



Report of the
Government Actuary

for the year ended
30 June 2009

*Presented to the House of Representatives pursuant to
Section 28 of the Superannuation Schemes Act 1989*

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MINISTER OF COMMERCE

In accordance with section 28 of the Superannuation Schemes Act 1989 (the Act), I submit my report for the year ended 30 June 2009 on the principal matters transacted under the Act.

INTRODUCTION

The Act came into force on 22 March 1989.

My responsibilities are with the administration of the Act. The Act now having been in force for 20 years.

1. BACKGROUND

- 1.1 The Superannuation Schemes Act 1989 places emphasis on the role and responsibilities of trustees and makes no distinction between schemes which are provided to the general public, set up by individuals for themselves, or sponsored by private or state sector employers.

As can be seen from the figures given in Appendix 4, the predominant arrangements are employer-sponsored schemes and retail schemes, with assets of \$12.233 billion and \$6.289 billion respectively, and membership of 283,284 and 267,471 respectively. The average amount of assets per member in employer-sponsored schemes is \$43,183, compared to \$23,513 in retail schemes. It may be noted that these figures are based on returns for balance dates in the calendar year 2008, with the majority being as at 31 March 2008.

These figures do not include the Government Superannuation Fund, which was closed 30 June 1992, and which at 30 June 2008 had \$3.574 million in assets and 64,884 members of whom 53,226 were receiving pensions or had deferred pension entitlements.

- 1.2 Principally, my role is to react to the decisions and actions (or lack of action) of persons responsible for managing registered superannuation schemes, where necessary or appropriate. My aim is to encourage compliance with the Act; and to resort to the use of my statutory powers only where that encouragement has proved ineffective, or where "encouragement" would be inappropriate due to the circumstances of the particular matter under consideration. From time to time, whether on request or when a situation comes to my attention, I may indicate what my view is likely to be of a particular decision, or of a course of action under consideration. Section 6 of this report identifies the discretionary powers that may be exercised by the Government Actuary under the Act.

- 1.3 In practice, the services that I require for the administration of the Act have been provided by the Insurance and Superannuation Unit of the Business Services Branch of the Ministry of Economic Development. In this report, the operations of myself and the Insurance and Superannuation Unit in connection with the Act are referred to as “the office”.

2. GENERAL OVERVIEW OF YEAR ENDED 30 JUNE 2009

- 2.1 The office’s activities have been directed towards:

- discussing particular problems with trustees and their advisers;
- auditing the activities of trustees and their advisers;
- investigating complaints regarding alleged activities of trustees and/or promoters and/or administration managers of registered superannuation schemes; and
- assisting the market on ad hoc issues.

- 2.2 All trustees’ annual reports, actuarial reports, trust deeds and trust deed amendments forwarded to this office have been read from the point of view of the Government Actuary’s supervisory responsibilities under the Act, and actioned as considered appropriate.

As in previous years, the level of examination varied according to the office’s experience of the activities of those involved, and to the nature of the potential issues. The office has placed equal emphasis on the examination of financial matters and on the audit of trust deeds and their amendments, the latter requiring certification of compliance with the Act.

Annual reports

The Act requires trustees to provide scheme members with a copy of an annual report which contains the information stated in the Second Schedule to the Act. The standard of these reports has, overall, been maintained at an acceptable level. Most reports contain all the information required by the Act. I am pleased to note that the Association of Superannuation Funds of New Zealand continues to promote its Annual Competition on Excellence in Reporting.

The office spends considerable time in ensuring trustees comply with the requirement to file annual reports. The office sends “reminder letters” to the trustees of every registered superannuation scheme. Current practice is to send two letters: the first letter reminds the trustees that an annual report is to be produced (398 posted in March 2009 for schemes with a 1 April 2009 review date, 387 letters posted in March 2008); the second letter informs the trustees that a copy of the annual report has not yet been received (360 letters posted in July 2009 for schemes with a 1 April 2009 review date, 351 letters posted in July 2008).

The reminder letter procedure has generally helped to maintain the timeliness of reports submitted to the office. However, there remains the odd instance where there is an unacceptable delay in sending copies of reports to the office.

Trust deed certificates

Trustees, solicitors or administration managers are required to provide certificates of compliance with the Act in respect of every new Trust Deed and Deed of Amendment of a Trust Deed. This is an important responsibility.

From time to time it has appeared that sections 7, 9 and/or 9A of the Act were being interpreted in a manner that was not in accordance with what might be considered an industry consensus. In some instances the office has obtained legal advice to clarify interpretation. We still occasionally receive certificates that have not been given properly in accordance with the Act.

