

# FUND UPDATE

For the quarter ended 31 March 2021

## Integral Master Trust

### Fixed Interest Fund

This fund update was first made publicly available on 3 May 2021

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#### **What is the purpose of this update?**

This document tells you how the Fixed Interest Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Britannia Financial Services Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

#### **Description of this fund**

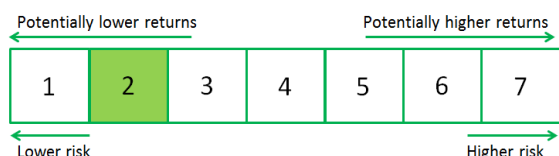
The fund invests in international fixed interest investments, with a small allocation to cash for operational liquidity. It aims to provide a low to medium risk income producing investment over the medium-term by investing in a diversified portfolio of international fixed interest investments. The fund is diversified across government and corporate bonds, in multiple jurisdictions.

The fund's exposure to assets denominated in foreign currencies was 95.99%, all of which was hedged, and volatility is expected to be low.

Total value of the fund	\$577,047
The date the fund started	4 November 2014

#### **What are the risks of investing?**

Risk indicator for Fixed Interest Fund



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [www.sorted.org.nz](http://www.sorted.org.nz).

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five year period ending on 31 March 2021. While risk indicators are usually

relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

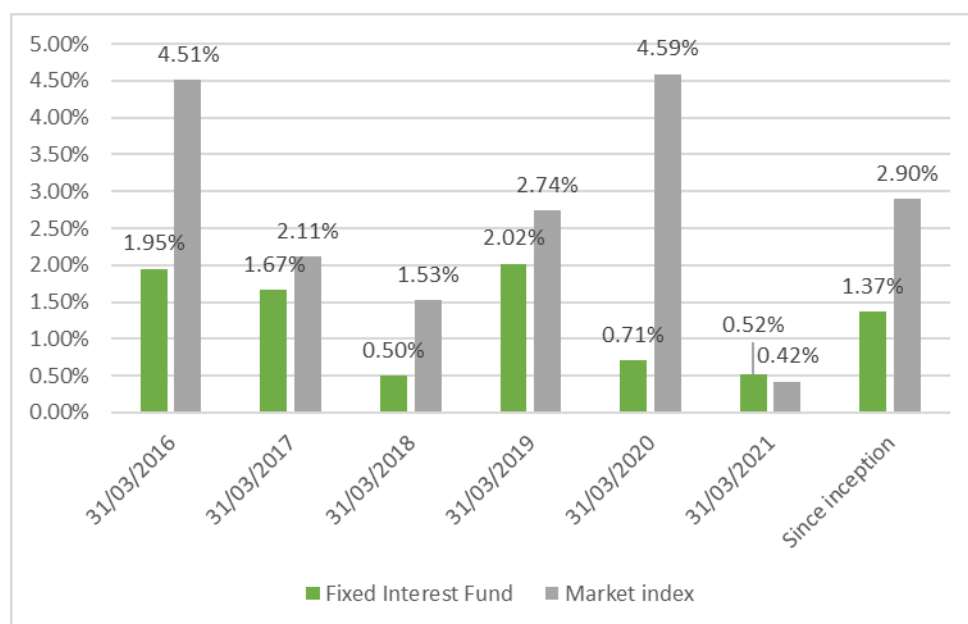
See the product disclosure statement (PDS) for more information about the risks associated with investing in this fund.

### **How has the fund performed?**

	<b>Average over past 5 years</b>	<b>Past year</b>
<b>Annual return</b> (after deductions for charges and tax)	1.08%	0.52%
<b>Annual return</b> (after deductions for charges but before tax)	1.51%	0.73%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	2.27%	0.42%

The market index annual return is based on the JP Morgan Government Global Hedged Bond Index. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

### **Annual return graph**



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 31 March 2021.

**Important:** This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

### **What fees are investors charged?**

Investors in the Fixed Interest Fund are charged fund charges inclusive of GST. In the year to 31 March 2021 these were:

	<b>% of net asset value</b>
<b>Total fund charges</b>	1.01%
Which are made up of -	
<b>Total management and administration charges</b>	1.01%
Including -	
Manager's basic fee	0.40%
Other management and administration charges	0.61%
<b>Total performance-based fees</b>	0.00%

The Manager's basic fee and Other management and administration charges are estimated. Please refer to Note 1. The fund charges for the following scheme year are expected to be materially different. Please refer to Note 2 for further details.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for the Fixed Interest Fund on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) for more information about those fees.

