



Making Super Simple

Westpac New Zealand
Staff Superannuation Scheme

2016 Annual Report



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Scheme snapshot

As at 30 JUNE 2016



\$352 million

in retirement savings accumulated



3,905

active members and pensioners



\$76,865

average member balance of In-Tandem members



46

First home withdrawals



Notice to members

from the Trustee of the Westpac New Zealand Staff Superannuation Scheme

Transition to FMCA

We are pleased to let you know that on 23 September 2016 the Scheme became registered under this new legislation, the Financial Markets Conduct Act 2013 (FMCA), and from that date the requirements of the FMCA apply to the Scheme.

You should also note:

- The Trustee is Westpac New Zealand Staff Superannuation Scheme Trustee Limited (the Trustee changed from individuals to a company on 1 July 2016, as explained below);
- You may obtain an electronic copy of the trust deed for the Scheme at westpacintandem.co.nz free of charge;
- You are also entitled to receive from the Trustee, free of charge, a paper copy of the trust deed for the Scheme if you request it within 15 working days of receiving this notification (to make such a request, contact the secretary to the Scheme at the contact details on page 16);
- You can obtain a copy of the Product Disclosure Statement (PDS) for the In-Tandem sections of the Scheme and the Statement of Investment Policy and Objectives for the whole Scheme at westpacintandem.co.nz (please note the PDS describes the terms applying to new members of In-Tandem. Some In-Tandem members have historic arrangements that may differ).

Change of Trustee

A corporate Trustee was incorporated to replace the individual Trustees of the Scheme on 1 July 2016, as part of the Scheme's compliance with the FMCA. The corporate Trustee is Westpac New Zealand Staff Superannuation Scheme Trustee Limited. In the interests of providing continuity of representation, the company has all of the persons who were individual trustees as its directors (ie Gina Dellabarca, Bruce Kerr, Jo McGregor, Tim McGuinness, Ian New, Simon Power and Marc Proctor). Tim McGuinness is also the Scheme's "Licensed Independent Trustee". Having a Licensed Independent Trustee is a requirement of the FMCA.

Westpac New Zealand Staff Superannuation Scheme Trustee Limited
C/- The Scheme Secretary
Mercer (N.Z.) Limited
Level 18, 151 Queen Street
Auckland 1010

The website westpacintandem.co.nz

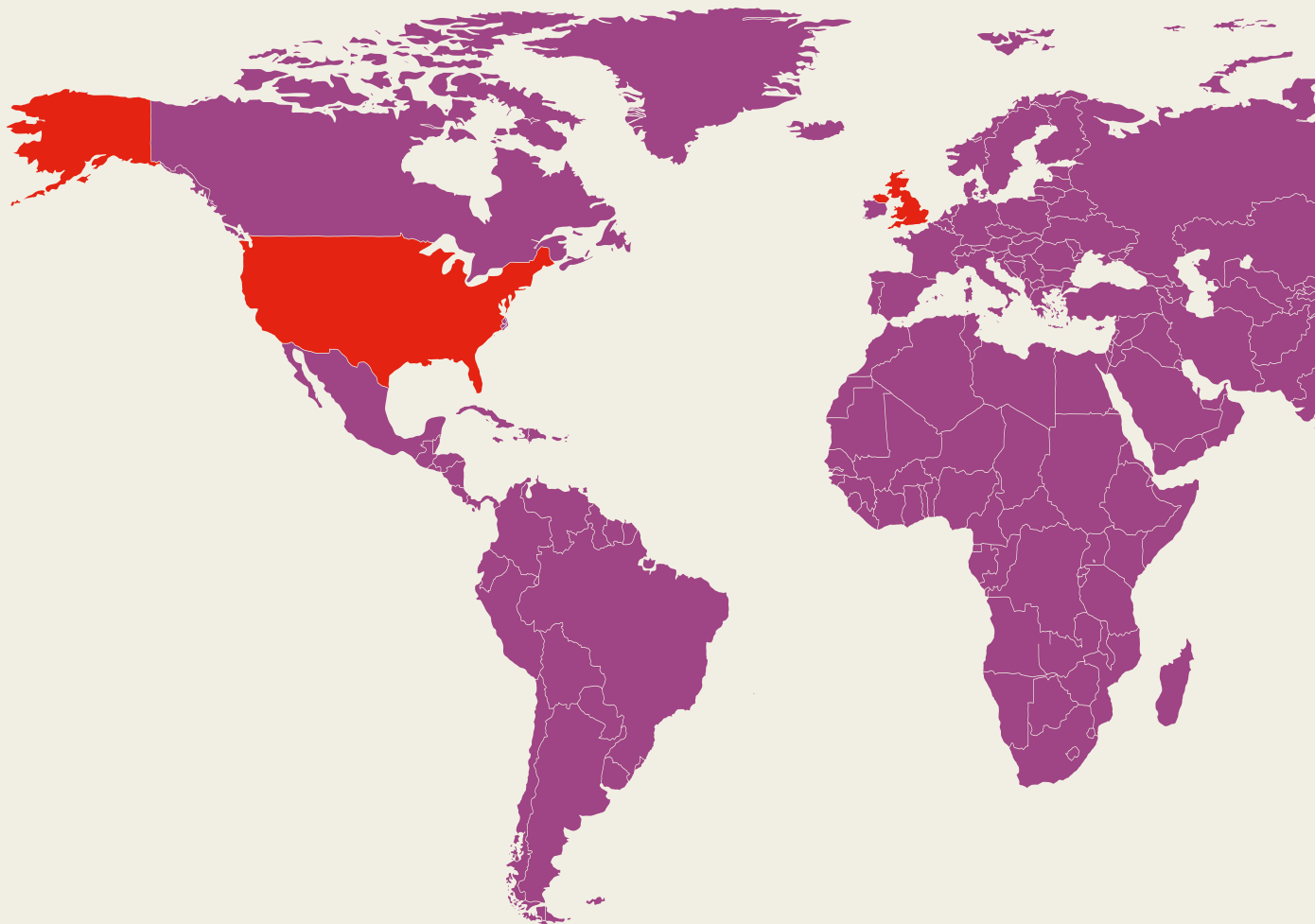
You can see how your savings are doing, update your personal details, and view your transactions on the Scheme's website.

