



Milford Investment Funds  
Annual Report 2019



Year ended 31 March 2019



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## Section One - Details of the scheme

### **Name of the scheme**

Milford Investment Funds (the scheme)\*

### **Type of scheme**

Managed Investment Scheme

### **Manager**

Milford Funds Limited

### **Supervisor**

Trustees Executors Limited

### **Product Disclosure Statement**

The current Product Disclosure Statement (PDS) for the scheme is dated 25 July 2019 and is open for applications.

\*The Milford Unit Trust PIE Funds was renamed to the Milford Investment Funds on 25 July 2019.

### **Fund Updates**

A fund update for each of the eleven investment funds is available to 30 June 2019.

### **Financial statements and auditor's report**

The latest full financial statements for the scheme that comply with, and have been registered under, the Financial Markets Conduct Act 2013 cover the financial year 1 April 2018 to 31 March 2019 and were authorised for issue by the manager, Milford Funds Limited, on 9 July 2019.

The auditors report on those financial statements was dated 9 July 2019.

## Section Two - Information on contributions and scheme participants

As at 1 April 2018 the scheme had ten managed investment products on issue.

As at 31 March 2019 the scheme had eleven managed investment products on issue.

### Units on Issue

Units on issue at the start and end of the accounting period.

	Units on issue at 1 April 2018	Units on issue at 31 March 2019
<b>Investment Option</b>	(000's)	(000's)
Cash Fund*	-	32,882
Trans-Tasman Bond Fund	323,983	380,377
Global Corporate Bond Fund	290,431	335,842
Conservative Fund	167,525	212,896
Diversified Income Fund	1,086,213	1,200,363
Balanced Fund	241,928	271,865
Active Growth Fund	269,986	284,985
Australian Absolute Growth Fund	12,671	141,243
Global Equity Fund	267,728	302,343
Trans-Tasman Equity Fund	126,751	120,150
Dynamic Fund	115,124	122,239

\*Launched 1 March 2019

## Section Three - Changes relating to the scheme

### Trust Deed

Over the accounting period:

- the Cash Fund was established via a Deed of Establishment dated 31 January 2019; and
- on 28 February 2019 a deed was executed amending the Conditions of Establishment for the Global Bond Fund to rename it as the Global Corporate Bond Fund.

### Terms of offer of interests in the scheme

In October 2018:

- the Global Equity Fund benchmark changed from the New Zealand Official Cash Rate plus 5% per annum to the MSCI World Index with net dividends reinvested (50% NZD-hedged); and
- the ongoing base fund fee reduced to 1.40%.

In February 2019:

- the Cash Fund was added to the scheme; and
- the Global Bond Fund was renamed to the Global Corporate Bond Fund.

### The Statement of Investment Policy and Objectives (SIPO)

In October 2018 the SIPO was amended for the:

- Global Equity Fund's benchmark changed from the New Zealand Official Cash Rate plus 5% per annum to the MSCI World Index with net dividends reinvested (50% NZD-hedged).

In February 2019 the SIPO was amended again for the:

- Global Corporate Bond Fund benchmark change from the Bloomberg Barclays Global Aggregate 3-5 Year Total Return Index Value Hedged USD, hedged to NZD, to the Bloomberg Barclays Global Corporate 3-5 Year Total Return Index Value Hedged USD (100% NZD-hedged);
- addition of the Cash Fund; and
- name change of the Global Bond Fund to the Global Corporate Bond Fund.

### Nature or scale of related party transactions

All related party transactions were conducted on normal commercial terms and conditions during the accounting period and were on arm's-length terms.