Actuarial reports

The Act requires trustees of certain types of schemes to obtain an actuarial report on the financial position of the scheme at least once every three years. The purpose of this is to provide trustees with an independent report on their ability to pay the benefits promised by the trust deed. A copy of this report is to be made available upon request to scheme members, and a copy is required to be forwarded for the Government Actuary's attention within 28 days of it being received by the trustees.

Generally copies of the actuarial reports have been received by the office within the timeframes specified in the Act. All such reports were examined. Where it was considered appropriate, questions were raised directly with the actuary who signed the report. Appendix 1 contains an analysis of actuarial reports where the date of the actuarial investigation was in the 2008 calendar year.

- 2.3 All applications for registration of new schemes have been processed within the 14 days time limit specified in the Act.
- 2.4 All scheme terminations have been checked for compliance with the Act. Section 21 of the Act sets out the statutory responsibilities for trustees when a registered superannuation scheme is to be wound up.

Whilst there continues to be a relatively constant number of schemes in the process of being wound up (currently 43), trustees and their advisers are in the main ensuring that these schemes are meeting their obligations under the Act. We have also continued to encourage Trustees to transfer lost members and beneficiaries assets to The Treasury pursuant to section 77 of the Trustee Act 1956. It is noted that some Trustees are however reluctant to take this course of action.

- 2.5 Approval was given to the reversion of approximately \$7,865,000 of superannuation scheme assets to employers who had sponsored those schemes. No cases are currently under formal consideration.

- 2.6 We have received no formal notices this year arising from Section 18A of the Act ("whistleblowing").
- 2.7 There has been no reversal of the continued fall in the number of private sector employer sponsored superannuation schemes. A number of these have not terminated as such, but have transferred into multi-employer arrangements, reducing administration and compliance costs. Others, however, have wound up and distributed assets to members.
- 2.8 All complaints have been acknowledged, and an investigation initiated where appropriate, within a fortnight of receipt. Queries and complaints regarding the alleged activities of superannuation scheme promoters and/or trustees and/or administration managers continue to be made to the office (in writing, by telephone, or in person) by scheme members and trustees. Where I have considered it appropriate, these queries and complaints have been investigated using the Government Actuary's powers under section 24 of the Act. My concerns are to determine whether there has been a breach of either the Trust Deed governing the scheme, or the Act.
- 2.9 The fees charged by the office are as prescribed by the Superannuation Schemes (Fees) Regulations 1992 as amended effective 1 January 2002.

3. MATTERS ARISING

A number of issues raised in previous reports have been considered within the Ministry of Economic Development's Review of Financial Products and Providers and will be considered in the review of the Securities Act. One original recommendation was for the requirement for at least one independent Trustee for each registered Superannuation Scheme as is now required for KiwiSaver Schemes. At this time any implications for superannuation schemes are not yet visible.

At the beginning of 2009 I wrote to all Trustees of Defined Benefit schemes concerning the global credit crisis and the impact on the financial health of many funds. I was concerned with the impact on the financial position and the solvency of defined benefit funds in general.

The letter advised that I would expect Trustees to take professional advice as deemed appropriate such that they were fully informed on the implications for any particular fund. I am confident that the majority of defined benefit funds are well managed and have the financial situation under review. However Section 20 requires me to consider the adequacy of a scheme's financial position and the security of benefits. I would expect Trustees, in consultation with the sponsor of the scheme, to address the issue and formulate a plan to return the scheme to normal funding levels as soon as possible.

I have raised with a number of schemes the link between the Superannuation Act and the Trustee Act. Section 8 of the Superannuation Schemes Act 1989 implies a provision into each registered superannuation scheme that requires the Trustees and any investment manager to invest all money in accordance

with the provisions of the Trustee Act and to exercise the care diligence and skill required of that person under sections 13B and 13C. Under the definition of the superannuation scheme, the trust itself must be principally for the purpose of providing retirement benefits. Where schemes have been invested such that there is no benefit accruing to the trust, then I could be reasonably entitled to come to the conclusion that the scheme was not prudently managed. For such one-man schemes I would expect this issue to be considered by both the Accountant and the Auditor.

During the last year a number of issues have arisen regarding administration errors in unit pricing, taxation and the allocation of contributions in a timely manner. Trustees have in the main been diligent in ensuring that members are not materially disadvantaged financially as a result of these errors and in some cases compensation was made and members informed. Trustees need to ensure that if their administration manager calculated unit prices for their scheme, then the unit pricing process has been independently audited.

4. LEGISLATION

No changes were made during the year.

5. EXERCISE OF DISCRETIONARY POWERS

5.1 The Act provides the Government Actuary with various discretionary powers.

My general preference is to seek to persuade trustees to comply with the Act, rather than to force compliance by exercising the powers contained in the Act.

However, where I do exercise - or indicate that I may exercise - discretionary powers under the Act, it is usually with a view to making trustees realise the seriousness of a situation, and giving them a final opportunity to correct a problem.