The website also includes the 'MySuper Planner' to help you work out your income in retirement and how long your In-Tandem retirement savings, along with other forms of savings & retirement income, could last.



Investments

Performance of the investment options is strongly influenced by what's going on around the world and in New Zealand.

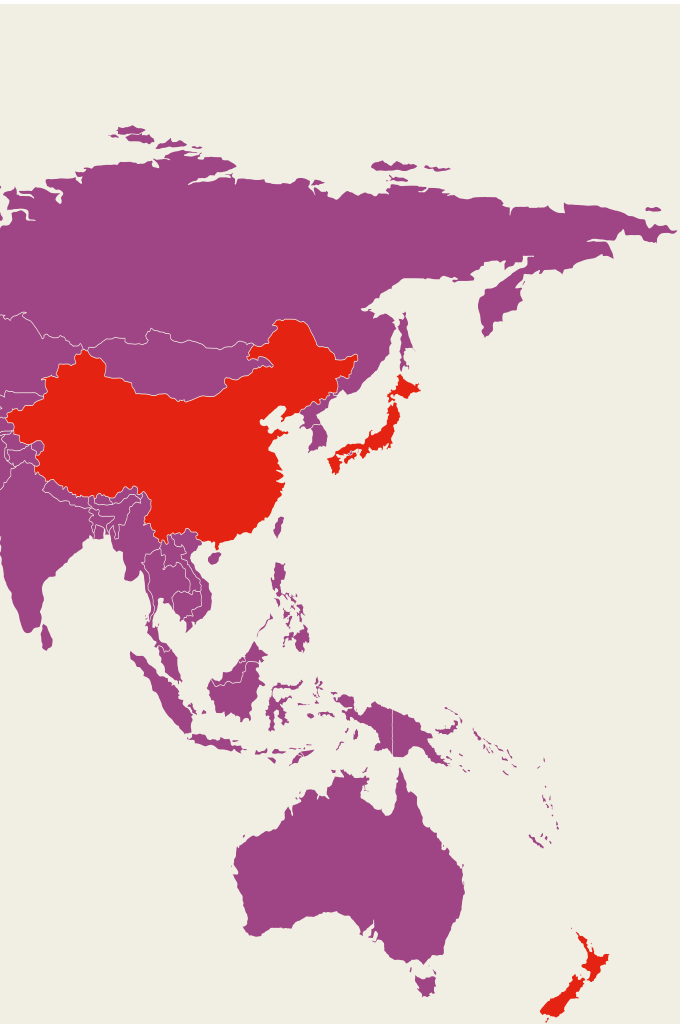


About Willis Towers Watson

Willis Towers Watson is a leading global professional services company that helps organisations improve performance through effective people, risk and financial management. Willis Towers Watson has 39,000 employees around the world. It is through their advanced analytics combined with deep institutional knowledge, they reveal new opportunities to maximise performance for their investors. More information can be found on the web at willistowerswatson.com.

About BT Funds Management

BT Funds Management (NZ) Limited (BT) is the investment arm of Westpac in New Zealand. BT has a specialist investment team based in New Zealand. They are one of New Zealand's leading fund managers and manage over \$9.8 billion of funds as at 30 June 2016.



Market commentary

The 12 months to 30 June 2016 were one of increasing global economic uncertainty, with downgrades to growth forecasts occurring throughout the year across many countries. This was primarily caused by economic and geopolitical risks in the Eurozone (the potential Grexit and eventual Brexit), uncertainty and volatility surrounding the Chinese economy, and a fall in commodity prices.

As a whole, returns from global shares markets disappointed, with the MSCI World Index falling 2% in local currency terms, compared to gains of 9% and 22% for the last two financial years respectively. New Zealand shares were one of developed world's strongest performers, gaining over 20%, supported by demand from offshore investors wanting earnings certainty and dividends in a stable economic and political zone.

