BECA GROUP SUPERANNUATION PLAN

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

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Independent Auditor's Report

To the Members of Beca Group Superannuation Plan

Opinion

We have audited the financial statements of Beca Group Superannuation Plan (the 'Plan), which comprise the statement of net assets as at 31 August 2024, and the statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements, on pages 5 to 17, present fairly, in all material respects, the financial position of the Plan as at 31 August 2024, and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Plan in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor and the provision for other assurance services, we have no relationship with or interests in the Plan.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Other information

The Directors of the Trustee is responsible on behalf of the Plan for the other information. The other information comprises the information in the Annual Report that accompanies the financial statements and the audit report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information in the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Trustee and consider further appropriate actions.

Directors of the Trustee's responsibilities for the financial statements

The Directors of the Trustee are responsible on behalf of the Plan for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the Directors of the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors of the Trustee are responsible on behalf of the Plan for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors of the Trustee either intend to liquidate the Plan or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ISAs (NZ) will always detect a material misstatement when it exists.

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board's website at:

https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-2

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Plan's members, as a body. Our audit has been undertaken so that we might state to the Plan's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Plan's members as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Hamish Anton, Partner
for Deloitte Limited
Wellington, New Zealand
20 November 2024

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BECA GROUP SUPERANNUATION PLAN
STATEMENT OF NET ASSETS
AS AT 31 AUGUST 2024

	Note	2024 $	2023 $
ASSETS			
Cash & Cash Equivalents		2,752,731	3,862,780
Term Deposits	7	27,570,279	29,679,756
Fixed Interest Investments and Managed Funds in NZ Cash	7	26,791,972	22,334,783
Equity Investments and Managed Funds	7	96,263,580	81,865,068
Debtors & Prepayments	3	1,011,834	419,045
Deferred Tax Asset	5	-	213,134
Derivative Contracts	7	2,978	1,217
Current Tax Receivable		-	187,458
TOTAL ASSETS		154,393,374	138,563,241
LESS LIABILITIES			
Creditors & Accruals		165,896	157,649
Derivative Contracts	7	83,966	979,285
Provision for Tax		926,977	-
Deferred Tax Liability	5	594,499	-
TOTAL LIABILITIES		1,771,338	1,136,934
NET ASSETS AVAILABLE TO PAY BENEFITS		152,622,036	137,426,307
Represented by:			
Members' Funds		**152,622,036**	**137,426,307**

On behalf of BGS Trustee Limited as Trustee of the Beca Group Superannuation Plan:

Director of Trustee: ______________________ Dated: 20 November 2024

Director of Trustee: ______________________ Dated: 20 November 2024

BECA GROUP SUPERANNUATION PLAN
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024	2023
		$	$
INVESTMENT ACTIVITIES			
INVESTMENT REVENUES			
Interest Received		2,571,759	1,925,993
Dividends Received		2,035,305	1,958,202
Gains on Investments	6	12,200,318	2,231,889
Investment Revenues		16,807,382	6,116,084
INVESTMENT EXPENSES			
Investment Management Fees		(454,021)	(296,433)
Management Fees Rebates		152,095	165,491
NET INVESTMENT INCOME		16,505,456	5,985,142
OTHER EXPENSES			
Administration Expenses		255,130	325,653
Fee paid to auditor – statutory audit		56,121	48,300
Fee paid to auditor – custodial controls assurance		4,428	4,255
Bank Charges & Interest		337	537
		316,016	378,745
CHANGE IN NET ASSETS BEFORE TAXATION AND MEMBERSHIP ACTIVITIES		16,189,440	5,606,397
Taxation Expense	5	(2,013,947)	(541,289)
CHANGE IN NET ASSETS AFTER TAXATION AND BEFORE MEMBERSHIP ACTIVITIES		14,175,493	5,065,108
MEMBERSHIP ACTIVITIES			
Net Contributions from Beca Super Scheme	4	3,720,000	5,255,000
Total Contributions		3,720,000	5,255,000
Less:			
Leaving Service Benefit		358,862	335,396
Pensions		261,557	273,241
Lump Sum Benefits		2,068,799	585,565
Insurance		10,547	10,088
Total Benefit paid		2,699,765	1,204,290
Net Membership Activities		1,020,235	4,050,710
INCREASE IN NET ASSETS		15,195,728	9,115,818
Net Assets Available to Pay Benefits at the beginning of year		137,426,307	128,310,489
Net Assets Available to Pay Benefits at the end of year		152,622,036	137,426,307

BECA GROUP SUPERANNUATION PLAN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024	2023
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Beca Super Scheme Net Contributions		3,720,000	5,255,000
Interest Received		1,384,578	706,999
Dividends Received		1,578,664	1,499,913
		6,683,242	7,461,912
Cash was applied to:			
Leaving Service Benefits		(358,864)	(335,397)
Pensions Paid		(261,557)	(273,241)
Lump Sum Benefits Paid		(2,068,799)	(585,565)
Insurance		(10,547)	(10,088)
Other Expenses		(307,766)	(449,793)
Taxation Paid		(91,879)	(64,767)
		(3,099,412)	(1,718,851)
Net Cash Flow Provided From Operating Activities		3,583,830	5,743,061
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Proceeds from Disposal of Investments		39,990,252	18,547,068
Cash was applied to:			
Purchase of Investments		(44,684,131)	(27,234,820)
Net Cash Flows Used In Investing Activities		(4,693,879)	(8,687,752)
NET DECREASE IN CASH & CASH EQUIVALENTS HELD		(1,110,049)	(2,944,691)
OPENING CASH & CASH EQUIVALENTS BROUGHT FORWARD		3,862,780	6,807,471
ENDING CASH & CASH EQUIVALENTS CARRIED FORWARD		2,752,731	3,862,780