5.2 Examples of instances where I have felt it necessary to exercise my powers under the Act, or would very probably have exercised those powers if trustees had not accepted an invitation to address a particular matter, are as follows:

- (a) Directions to trustees (section 20);
- (b) Trustees required to supply Government Actuary with specified information (section 24);
- (c) Administration Manager to supply Government Actuary with specified information (section 24);
- (d) Deregistration of scheme (section 20);
- (e) Deregistration of scheme, and sections 8 to 10 of the Act to cease to be implied in the trust deed (sections 19(2) and 19(3)); and
- (f) Order the wind up of a scheme (section 20).

- 5.3 During the year, I approved six requests under section 22 of the Act for superannuation scheme assets to revert to an employer. The total sum involved was approximately \$7,865,000.
- 5.4 I received and approved 12 applications for bulk transfer of members under the section 9BAA. In all cases we provided informal comment to the trustees and advisors on the content of the member communication material and the trustees of each receiving scheme provided a certificate that the transfer would meet the requirements prescribed.

In each of the 12 cases the relevant new scheme met the requirements to enable a transfer to take place using the section 9BAA process. Where the investment asset allocation (for example) for a new scheme was marginally different, the members were offered post transfer the opportunity to choose at no cost a different investment fund from the one they were to be allocated to and also had 28 days to make a submission to me about the proposed transfer. In one case there was submission received from one member of a scheme under 9BAB(3)(b). The total assets approved for transfer was approximately \$66 million and 1,690 members were transferred.

- 5.5 With respect to Complying Superannuation Fund (CSF) status, as at 30 June 2009 there were 29 (30 at 30 June 2008) schemes that had obtained this status, of which 19 (20 at 30 June 2008) schemes were stand alone employer schemes. The other 10 (10 at 30 June 2008) were multi-employer schemes. 37 (116 at 30 June 2008) employers of multi employer schemes had received relevant participating employer complying fund status. The large decrease in CSF employers of master trust schemes is due to one provider closing CSF sub-plans which had zero membership.
- 5.6 A number of requests were received for information. Nearly all of these requests could be classified as:
- copies of superseded trust deeds and amending deeds, scheme members information booklets, actuarial reports, trustees annual reports, or specified correspondence;
 - requests for marketing information; or
 - requests for statistical data.

All formal requests consistent with office guidelines were met where the office held the information requested.

6. COMMUNICATIONS

- 6.1 The office endeavours to maintain effective communication with those concerned in the superannuation industry.

6.2 To further smooth the administration of the Act –

- the office continues to be willing to discuss particular problems on an informal basis with trustees and their professional advisers. Within the office a facility is provided to respond to telephone enquiries from trustees and their professional advisers;
- newsletters are issued on technical superannuation matters from time to time. These newsletters are generally subject to a “peer review” process before being issued: a draft of a newsletter is produced within the office, and then sent to selected external industry experts who are invited to comment. However, where the content of the newsletter is not contentious, this procedure may be condensed.

One newsletter was issued during the past year.

Newsletter 64, October 2008:

This Newsletter principally contained advice regarding the ability for trustees to provide trustee annual reports electronically to members and beneficiaries.

Website:

Our website at www.isu.govt.nz contains pdf and html versions of Government Actuary Newsletters and Annual Reports. The website also contains the electronic KiwiSaver Scheme Register, the Complying Superannuation Fund Register and the Exempt Employer Register.

7. STATISTICS

7.1 Introduction

A statistical analysis has been carried out in respect of superannuation schemes which were in force on their balance dates in 2008. A corresponding analysis has been made for schemes that were in force on their balance dates in 1990. This provides an approximate comparison between the situation immediately prior to the commencement of the current regime for superannuation schemes (1990 data) with the latest complete information available to me (2008 data).

The Government Superannuation Fund has been excluded from all these analyses.

7.2 Comparison between 1990 and 2008

Detailed information is shown in Appendices 2 to 6. In particular, Appendix 3 shows that the majority of superannuation schemes are still relatively small, and the proportion with assets of \$5 million or more has decreased to 37.2% of the total from 39.6% in the 2007 year.

7.3 **Continuing decline in number of schemes**

The number of superannuation schemes declined from 560 in 2007 to 540 in 2008, a reduction of 20 compared to 17 in the previous year. The corresponding reduction in the number of employer sponsored schemes with more than one member was from 288 in 2007 to 258 in 2008, a reduction of 30 compared to 32 in the previous year.

In part, the reduction in private sector employer sponsored schemes is likely to be the result of stand alone schemes moving into multi-employer arrangements, so as to save on administration and compliance costs.

A large proportion of the source reports had a 31 March 2008 balance date.