Despite mixed signals from the US, signs of a continued recovery were apparent as the Federal Reserve (Fed) increased interest rates for the first time in almost a decade (by 0.25% to 0.5%). Meanwhile, uncertainty around Brexit led to a mixed year for the European Union (EU). Britain's vote to leave the EU in June shocked financial markets increasing economic and financial uncertainty late in the period.

Within emerging markets, it was also a volatile year for the second largest economy in the world, China, which experienced a continued decline in growth. The Shanghai Stock Exchange Composite Index began the year at a high (following a 150% rise in under 12 months), crashed during the year and ended the year 43.3% below its June 2015 high. In response to falling stock markets and depressed economic data, policy makers implemented a number of measures in an attempt to stabilise the Chinese economy.

In New Zealand, the Reserve Bank of New Zealand cut interest rates to an all-time low of 2.25% with further cuts expected in coming quarters. Demand for domestic bonds remained strong, intensified by the attractiveness of our high interest rates relative to many overseas markets. The New Zealand bond market returned 8% for the period.

We expect market volatility to continue, at least in the short term. The key is to make sure your investments are right for you and be prepared for some movement in the value of your portfolio. A sound approach is to remain calm and stick to a long term investment strategy when markets are volatile. Diversification, in other words spreading your investment across a range of assets such as equities, bonds, property and cash, remains a critical component of a successful investment strategy.

Want more info on the markets?

Sign up for the economic insights from
Dominick Stephens and other Westpac experts on
westpac.co.nz/business/economic-updates/video-updates

Investment performance

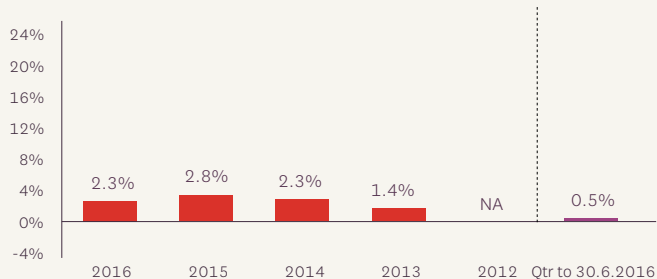
Explaining returns

The investment returns for each investment fund option provided by the Scheme are set out below after all investment fees and taxes have been deducted.

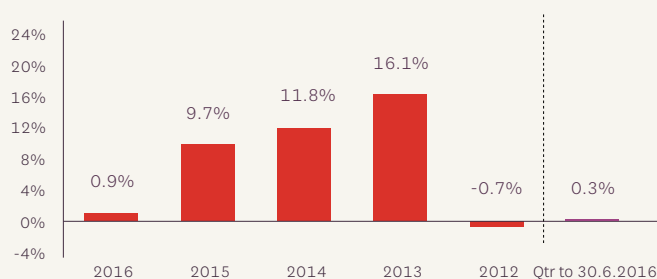
The investment returns are shown for each investment fund option for each of the last five years. This year we have also included returns for the quarter ended 30 June 2016.

How has your fund performed?

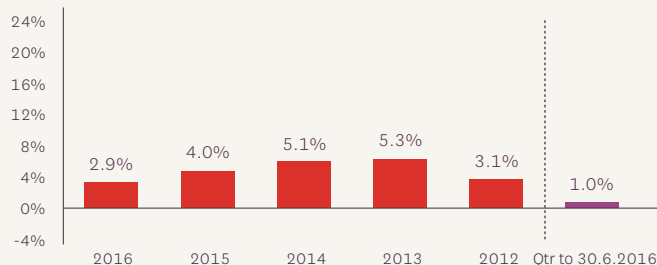
Cash Fund



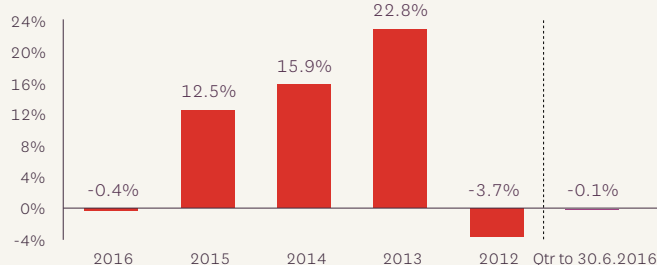
Growth Fund



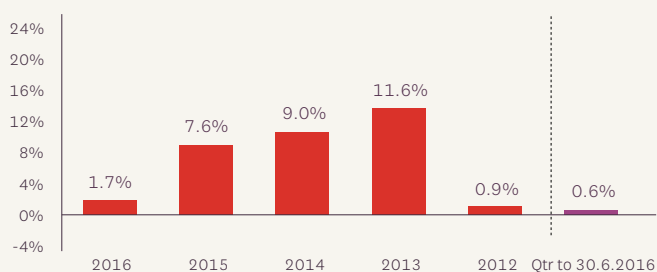
Defensive Fund



High Growth Fund



Moderate Balanced Fund



* The defined benefits option is not included. This option is closed to new members. The performance of the defined benefit fund does not impact the lump sum benefits or pension incomes members receive once they retire.