## Section Four - Other information for particular types of managed funds

### Unit Prices

	Unit prices as at 1 April 2018*	Unit prices as at 31 March 2019
<b>Investment Option</b>		
Cash Fund**	-	1.0015
Trans-Tasman Bond Fund	1.1122	1.1375
Global Corporate Bond Fund	1.0267	1.0302
Conservative Fund	1.1075	1.1372
Diversified Income Fund	1.6473	1.7276
Balanced Fund	2.0970	2.2296
Active Growth Fund	3.3756	3.5927
Australian Absolute Growth Fund	0.9908	1.0168
Global Equity Fund	1.4670	1.5354
Trans-Tasman Equity Fund	2.5001	2.7838
Dynamic Fund	1.7561	1.7829

\*Opening price as at 1 April 2018, is the closing price as at 31 March 2018

\*\*Launched 1 March 2019

## Section Five - Changes to persons involved in the scheme

There were no changes to the manager, the administration manager, the supervisor, investment manager, custodian or auditor of the scheme during the accounting period.

### **Changes to the directors of the manager:**

- Mark Ryland was appointed as director on 22 February 2019.
- Mariette van Ryn stepped down as director on 22 February 2019.

### **Changes to key personnel:**

- Mark Ryland was appointed as Chief Executive Officer on 21 December 2018.
- Troy Swann resigned as Chief Executive Officer on 21 December 2018.
- James Bourke was appointed as Chief Financial Officer on 14 January 2019.
- John Paull was appointed as Head of Product and Operations on 18 February 2019.

### **Changes to securities registrar:**

On 5 June 2018, Milford's registry function transitioned from Trustees Executors Limited to MMC Limited.

### **Changes to the directors of the supervisor:**

- Franceska Eve Banga resigned as a Director on 5 April 2018
- Robert Paul Russell resigned as a Director on 17 May 2018
- Matthew James Sale was appointed as a Director on 17 May 2018
- Andrew Easson Scott-Howman resigned as a Director on 15 June 2018
- Mark Charles Darrow was appointed as a Director on 18 June 2018
- Sarah Mary Roberts was appointed as a Director on 16 July 2018
- David Roman Neidhart resigned as a Director on 28 February 2019



## Section Six - How to find further information

Information relating to the scheme is available on the offer register and the scheme register and can be found at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

The scheme register includes the scheme's financial statements, trust deed and SIPO.

The offer register includes information such as the PDS and other material information relating to the scheme and quarterly fund updates.

You can also find much of this information available at [www.milfordasset.com](http://www.milfordasset.com) or in the member portal specific to your investment options. You can also call us on 0800 662 345 to request this information.

All the information described above can be obtained from us without charge.

## Section Seven - Contact details and complaints

Contact details for the Manager, Supervisor and the Securities Registrar.

### **Manager**

Milford Funds Limited  
Level 28, 48 Shortland Street  
PO Box 960 Shortland Street  
Auckland 1140  
Telephone: 09 921 4700 or 0800 662 345

### **Supervisor**

Trustees Executors Limited  
Level 7, 51 Shortland Street  
Auckland 1140  
Telephone: 09 308 7100

### **Securities Registrar**

MMC Limited  
Level 25, OBE Centre, 125 Queen Street  
PO Box 106 039  
Auckland 1010  
Telephone: 09 309 8926

### **How to complain**

Please direct any complaints about your investment to Milford Funds Limited at:  
Level 28, 48 Shortland Street  
PO Box 960 Shortland Street  
Auckland 1140  
Attn: Manager, Investor Services  
Telephone: 09 921 4700 or 0800 662 345  
Email: [info@milfordasset.com](mailto:info@milfordasset.com)

If we are unable to resolve your complaint you may choose to contact the Supervisor.

Milford is a member of the Insurance and Financial Services Ombudsman Scheme (IFSO), an independent dispute resolution schemes approved by the Ministry of Consumer Affairs.

If you make a complaint and the complaint cannot be resolved, you may refer it to IFSO subject to certain conditions being met.

Further information about referring a complaint to the IFSO can be found at [www.ifso.nz/complaints](http://www.ifso.nz/complaints).

Their contact details are:

Insurance & Financial Services  
Ombudsman Scheme  
PO Box 10-845  
Wellington 6143  
Telephone: 04 499 7612 or 0800 808 200

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





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PO Box 960, Shortland Street, Auckland 1140  
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