7.4 **Changes in number of members of occupational schemes**

From the 2003 year the table below shows (in thousands):

- The number of active members in all employer occupational schemes, from Appendix 4.1 of Government Actuary report plus the number of active members in the Government Superannuation Fund taken from its annual report;
- The number of active Labour Force participants, as given in Statistics New Zealand Labour Force Employed figures for the March year;
- The ratio of membership of total employer schemes as a percentage of the employed workforce.

Year	Private & Government (in '000's)	Labour force (in '000's)	Total
2003	268	1,929	13.89%
2004	280	1,988	14.08%
2005	301	2,055	14.65%
2006	283	2,108	13.43%
2007	278	2,144	12.97%
2008	270	2139	12.62%

Note that data is sourced from the 2008 annual reports lodged with a high proportion having a 31st March balance date. Any substitution issues concerning KiwiSaver schemes may begin to be visible in next year's report.

7.5 **Superannuation Savings**

The assets of retail superannuation schemes totalled \$6,289 million at year 2008 balance dates and \$7,575 million at year 2007 balance dates, a decrease of \$1,286 million. An increase of \$239 million was noted in the previous year.

7.6 **KiwiSaver and Superannuation Substitution Effect**

Membership

It is too early to look for significant signs of substitution from Registered Superannuation into KiwiSaver Schemes. Trends may be beginning to emerge. There has been a continuation of Registered Schemes winding-up or moving to a Master Trust structure as a participating employer within a Master Trust. There are also examples of employers closing schemes in favour of KiwiSaver.

Similarly there are also examples of employers allowing employees to split their contributions between employer sponsored schemes and KiwiSaver accounts in order to maximise the KiwiSaver advantage. KiwiSaver numbers will also double count membership where members of existing schemes voluntarily open a KiwiSaver account separately and in addition to their existing employer superannuation scheme.

Membership numbers show that KiwiSaver numbers of those 18 and over increased from 434,000 to 814,000 over the year. The numbers for Registered Superannuation Schemes are based on annual reports which reflect an earlier period. This is because the KiwiSaver Act requires specific reporting for KiwiSaver within three months of 31 March (2009).

Superannuation scheme membership numbers dropped by 31,000 from 582,000 to 551,000 over the year to 31 December 2008. For the year to 31 March 2009 we know that KiwiSaver had 387,000 new members over age 17 years.

There is substitution, but it will take a significant exercise to establish more accurately the trends without waiting for a further two years of data.

Assets

The asset picture is also confused because of the effect of the global credit crisis. Superannuation scheme assets in the year to 31 December 2008 dropped from \$21.9bn to \$18.6bn. However total net investment income was recorded as negative \$1.3bn compared to a positive \$1.1bn the year before. And benefit payments doubled from \$2.2bn to \$4bn over the same period.

So overall there is evidence of some substitution of Superannuation by KiwiSaver schemes. However the trends are not likely to be clear for a couple of years.

8. STAFF AND EXTERNAL ADVISERS

The office has a small team of persons with particular skills and expertise. The office supplements its resources, where and if appropriate, by making use of other resources within the Business Services Branch of the Ministry, and by seeking external assistance from experts in the private sector in dealing with particular problems as they arise.

In seeking external professional advice, the office looks for persons who have particular skills and experience that match the nature of the problem. Appropriate external private sector professional advice is also sought to provide quality assurance processes.

During the year I have appreciated the assistance and advice given by Hugh Rennie QC, Chapman Tong, Kensington Swan, Simpson Grierson and the Ministry's in house legal team.

The staff carrying out the work of the Insurance and Superannuation Unit have shown ongoing dedication and commitment, and I would like to record my appreciation for the significant efforts during the year of Gavin Quigan, Manager Insurance and Superannuation Unit, Lesley Carrig, Superannuation Officer and Cecilia Heath, Technical Specialist.

A handwritten signature in black ink, appearing to be 'D G Benison', with a long horizontal line extending to the right.

D G Benison BSc(Econ) FIA FNZSA
Government Actuary

APPENDIX 1

ACTUARIAL REPORTS UNDER SECTION 15 OF THE ACT FOR CALENDAR YEAR 2008

1. INTRODUCTION

- 1.1 A number of employer sponsored superannuation schemes in the private sector operate on the principle of unallocated funding - the amount payable on retirement is determined by reference to a formula stated in the Trust Deed or Act which governs the scheme, and not by reference to contributions which have been allocated to specific members of the scheme.
- 1.2 This type of superannuation scheme is commonly called a "defined benefit" scheme. The formula defining the benefits may make reference to a member's salary, length of service or membership, or other characteristics such as the contributions the member has himself or herself made. An actuary will recommend to the scheme trustees what contributions should be paid by the employer in order to provide financial security for the promised benefits.
- 1.3 At intervals of not less than three years, section 15 of the Act requires the scheme trustees to obtain an actuarial examination of the scheme; the report is to be received by the trustees within 7 months of the date as at which the examination is made; and a copy is to be sent to the Government Actuary when received by the trustees.
- 1.5 I continue to monitor valuation assumptions, and to discuss with the actuary concerned instances where assumptions differ to a material extent from what appears to be generally accepted practice.