The returns shown above are indicative of investment results and may differ from the actual after fees and tax returns achieved by you. Your individual return within an investment fund will depend on the timing of contribution payments and actual investment fees charged.

The investment returns shown don't tell you how the investment options will perform in the future and members are reminded that past performance is not a reliable indicator of future performance.



Investment options to suit your needs

Risk vs. return

The rate of return from each investment option will vary according to the asset class, or combination of asset classes, in which it invests.

Historically, growth assets (e.g. shares and property) have provided the best returns over the long term (more than 10 years). However, growth assets also tend to have the most variation in returns from year to year.

In contrast, defensive assets, such as fixed interest and cash, have historically provided lower returns over the long term, but less variation in returns from year to year.

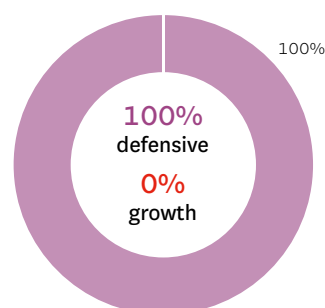
Cash Fund

Return Objective: Aims to maintain the real value of investments over the short term.

Strategy: Invests in assets with very low risk of negative return and with minimal fluctuations in returns.

Very unlikely to achieve high returns.

Benchmark asset mix



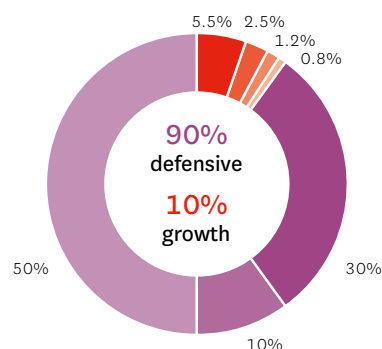
Defensive Fund

Return Objective: Aims to provide above average investment returns while maintaining the real value of investments over the short to medium term.

Strategy: Invests in assets with a low to moderate risk of negative return and with moderate fluctuations in returns.

Unlikely to achieve high returns.

Benchmark asset mix



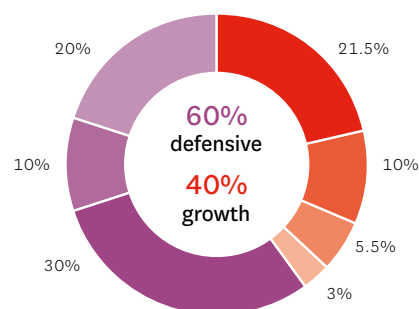
Moderate Balanced Fund

Return Objective: Aims to provide above average investment returns while maintaining the value of members' investments in real terms over the medium term.

Strategy: Invests in assets with a moderate risk of negative return and with moderate fluctuations in returns over the short term.

Likely to achieve a higher return than the Defensive Fund over the long term.

Benchmark asset mix



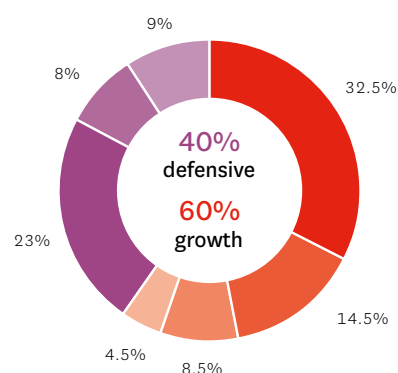
Growth Fund

Return Objective: Aims to provide above average investment returns while maintaining the value of members' investments in real terms over the medium to long term.

Strategy: Invests in assets with a higher risk of return over short periods and with considerable fluctuations in returns over the short term.

Likely to achieve a higher return than the Moderate Balanced Fund over the long term.

Benchmark asset mix



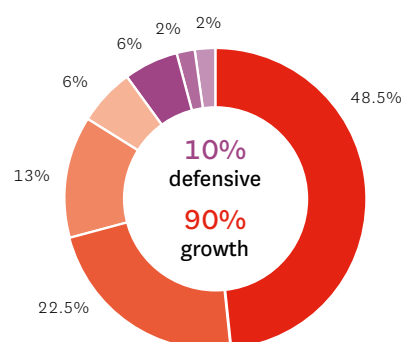
High Growth Fund

Return Objective: Aims to maximise investment returns over the long term.

Strategy: Invests in assets with a high risk of negative returns over short periods and with significant fluctuations in returns over the short term.

Likely to have a higher overall return over the long term.

Benchmark asset mix



Growth Assets

International Shares Australasian Shares Real Assets Alternative Assets

Defensive Assets

International Fixed Interest New Zealand Fixed Interest Cash

Investment timeframes

Generally when referring to investment timeframes, short term means less than three years, short to medium term means three to five years, medium term means five years, medium to long term means five to ten years and long term means ten years or more.

Your retirement savings

MySuper Planner

MySuper Planner was launched in September 2016. It may help you plan how your Westpac In-Tandem savings can be built up during your working life and to understand how you can manage your accumulated savings drawdown and associated income throughout your retirement years.