### **Example of how this applies to an investor**

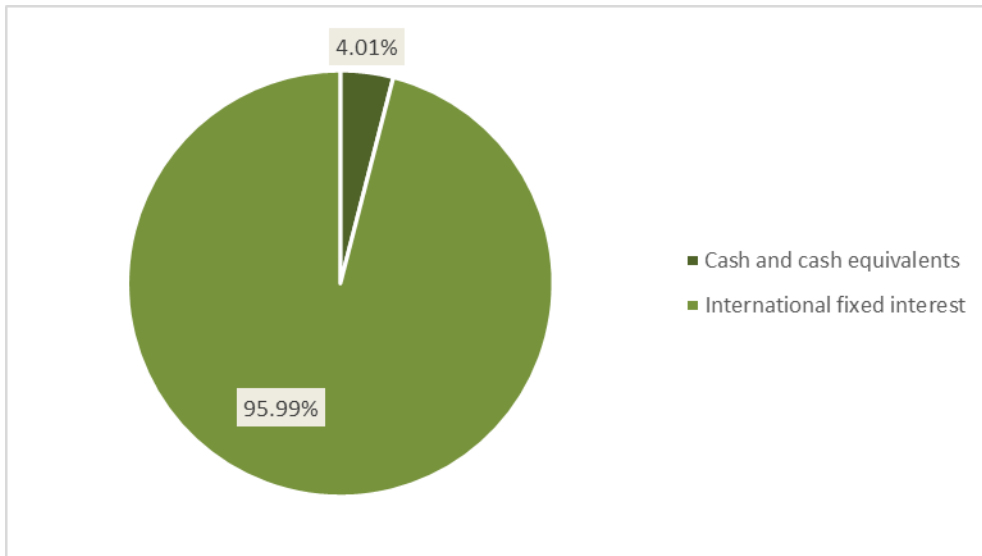
Small differences in fees and charges can have a big impact on your investment over the long term.

Chris had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Chris received a return after fund charges were deducted of \$73 (that is 0.73% of his initial \$10,000). Chris did not pay any other charges. This gives Chris a total return after tax of \$52 for the year.

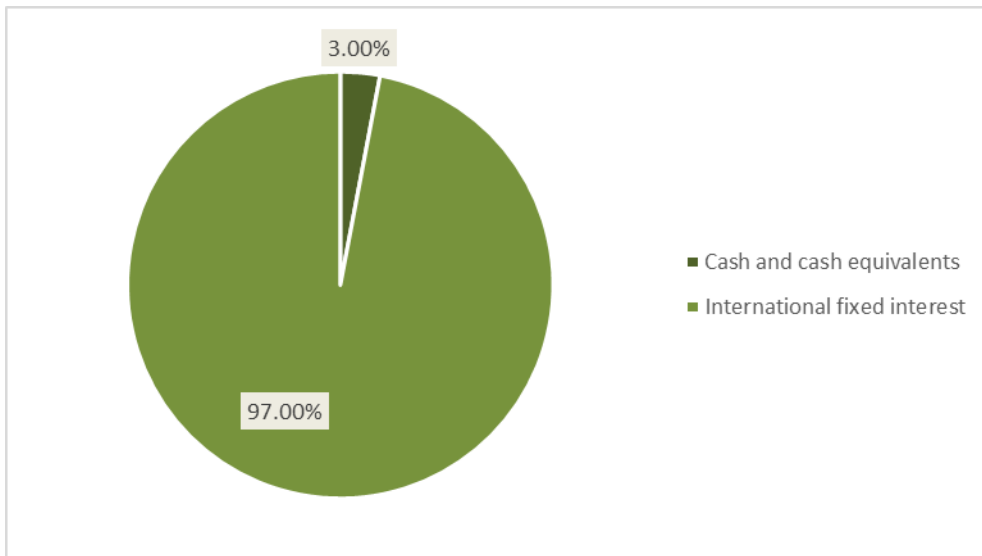
**What does the fund invest in?**

This shows the types of assets that the fund invests in

**Actual investment mix**



**Target investment mix**



### Top 10 investments

<b>Name</b>	<b>% of fund net assets</b>	<b>Type</b>	<b>Country</b>	<b>Credit rating (if applicable)</b>
Dimensional Five Year Div. Fixed Interest Trust NZD Class	95.99%	International fixed interest	Australia	
BNZ Cash Account	4.01%	Cash and Cash equivalent	New Zealand	AA-

The total value of the top 10 investments make up 100.00% of the net asset value of the fund.

The fund invests in an international fixed interest investment that is fully hedged to the New Zealand dollar.

### Key personnel

<b>Name</b>	<b>Current position</b>	<b>Time in current position</b>	<b>Previous or other current position</b>	<b>Time in previous or other current position</b>
Elaine West	Financial Controller at Britannia Financial Services Ltd	3 years and 8 months	Financial Controller at NZ Venture Investment Fund	8 years and 5 months
Alun Rees-Williams	General Manager Distribution and Director at Britannia Financial Services Ltd	20 years and 5 months	Administration Manager at David Milner and Associates	9 years and 0 months
Gavin Dixon	Chief Executive Officer and Director at Britannia Financial Services Ltd	5 years and 3 months	Chief Executive Officer at Stream Holdings Group	0 years and 6 months
Gregg Dell	General Manager of Wealth Products and General Counsel at Britannia Financial Services Ltd	5 years and 1 month	Managing Director at Dell Consulting Ltd (current position)	7 years and 1 month
Michael Pipe	General Manager – Integral Master Trust	0 years and 11 months	Operations Manager at IOOF New Zealand Ltd	9 years and 7 months

### Further information

You can also obtain this information, the PDS for the Integral Master Trust, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## **Notes**

Note 1: The Manager's basic fee is a variable percentage up to 0.40%, and is charged to the investor rather than the Fund. The Manager's basic fee disclosed in the fund update is an estimate because it represents an allocation of the total actual amount paid by Scheme investors for this period. The Other management and administration fee includes an estimate of the fees for investment into the underlying fund and is based on management fee rates disclosed by that underlying fund manager.

Note 2: The Manager reasonably expects the fund charges for the following scheme year to be approximately 1.40% as the Fund will be repurposed as an equity fund.