2. STATISTICAL ANALYSIS

- 2.1 I have analysed all actuarial reports in respect of these "defined benefit" schemes received in my office where the date of the actuary's investigation was in calendar year 2008. The form of this analysis generally follows that for previous years.

UPDATE REQUIRED

The analysis covers 43 schemes with 8,064 contributing members and pensioners, and total assets of \$1.85 billion. 2 schemes were excluded from the following analysis.

- 2.2 The analysis shows the following matters of interest:
- 25 of 41 schemes had an actuarially-assessed surplus of assets over accrued liabilities, 16 of 41 schemes had an actuarial deficit (last year 3 out of 30);
 - 6 of the 16 schemes showing an actuarial deficit had a ratio of assets to accrued liabilities (the "funding ratio") of less than 90% (last year 1 out of 2);
 - Generally, the global credit crisis had an impact in the third of the three year triennial period;
 - Members of these schemes continue to be generally middle-aged and to earn above-average incomes; and
 - The average pension currently being paid by schemes with actuarial examinations in 2008 is \$14,457pa with an average pension age of 71.7 years.

Size of scheme Total assets are:	Total Number of Schemes	Average Number of Members & Pensioners	Average Total Assets \$m	Average Surplus Assets	Average Investment Yield %	Average Salary Increase rate %
Less than \$10m	21	34.2	\$4.96m	\$89k	5.85	4.6
Over \$10m	20	367.2	\$87.14m	\$2.9m	4.6	5.8
TOTALS	41	205.6	\$45.05m	\$1.49m	4.7	5.2

Size of scheme Total assets are:	Total Number of Schemes	Average Age (Years)	Average Membership (Years)	Average Salary \$	Average Pension pa \$
Less than \$10m	21	45.5	9.4	\$68,142	\$11,789
Over \$10m	20	46.7	11.5	\$59,526	\$14,649
TOTALS	41	46.6	11.3	\$60,454	\$14,457

NOTES

- The data is in respect of "defined benefit" superannuation schemes where an actuarial report was made under section 15 of the Superannuation Schemes Act 1989. The date at which the actuarial investigation was carried out is in calendar year 2008.
- "Total Assets" have been determined as market value for all but one scheme.
- A surplus has arisen when "Total Assets" exceed "the actuarial present value of accrued benefits after allowing for future salary increases".
A deficit has arisen when "Total Assets" are less than "the actuarial present value of accrued benefits after allowing for future salary increases".
- "Investment yield" is the actual average annual investment earning yield, net of tax and expenses of investment, for the period of the examination ending on the date "as at" which the actuarial investigation was carried out weighted by the asset size. Only 3 yearly triennial returns have been included this year.
- "Salary Increase Rate" is the actual average annual rate of salary increase, for the period of the examination ending on the date "as at" which the actuarial investigation was carried out, for persons who were members of the scheme at the beginning and at the end of that investigation period. The salary increase rate has not been weighted by total salaries.
- In respect of the actuarial bases used in assessing the present value of the liabilities to pay benefits, excluding schemes where pensioners are the only scheme members:
 - the assumed annual average future rate of investment earnings net of tax was 5.5% and
 - the difference between the assumed annual future rates of investment earnings net of tax and the assumed annual future rates of salary increase averaged 1.4%.

APPENDIX 2
REGISTERED SUPERANNUATION SCHEMES:
ACCOUNTS SUMMARY AND MEMBERSHIP ANALYSIS

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 2008 (b)	Prior period reports (c)	Terminating schemes (d)
Number of Schemes	2,863	540	7	35
ACCOUNTS SUMMARY	\$m	\$m	\$m	\$m
Opening Balance	11,044	21,722	38	703
<i>Add:</i> Contributions	908	2,251	3	57
Investment Accrual	578	-1,088	3	-10
Transfers In	0	847	0	1
Other Income	330	-5	0	0
<i>Less:</i> Pension Payments	227	238	0	0
Retirement Lump Sums	481	868	1	37
Deaths/Disablements	49	85	0	1
Redundancies	0	156	0	9
Transfers Out	0	1,723	0	183
Other Exits	764	1,785	4	173
Administration Expenses	112	165	0	5
Insurance Premiums	106	28	0	1
Taxation	90	44	0	-1
Closing Balance	11,032	18,634	39	343
CURRENT MEMBERS				
At start of year	511,940	547,661	407	16,875
<i>Add:</i> New members	62,406	32,587	27	679
Transfers In	6,765	13,969	0	1
<i>Less:</i> Retirements	13,684	15,087	5	543
Deaths/Disablements	2,132	1,572	0	20
Transfers Out	14,171	9,787	0	3,920
Redundancies	0	3,938	7	163
Other Exits	42,929	38,645	16	2,776
At end of year	508,195	525,188	406	10,133
OTHER MEMBERS with preserved benefits	3,411	1,557	0	0
CURRENT PENSIONERS	35,747	24,202	0	37
TOTAL MEMBERS AND PENSIONERS	547,353	550,947	406	10,170