Most of us think about retirement as a one-off event, somewhere in our future, marking the end of our working life. But nowadays most people choose to remain active when they stop working and retirement may well last as long as their career. So in many ways, retirement is more the beginning than the end.

MySuper Planner is so much more than a calculator. It can help to project savings all the way through to late retirement, while factoring in different conditions that could impact the retirement savings - like starting a family or buying an investment property. It even factors in external events like recessions, and helps you stay up-to-date with changes to the law and your entitlements.

You can now see how much you may have in retirement and the great thing is you can now change the assumptions at any time and start planning for your future today.

The planner can be accessed by signing in to westpacintandem.co.nz and selecting the link on the 'Your super' page.





Growing your savings

Now let's take a look at what you can do now to change how much you'll have to live on later.



Contributions

Contributions are what helps you grow your retirement savings. Contributions to your account come from you and from Westpac (your employer).



Withdrawals

Generally your savings are locked in until you turn 65 years of age, or while you are employed by Westpac. If you resign or retire you can then access your savings. With consent of the Bank, you can choose to keep your money in the Scheme after you retire, but only for up to 2 years. Rules apply.

There are some circumstances where members can withdraw their money earlier than at retirement. These are:

Purchase of a first home

After you have been a member for three years you may be able to withdraw some of your savings to put towards buying your first home. You may also be eligible as a second home purchaser if the Trustee is of the view that your financial position is similar to what would be expected of a person who has never purchased a home.

Hardship

You may be allowed to make a withdrawal from your account if the Trustee is satisfied that you are, or are likely to, suffer hardship.

Serious illness

If you are suffering a serious injury, illness or disability, you may be able to make a withdrawal from your account.

Please note that there are a number of conditions that apply to each of the types of withdrawals discussed above.



Making an investment choice

How much you have at retirement also depends on the investment choices you make while a member of the Scheme. How you invest will depend on your investment time-frame and how much risk you are willing to take. If you are unsure about your risk profile, speak to an authorised financial adviser or use the Sorted investment planner on sorted.org.nz.

Your team

The Trustee is responsible for the oversight and management of the Scheme. It is accountable for the Scheme's investment strategy, insurance arrangements, appointment of the implementation investment manager and much more. As at 30 June 2016, the Trustees were Gina Dellabarca, Bruce Kerr, Jo McGregor, Tim McGuinness, Ian New, Simon Power and Marc Proctor. On 1 July 2016 the Trustee became Westpac New Zealand Staff Superannuation Scheme Trustee Limited. The directors of the Trustee are:



Bruce Kerr

Independent Chairman of Trustee



Gina Dellabarca

General Manager of
Human Resources



Ian New

Chief Actuary



Jo McGregor

Head of Consumer Products



Marc Proctor

Northern Region Area Manager,
Investment Advisory Service



Simon Power

General Manager, Consumer
Banking & Wealth



Tim McGuinness

Independent Licensed Trustee

Actuary and Administration Manager

Mercer (N.Z.) Limited

Auditor

PricewaterhouseCoopers

Insurer

Westpac Life-NZ-Limited

Investment Consultant

Willis Towers Watson Australia Pty Ltd

Investment Implementation Manager

BT Funds Management (NZ) Limited

Secretary to the Scheme

Andrew Taylor

Mercer (N.Z.) Limited

Level 18, 151 Queen Street

Auckland 1010

Ph: 09 928 3237

Email: Andrew.Taylor@merceroz.com

Solicitor

Simpson Grierson

Tax Adviser

Deloitte

Questions?

If you have any questions about your Scheme or would like more information, please call the In-Tandem helpline.

Freephone: 0508 468 263

Internal Extn: 83995

Helpline hours: 9.00am to 7.00pm Monday to Friday

All other correspondence about the Scheme or to the Trustee should be sent to the Scheme secretary.

Additional information

Membership movement		Active Members			Pensioners	
		In-Tandem	Defined Benefit	Retained	Deferred	Active
Total Membership at the last Review Date		3,814	39	11	6	156
Plus	New Members	397		17	1	6
Less	Deaths	-3				-9
	Total and Rerment Disablement	-3				
	Retirements	-11	-4			
	Withdrawals/Resignations	-388	-1	-13		
	Retrenchments/Redundancy	-106				
	Permanent Emigration					
	Commutations				-4	
Total Membership at this Review Date		3,700	34	15	3	153

Trustee report and certificates

The Trustee of the Westpac New Zealand Staff Superannuation Scheme provides members with the following information as required by the second schedule to the Superannuation Schemes Act 1989. The Trustee:

- confirms that all contributions required to be made to the Scheme, in accordance with the terms of the Scheme's Trust Deed, for the year ended 30 June 2016 have been made.
- certifies that all benefits required to be paid from the Scheme for the year ended 30 June 2016 were paid from the Scheme in accordance with the terms of the Scheme's Trust Deed.
- cannot certify that the rates of contribution paid to the Scheme are in accordance with the recommendations contained in the most recent valuation report of the Scheme's Actuary.
- certify that the market value of the net assets of the Scheme, as at 30 June 2016, exceeded the total value of the benefits that would have been payable had all members of the Scheme ceased to be members at that date and had provision been made for the continued payment from the Scheme of all benefits being paid to members and other beneficiaries as at 30 June 2016.



