Street
AUCKLAND**

Attention: Securities and Financial Reporting Unit

“The changes under the Securities Act and the Financial Reporting Act do not affect the obligations of trustees under the Superannuation Schemes Act. In particular, trustees must complete an annual report and send a copy to the Government Actuary.”

“This Newsletter is not intended and does not cover the full implications for Trustees of superannuation schemes and we advise Trustees to seek independent professional advice regarding their obligations post 1 October 1997.”

3. Office Move

3.1 The Insurance and Superannuation Unit is a business unit of the Business and Registries Branch of the Ministry of Commerce. As a result of the restructuring of the Business and Registries Branch, including our unit, with effect from Monday 19 October 1998 the operational activities of the Unit have become part of the Wellington Companies Office.

3.2 Our new location is on the 8th floor of Boulcott House, 47 Boulcott Street, Wellington. If visiting, please go to reception on the 9th floor in the first instance. Our Switchboard

phone, facsimile and post office box numbers **have changed** as a result of the move and are now phone (04) 471 1028; facsimile (04) 495 1254; and Private Bag 5901 Lambton Quay, Wellington. Our Direct Dial phone numbers have also changed and are detailed below.

3.3 To assist you in making enquiries, you may care to note the following as first points of contact on the matters stated:

Geoff Rashbrooke Decisions and directions of the Government Actuary, matters involving actuarial valuation and related technical issues. Direct line (04) 495 1261.

Gavin Quigan Technical Advisor for the Unit, registration of new schemes, reviewing membership transfer documentation, dealing with member complaints, and providing a help desk facility. Direct line (04) 495 1268.

Alan Leahey Auditing of trust deed amendments, management of superannuation scheme windups and cancellations, and providing a help desk facility. Direct line (04) 495 1251.

Lesley Carrig Auditing of superannuation scheme trustee annual reports to ensure compliance with the Act, processing classification requests in terms of section GD8 of the Income Tax Act 1994. Direct line (04) 495 1259.

Dominic Wright Responsible for the accounts receivable system, invoicing, billing schedule maintenance and monitoring and follow up of arrears. Direct line (04) 495 1262.

If you have any queries about any other matter, please initially refer to Gavin Quigan.

4. Quotation of Government Actuary comments

4.1 Some incidents have occurred recently where comments made to trustee advisers have been passed on to third parties in a manner which ignores the context of the remarks, or which presents them as supporting the adviser's views, when it should have been reasonably clear that a more neutral stance was intended.

4.2 I think it useful to be able to discuss matters reasonably freely, and that is my natural preference. If however I find this continuing to be abused for adversarial purposes, then I will need to review my policy, particularly in respect to the offenders.

4.3 If in any situation any person is concerned as to whether what is being claimed to be my view appears inappropriate, please do not hesitate to check the position with me directly.

5. Office Closure: Christmas and New Year

The office will be closed from 25 December 1998 to 4 January 1999 (both inclusive).

G D Rashbrooke
Government Actuary