Notes:

1. The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date falling in the 12 months ending 31/12/08; refer column (c).
2. The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date falling in the 12 months ending 31/12/08; refer column (d), which may include some cases in column (c).
3. The data has been obtained from annual reports made by the trustees of superannuation schemes "registered" under the Superannuation Schemes Act 1989 to the members and pensioners of those schemes. Data in respect of the Government Superannuation Fund is not included.

4. Some registered superannuation schemes are “investment only” schemes, whose members are trustees of other registered superannuation schemes. To avoid double counting, investment only schemes are excluded from this data.
5. Some registered superannuation schemes are “multiple class” schemes, whose members may be trustees of other registered superannuation schemes. Some double counting may therefore exist in this and later appendices.
6. **ACCOUNTS SUMMARY**
The figures for Investment Accrual, Administration Expenses and Taxation are understated: for many schemes the investment figure has been reported net of some expense charge and/or taxation.

Beginning in November 1994, amounts transferred in or out from other superannuation schemes, and amounts paid out on redundancy, have been recorded by the Office separately from the amounts paid on resignation, to the extent that reporting by scheme trustees makes the distinction. The figure of “Other Exits” comprises amounts paid on resignation, and in respect of reports filed before November 1994, amounts paid on redundancy and amounts transferred to other superannuation schemes. Similarly, the figure for “Other Income” includes amounts transferred in from other superannuation schemes in respect of reports filed before November 1994.

7. **MEMBERSHIP**
Some double counting may exist in the figures for numbers of members and pensioners: some persons may contribute to, and draw pensions from, different schemes.

“Transfers In” and “Transfers Out” refer to persons transferring membership between schemes. These figures do not seem to have been reported correctly. “Other Exits” includes resignation and, in respect of reports filed before November 1994, redundancy.

8. Some totals may not add exactly due to rounding.

APPENDIX 3

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 2008: ANALYSIS ACCORDING TO SIZE OF SCHEME ASSETS

(All registered schemes except investment only schemes)

Assets grouping	Number of Schemes		Total Assets			Total Membership		
	2008	2007	2008	2007	1990	2008	2007	1990
			\$m	\$m	\$m			
1. Under \$0.5m	179	178	27	27	227	443	550	16,607
2. \$0.5m to under \$1m	51	43	36	30	225	623	458	12,929
3. \$1m to under \$5m	109	117	269	296	943	9,647	9,517	58,582
4. \$5m to under \$20m	86	91	968	984	1,524	28,489	26,589	63,595
5. \$20m to under \$50m	44	56	1,371	1,788	1,312	39,064	46,449	77,023
6. \$50m and over	71	75	15,963	18,781	6,801	472,681	498,472	318,617
TOTAL	540	560	18,634	21,906	11,032	550,947	582,035	547,353

Notes:

- The data has been obtained from annual reports made by the trustees of superannuation schemes "registered" under the Superannuation Schemes Act 1989 to the members and beneficiaries of those schemes. Data in respect of the Government Superannuation Fund is not included.
- Some registered superannuation schemes are "investment only" schemes, whose members are trustees of other registered superannuation schemes. To avoid double counting, investment only schemes are excluded from this data.
- Some registered superannuation schemes are "multiple class" schemes, whose members may be trustees of other registered superannuation schemes. Some double counting of assets and members may therefore exist.
- Some totals may not add exactly, due to rounding.

APPENDIX 4

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 2008: ANALYSIS BY NATURE OF SCHEME

Nature of scheme	Number of Schemes		Total Assets		Total Membership	
	2008	2007	2008	2007	2008	2007
			\$m	\$m		1990
Private	178	164	112	107	192	258
Employer	258	288	12,233	14,224	283,284	290,345
Retail	104	108	6,289	7,575	267,471	291,432
TOTAL	540	560	18,634	21,906	550,947	582,035
Investment Only Schemes	27	23	6,424	11,886	229	341
						100

Notes:

1. "Private" schemes are schemes set up by individuals for themselves and their immediate family and from 2007 include one person employer sponsored schemes.
"Employer" schemes are schemes with more than one member sponsored by private sector employers, public sector employers and all NPF employer sponsored schemes.
"Retail" schemes are schemes where membership is made available to the general public.
"Investment Only schemes" (referred to as Master Schemes in previous years) are schemes whose members are trustees of other registered superannuation schemes.
2. The data has been obtained from annual reports made by the trustees of superannuation schemes "registered" under the Superannuation Schemes Act 1989 to the members and beneficiaries of those schemes.
3. Some totals may not add exactly, due to rounding.