Bruce Kerr
Independent Chairman of Trustee

Fees

As a member of a retirement savings scheme, it's important that you pay as little money as possible in fees so that you can keep as much as possible in your retirement savings account working for you. That's why it's good to know that all direct fees and expenses associated with the Scheme are paid by Westpac or from the Scheme's surplus.

In fact, the only fees you pay are investment management fees, which cover the costs associated with managing your portion of your investments in the fund(s) you have chosen to invest in. These are considered indirect costs, as they are not deducted directly from your account balance but are deducted from investment earnings before they are applied to your account. Below is a summary of the expenses paid during the year, both by you and Westpac (or from the Scheme's surplus).

You pay your own investment management fees and Westpac pays the rest

Investment management fees are charged as a percentage of your overall investment according to the investment option(s) you are invested in. The fees as at 30 June 2016 for each investment option are:

Investment option	Investment management fee p.a. (% net asset value of relevant fund)*
Cash Fund	0.17%
Defensive Fund	0.34%
Moderate Balanced Fund	0.55%
Growth Fund	0.66%
High Growth Fund	0.80%

* Based on the relevant investment fund's strategic asset allocation and size as at 30 June 2016.

All direct fees and operating expenses associated with the Scheme are paid by Westpac. For the year ended 30 June 2016 Westpac paid \$909,766 or 0.26% of the Schemes total assets to meet the operating expenses of this Scheme. In addition, the Scheme paid the insurance premium of \$943,044.

What do we mean when we talk about the Scheme's surplus?

The Scheme's surplus comes from any money not paid to a member who leaves the Scheme before they are entitled to their full Company Account balance.

Actuarial report

An interim actuarial valuation of the Scheme was carried out as at 30 June 2016. The purpose of the valuation was to determine the financial position of the Scheme and to determine the level of contributions required from the Bank to meet the benefits payable from the Scheme.

The results of the valuation show that there is a past service deficit, with the value of the accrued liabilities exceeding net assets by \$0.526m. This compares with a past service surplus of \$3.949m as at 30 June 2015. The deterioration in the Scheme's financial position is mainly as a result of the investment returns being lower than the assumed return and a reduction to the assumed future investment return of the Scheme.

As noted in previous years' annual reports, the Trustee has agreed a formal funding policy with the Bank. Under the funding policy, the target funding ratio for the defined benefit section is 95% to 105%. If the defined benefit funding ratio falls below 95% then additional Bank contributions are payable in order to meet the shortfall over a four year period. If the ratio exceeds 105%, then the Bank contribution required to meet the cost of the future service benefits can be reduced. The defined benefit funding ratio as at 30 June 2016 was 99.2%, within the target range.

The contributions that were recommended to be paid by the Bank are as follows:

- 12% of the salaries of defined benefit members;
- the actual credits to the employer accounts of In-Tandem members.
- the cost of the credits to the employer accounts of members who participate in the Superannuation Incentive Plan;
- by way of reimbursement, the actual administration expenses incurred by the Scheme;
- the expected cost of the group life premiums for In-Tandem members.

These amounts are exclusive of Employer's Superannuation Contribution Tax.

A full actuarial valuation will be performed at 30 June 2017.

Westpac's contributions

Westpac continued to contribute at a rate higher than required to fund future benefit accruals.

As outlined in the 2014 and 2015 annual reports, lump sum contributions were not required in respect of Defined Benefit members*.

Westpac will continue to pay 12% (before ESCT) of the salaries of Defined Benefit members.

* The Defined Benefit section includes members who joined the Scheme before January 1996 and pensioners.

Pension increases

After seeking advice from the Actuary, the Trustees with the consent of the Bank where appropriate, approved an increase in pensions to help offset the cost of inflation and in line with the provisions of the Trust Deed. Effective 1 October 2015, pension payments were increased by 0.42% for all pensioners. This follows a 1.62% increase for Category 1 & 4 pensioners and a 0.25% increase for Category 2 & 3 pensioners the previous year.

Trust Deed amendments during the year ended 30 June 2016

There were no Trust Deed amendments during the year ended 30 June 2016.

Trust Deed amendments subsequent to Scheme year end

The Trust Deed was amended after the end of the Scheme year, on 1 July 2016 to:

- provide for the appointment of Westpac New Zealand Staff Superannuation Scheme Trustee Limited as Trustee to replace the individual Trustees who previously managed the Scheme; and
- amend the definition of "Totally and Permanently Disabled" for the determination of Category E and F members' entitlement to an insurance benefit (full details of the change were sent to members shortly after 1 July 2016).

The Trust Deed was amended on 31 August 2016, with effect from 23 September 2016, to:

- comply with the requirements of the FMCA; and
- provide more flexibility for member contributions during KiwiSaver contribution holidays.

The Scheme is now registered under the FMCA as a restricted employer-related workplace savings scheme.

Changes to the Trust Deed that were made to comply with the FMCA included providing for:

- a requirement for one of the directors of the Trustee to be a licensed independent director;
- the custodianship of Plan assets, including flexibility to appoint an external custodian in place of the Trustee;
- permitted types of schemes to which leaving members can transfer their benefits;
- consistency with FMCA timing and standards for the preparation of financial statements, annual reports and other information and reporting;
- recording remuneration and indemnity rights of parties including the licensed independent director and investment manager, in accordance with the limits in the FMCA;
- recording Scheme participant meeting rights; and
- a general prohibition on related party benefits.

Changes were made to provide more flexibility of member contributions during KiwiSaver contribution holidays, by allowing members on the "Combo Option" to elect to divert their KiwiSaver contributions back to In-Tandem while they are on a KiwiSaver contributions holiday.

The changes do not amend member or employer contribution requirements, nor do they amend any of the benefit entitlements under the Plan.

Insurance

Total and Permanent Disablement benefit – change to definition for additional benefit

A change in benefit definition was actioned for insurance purposes, and only affects members of In-Tandem categories E and F who are under age 65 and who are entitled to an insured "additional benefit" on Total and Permanent Disablement.

Summary financial statements

FOR THE YEAR ENDED 30 JUNE 2016		2016 \$	2015 \$
Summary Statement of Changes in Net Assets			
Investment Activities			
Net Investment Income		9,250,744	31,336,668
Other Income			
Reimbursement of Expenses by Westpac		909,766	918,258
Group Life Claims (Westpac Life-NZ-Limited)		1,617,400	439,801
		2,527,166	1,358,059
Less			
Other Expenses			
Administration Fees		322,608	322,124
Actuarial and Consulting Fees		97,980	207,738
Auditors' Remuneration - Audit Fees		36,743	40,825
Taxation Services		15,410	22,598
Investment Consultancy Fees - Retainer		79,871	179,785
Legal Fees		69,757	179,786
Group Life Premiums - Westpac Life-NZ-Limited		943,044	585,464
Trustee Fees		6,761	5,709
Other Expenses		43,675	52,794
Total Other Expenses		1,615,849	1,596,823
Change in Net Assets before Taxation and Membership Activities		10,162,061	31,097,904
Income Tax (Expense) / Credit		(6,301,330)	419,128
Change in Net Assets after Taxation and before Membership Activities		3,860,731	31,517,032
Membership Activities			
Member Contributions		12,271,214	12,721,065
Employer Contributions		17,642,614	18,073,590
Less Benefits Paid		(47,453,799)	(38,802,653)
Net Membership Activities		(17,539,971)	(8,007,998)
Net (Decrease) / Increase in Net Assets During Year		(13,679,240)	23,509,034
Summary Statement of Net Assets			
Assets			
Cash and Cash Equivalents		2,258,340	1,757,397
Investments		354,132,175	364,045,822
Current Assets		339,594	1,434,638
PIE Tax Receivable		-	1,368,476
Income Tax Receivable		-	55,870
Total Assets		356,730,109	367,237,857

Less		
Liabilities		
Benefits Payable	829,686	431,409
Trade and Other Payables	1,275,492	376,896
PIE Tax Payable	1,846,578	-
Income Tax Payable	28,041	-
Total Liabilities	3,979,797	808,305
Net Assets Available to Pay Benefits	352,750,312	366,429,552
Vested Benefits*	351,936,000	360,648,000
Summary Statement of Cash Flows		
Net Cash Flows from Operating Activities	(16,999,057)	(7,875,889)
Net Cash Flows from Investing Activities	17,500,000	8,006,287
Net Increase in Cash Held	500,943	130,398
Cash at Beginning of Year	1,757,397	1,626,999
Cash at End of Year	2,258,340	1,757,397

*Vested benefits are benefits payable to members or beneficiaries under the conditions of the Trust Deed, on the basis of all members ceasing to be members of the Scheme at balance date.

Notes to summary financial statements

A summary of the Westpac New Zealand Staff Superannuation Scheme's (the "Scheme's") audited financial statements for the year ended 30 June 2016, which were authorised for issue by the Scheme's Trustee on 26 September 2016 is shown on pages 19 and 20 of the annual report. The summary financial statements have been extracted from the full audited financial statements. The summary financial statements have been prepared in accordance with FRS-43 Summary Financial Statements. The full financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP) and they comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS). The Scheme has made an explicit and unreserved statement of compliance with International Financial Reporting Standards (IFRS) in note 2 of its full financial statements.

The financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Scheme operates.

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements of the Scheme. A copy of the full financial statements can be obtained, free of charge, from the Scheme's administration manager.

The Scheme is a profit orientated entity. The auditors' reports on the full financial statements for the years presented did not refer to a fundamental uncertainty and were not modified in any way. The auditor has examined the summary financial statements for consistency with the audited financial statements and has issued an unmodified opinion.