APPENDIX 4.1

**REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME
BALANCE DATES IN 2008: ANALYSIS BY NATURE OF SCHEME**

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 2008 (b)	Prior period reports (c)	Terminating Schemes (d)
All Employer sponsored schemes and all NPF employer sponsored schemes				
Number of schemes	2,242	258	5	27
<i>Membership:</i>				
Actives	273,065	259,364	405	6,897
Deferreds	3,032	1,557	0	0
Pensioners	34,644	22,363	0	37
Total members	310,741	283,284	405	6,934
<i>Accounts Summary (\$millions):</i>				
Opening balance	9,624.8	14,117.5	37.7	606.0
Contributions	646.6	1449.0	3.4	51.3
Net Investment Income	571.9	-609.0	2.2	-12.4
Benefit Payments	1,334.9	2,724.8	4.8	377.7
Closing balance	9,508.4	12,232.7	38.5	267.3

Notes:

1. The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date in the 12 months to 31/12/08; refer column (c).
2. The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date in the 12 months to 31/12/08; refer column (d), which may include some cases in column (c).
3. "Net Investment Income" consists of investment income and realised and unrealised capital gains as recorded in the Statement of Financial Performance, less expenses (including the cost of insurance if any) and taxation.
4. "Benefit Payments" consists of amounts paid by way of pensions, lump sums on retirement, death, disablement, redundancy and withdrawal, and transfers to other schemes less transfers received from other schemes.
5. Some totals may not add exactly, due to rounding.

APPENDIX 4.2

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 2008: ANALYSIS BY NATURE OF SCHEME

Private Schemes (schemes set up by individuals for themselves and their immediate families)				
	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 2008 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	508	178	2	2
<i>Membership:</i>				
Actives	540	192	1	1
Deferreds	10	0	0	0
Pensioners	0	0	0	0
Total members	550	192	1	1
<i>Accounts Summary (\$millions):</i>				
Opening balance	76.5	93.4	0.7	0.5
Contributions	8.9	20.0	0.1	0.0
Net Investment Income	3.5	0.5	0.0	0.0
Benefit Payments	30.9	1.7	0.0	0.4
Closing balance	58.0	112.3	0.8	0.1
Retail Schemes (schemes where membership is made available to the general public)				
	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	To 31 Dec 2008 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	113	104	0	6
<i>Membership:</i>				
Actives	234,590	265,632	0	3,235
Deferreds	369	0	0	0
Pensioners	1,103	1,839	0	0
Total members	236,062	267,471	0	3,235
<i>Accounts Summary (\$millions):</i>				
Opening balance	1,343.1	7,510.7	0.0	96.8
Contributions	252.9	781.7	0.0	5.9
Net Investment Income	24.5	-721.2	0.0	-1.9
Benefit Payments	154.7	1,281.8	0.0	24.8
Closing balance	1,465.7	6,289.4	0.0	76.0

Notes:

1. The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date in the 12 months to 31/12/08; refer column (c).
2. The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date in the 12 months to 31/12/08; refer column (d), which may include some cases in column (c).
3. "Net Investment Income" consists of investment income and realised and unrealised capital gains as recorded in the Statement of Financial Performance, less expenses (including the cost of insurance if any) and taxation.
4. "Benefit Payments" consists of amounts paid by way of pensions, lump sums on retirement, death, disablement, redundancy and withdrawal, and transfers to other schemes less transfers, received from other schemes.
5. Some totals may not add exactly, due to rounding.

APPENDIX 4.3

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 2008: ANALYSIS BY NATURE OF SCHEME

All Schemes excluding investment only schemes

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 2008 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	2,863	540	7	35
<i>Membership:</i>				
Actives	508,195	525,188	406	10,133
Deferreds	3,411	1,557	0	0
Pensioners	35,747	24,202	0	37
Total members	547,353	550,947	406	10,170
<i>Accounts Summary (\$millions):</i>				
Opening balance	11,044.4	21,721.6	38.4	703.4
Contributions	908.4	2,250.8	3.5	57.2
Net Investment Income	599.8	-1,329.8	2.2	-14.3
Benefit Payments	1,520.5	4,008.3	4.8	402.9
Closing balance	11,032.1	18,634.3	39.3	343.4