Events occurring after the balance date

The Trust Deed was amended on 1 July 2016 to replace all individual Trustees with a corporate Trustee, Westpac New Zealand Staff Superannuation Scheme Trustee Limited. This was done to facilitate the Scheme's compliance with the Financial Markets Conduct Act 2013. All individual Trustees retired and became Directors of the new corporate Trustee at that date.

A further Trust Deed amendment was executed on 31 August 2016 in order to comply with the requirements of the Financial Markets Conduct Act 2013 and the Financial Markets Conduct Regulations 2014 and to incorporate amendments into a new consolidated Trust Deed. The effective date for these changes is the date of transition to the new Act, being 16 September 2016.

The Scheme gains its exposure to alternative investments through an indirect investment in the Advance Alternative Strategies Multi-Blend Fund (Fund). The Fund is accessed by an investment in the Westpac Wholesale Alternative Investment Trust (Trust). On 14 June 2016 Advance Asset Management Limited (Advance), the Responsible Entity of the Fund, notified BT Funds Management (NZ) Limited (BT) of the termination of the Fund, with immediate effect. As a result, BT suspended redemptions from the Trust and no new applications are currently being accepted on their behalf. Advance has advised there is no concern regarding the quality of the Fund's underlying assets and that they expect to pay up to 90% of its value by 31 October 2016. On 2 September 2016 a distribution of \$7,816,792 was received from the Trust which represents 56% of the year end value with the remainder to be received by April 2017. The events described above are not expected to impact the Scheme. There have been no other material events after balance date that require adjustment to or disclosure in the summary financial statements.

Report of the Independent Auditors’ on the Summary Financial Statements

to the members of the Westpac New Zealand Staff Superannuation Scheme

The accompanying summary financial statements on pages 19 to 20 which comprise the summary statement of net assets as at 30 June 2016, the summary statement of changes in net assets, and the summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of the Westpac New Zealand Staff Superannuation Scheme (the “Scheme”) for the year ended 30 June 2016.

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.

Our audit of the financial statements for the year ended 30 June 2016 was completed on 26 September 2016 and our unmodified opinion was issued on that date. We have not undertaken any additional audit procedures in relation to those financial statements from the date of the completion of our audit and those financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

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.

Trustees’ Responsibility for the Summary Financial Statements

The Trustees are responsible for the preparation and presentation of the summary financial statements in accordance with FRS-43: Summary Financial Statements (FRS 43).

Auditors’ Responsibility

Our responsibility is to express an opinion on the 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.

We are independent of the Scheme. Other than in our capacity as auditors we have no relationship with, or interests in, the Scheme.

Opinion

In our opinion, the summary financial statements on pages 19 to 20 derived from the audited financial statements of the Scheme for the year ended 30 June 2016 are consistent, in all material respects, with those audited financial statements, in accordance with FRS 43.

Restriction on Use of our Report

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
Auckland
26 September 2016

Section 11

Get in touch

Whether you've got a question, complaint or general feedback, we'd love to hear from you. Call 0800 INTANDEM (0508 468 263) between 9am and 7pm Monday-Friday.

Making a complaint

We will do everything we can to resolve your complaint. Below are the options you have for making a complaint.

- Call the helpline 0508 INTANDEM (0508 468 263) to discuss your concerns. Depending on the nature of your complaint, the helpline will direct you to the Complaints Officer.
- Email the Complaints Officer at complaints@westpacintandem.co.nz.

Complaints Officer
Andrew Taylor
Mercer (N.Z.) Limited
Level 18, 151 Queen Street
Auckland 1010
Ph: 09 928 3237
Email: Andrew.Taylor@mercer.com

The Trustee has 40 working days to respond to your complaint. If you are not satisfied by the response, you may refer the matter to Financial Services Complaints Limited by emailing info@fscl.org.nz or calling FSCL on 0800 347 257.

Alternatively, you may write to FSCL at:
Financial Services Complaints Limited
PO Box 5967, Lambton Quay
Wellington 6145
Full details of how to access the FSCL scheme can be obtained from their website fscl.org.nz.

Accessing information and tools online



There are lots of useful sources of further information to help you plan for your future and save for retirement. Here is a list of a few places you may want to check out.



The Scheme's website contains a lot of information to help you make the most of your scheme membership. This information includes useful articles and reports along with all the Scheme documents and forms you may need from time to time. You can also sign in to your personal account and view information about your savings. westpacintandem.co.nz.



Westpac intranet is a great source of information to help you get the Scheme matters sorted.



MySuper Planner is provided to help you plan for your retirement and keep your plan on track. Sign in to your personal account at westpacintandem.co.nz to check out this tool.



The Westpac Adviser website can help you plan your financial future. As an employee of Westpac and a member of the Scheme you can get general advice about the Scheme at no cost. If you need more detailed advice, an authorised financial adviser can provide you with more detailed advice and recommendations tailored to your individual situation. To find an adviser near you please go through the Westpac's westpac.co.nz site. Go to Investments and **KiwiSaver** > **I want Financial Advice** > **Meet your local Adviser**.