Investment Only Schemes

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 2008 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	2	27	0	5
<i>Membership:</i>				
Actives	100	229	0	20
Deferreds	0	0	0	0
Pensioners	0	0	0	0
Total members	100	229	0	20
<i>Accounts Summary (\$millions):</i>				
Opening balance	51.3	11,785.4	0.0	4,064.5
Contributions	11.2	3,311.8	0.0	382.5
Net Investment Income	- 1.7	-296.6	0.0	-106.4
Benefit Payments	5.5	8,376.9	0.0	3,864.9
Closing balance	55.3	6,423.7	0.0	475.7

Notes:

1. The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date in the 12 months to 31/12/08; refer column (c).
2. The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date in the 12 months to 31/12/08; refer column (d), which may include some cases in column (c).
3. "Net Investment Income" consists of investment income and realised and unrealised capital gains as recorded in the Statement of Financial Performance, less expenses (including the cost of insurance if any) and taxation.
4. "Benefit Payments" consists of amounts paid by way of pensions, lump sums on retirement, death, disablement, redundancy and withdrawal, and transfers to other schemes less transfers received from other schemes.
5. Some totals may not add exactly, due to rounding.

APPENDIX 5

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 2008: ALL EMPLOYER SPONSORED SCHEMES AND ALL NPF EMPLOYER SPONSORED SCHEMES - ANALYSIS BY ADMINISTRATION MANAGER

Number of Schemes	Defined Benefit		Defined Contribution		Total	
	2008	1990	2008	1990	2008	1990
Self Managed	23	143	34	240	57	383
Life Office	9	244	28	1,273	37	1,517
Consulting Actuary	75	47	63	93	138	140
Other	13	18	13	184	26	202
TOTAL	120	452	138	1,790	258	2,242
Total Assets (\$millions)						
Self Managed	1,042	4,011	303	483	1,345	4,494
Life Office	191	888	2,494	1,057	2,686	1,945
Consulting Actuary	2,333	321	3,211	292	5,544	614
Other	1,085	1,470	1,573	986	2,658	2,456
TOTAL	4,652	6,691	7,581	2,817	12,233	9,508
Total Members						
Self Managed	9,836	59,666	5,410	18,662	15,246	78,328
Life Office	1,191	18,235	93,136	41,132	94,327	59,367
Consulting Actuary	33,419	6,561	75,268	10,859	108,687	17,420
Other	17,046	16,755	47,978	138,871	65,024	155,626
TOTAL	61,492	101,217	221,792	209,524	283,284	310,741

Notes:

1. All NPF employer sponsored schemes are included in Administration Manager category "Other".
2. Some totals may not add exactly, due to rounding.

APPENDIX 6

**REGISTERED SUPERANNUATION SCHEMES IN FORCE ON
SCHEME BALANCE DATES IN 2008: ANALYSIS ACCORDING TO
NATURE OF SCHEME AND SIZE OF SCHEME ASSETS**
(excluding Investment Only schemes)

NUMBER OF SCHEMES:

Assets Grouping	Private	Employer	Retail	TOTAL
1. Under \$0.5m	130	32	17	179
2. \$0.5m to under \$1m	31	13	7	51
3. \$1m to under \$5m	13	70	26	109
4. \$5m to under \$20m	4	64	18	86
5. \$20m to under \$50m	0	31	13	44
6. \$50m and over	0	48	23	71
Total, all groups	178	258	104	540

TOTAL ASSETS (\$ millions):

Assets Grouping	Private	Employer	Retail	TOTAL
1. Under \$0.5m	22	3	2	27
2. \$0.5m to under \$1m	20	10	6	36
3. \$1m to under \$5m	23	186	60	269
4. \$5m to under \$20m	47	699	222	968
5. \$20m to under \$50m	0	994	377	1,371
6. \$50m and over	0	10,341	5,622	15,963
Total, all groups	112	12,233	6,289	18,634

TOTAL MEMBERSHIP:

Assets Grouping	Private	Employer	Retail	TOTAL
1. Under \$0.5m	126	88	229	443
2. \$0.5m to under \$1m	35	197	391	623
3. \$1m to under \$5m	26	3,860	5,761	9,647
4. \$5m to under \$20m	5	14,533	13,951	28,489
5. \$20m to under \$50m	0	13,964	25,100	39,064
6. \$50m and over	0	250,642	222,039	472,681
Total, all groups	192	283,284	267,471	550,947

Number of schemes for which nil
assets advised:

6	18	2	26
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Notes:

1. "Private" schemes are schemes set up by individuals for themselves and their immediate family.
2. "Employer" schemes are schemes sponsored by private sector employers, public sector employers and all NPF employer sponsored schemes.
3. "Retail" schemes are schemes where membership is made available to the general public.