(a) RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES TO INCREASE IN NET ASSETS

	2024	2023
	$	$
Net Increase in Net Assets as a Result of Operations	15,195,728	9,115,818
Less Non-Cash Items:		
Changes in Fair Values:		
- Investing Activity Treated as Operating	(12,949,424)	(3,431,543)
Add/(Less) Movements in Working Capital Items:		
Increase in Debtors and Prepayments	(592,789)	(348,510)
Change in Deferred Tax Assets/Liabilities	807,633	541,290
Increase/(Decrease)in Current Taxation Payable	1,114,435	(64,767)
Increase/(Decrease) in Creditors and Accruals	8,247	(69,227)
NET CASH INFLOW FROM OPERATING ACTIVITIES	3,583,830	5,743,061

1 GENERAL INFORMATION

The financial statements of the Beca Group Superannuation Plan ("the Plan") for the year ended 31 August 2024 were authorised for issue by BGS Trustee Limited (the "Trustee", "Directors of the Trustee" or "Corporate Trustee") on 20 November 2024.

The Plan is a defined contribution superannuation scheme covering employees of Beca Group Limited and the associated companies. Contributions are made by members of the Plan and the companies.

The Plan has been designed to help provide benefits for members through:
- Lump sums on retirement or leaving service,
- Lump sums on death or total disablement while in service,
- Enhanced resignation benefits after a qualifying period of membership.

The Plan is an unlisted issuer and a profit oriented entity. Under the Trust Deed contributions are made by members of the Plan and the companies, where applicable.

The Corporate Trustee was incorporated in New Zealand on 26 February 2004 and is registered under the Companies Act 1993.

The business address of the Corporate Trustee is 21 Pitt Street, Auckland, New Zealand.

1.1 Changes to the Scheme
There were no amendments to the Trust Deed during the year ended 31 August 2024.

There were no amendments to the SIPO during the year ended 31 August 2024.

1.2 Termination Terms
The Trust Deed sets out the basis on which the Plan can be terminated.

1.3 Statement of Compliance
The financial statements of the Plan have been prepared by the Corporate Trustee in accordance with the Trust Deed governing the Plan and the Financial Markets Conduct Act 2013. The financial statements comply with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") as defined in the Financial Reporting Act 2013. They comply with New Zealand equivalents to IFRS Accounting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for profit oriented entities. The financial statements comply with IFRS Accounting Standards ("IFRS").

1.4 Membership details

	Members	**Annuity Pensioners**
1 September 2023	156	9
Plus		
New Member	-	-
Less		
Resignation	(3)	-
Retirement/Redundancy	(7)	-
Permanent Migration	-	-
Cash out of Accumulation	-	-
Death	-	-
31 August 2024	146	9

2 STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of Preparation
The following material accounting policies have been consistently applied by the Scheme to all periods in these financial statements.

The financial statements have been prepared in accordance with the historical cost convention as modified by the revaluation of investments which are measured at fair value through profit or loss at balance date. All financial information is presented in New Zealand dollars and has been rounded to the nearest dollar.

The assets and liabilities are disclosed in the Statement of Net Assets in an order that reflects their relative liquidity.

2.2 Investment Income
Interest income and dividend income is recognised in the statement of Changes in Net Assets as it accrues, using the original effective interest rate of the investment calculated at the acquisition or origination date. Interest income arises from investments in government stock & fixed interest instruments. Dividend income arises from investments in equity instruments.

Changes in the fair value of investments
Gains or losses on investments are calculated as the difference between fair value at sale (using trade date) or at period end, and the fair value previously reported. This includes both realised and unrealised gains and losses.

2 STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.3 Foreign Currencies

The financial statements are presented in New Zealand dollars. New Zealand dollars is the functional currency of the Plan as New Zealand dollars is the currency of the primary economic environment in which the Plan operates.

Transactions in currencies other than New Zealand dollars are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance date, assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance date. Gains and losses arising on re translation are included in the Statement of Changes in Net Assets for the year.

2.4 Expenses

All expenses are accounted for on an accruals basis.

2.5 Taxation

The Plan is a Portfolio Investment Entity ("PIE") under the Income Tax Act 2007, effective from 1 October 2007. The Plan pays tax on each member's share of taxable income of the Plan based on each member's prescribed investor rate (2023: Same).

Any unused tax losses or credits are carried forward by the Plan on behalf of members.

PIE tax expense forms part of the Plan's income tax expense and PIE tax payable or receivable of the Plan is recognised in the Statement of Net Assets. The tax expense represents PIE tax.

The tax currently payable/receivable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Changes in Net Assets because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Plan's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Net Assets date.

2.6 Financial Instruments

(i) Classification

The Plan classifies its financial instruments in the following categories at initial recognition: financial assets or liabilities at fair value through profit or loss and financial assets or financial liabilities measured at amortised cost.

The classification depends on the purpose for which the investments were acquired as well as the contractual cashflow characteristics. Management determines the classification of its investments at initial recognition and reviews the business model test at each reporting date.

A financial instrument is recognised if the Plan becomes a party to the contractual provisions of the instrument. Purchases and sales of investments are recognised on trade date – the date on which the Plan commits to purchase or sell the asset. Financial assets are de-recognised if the Plan's contractual rights to the cash flows expire or if the Plan transfers them without retaining control or substantially all risks and rewards of the asset. Financial liabilities are de-recognised if the Plan's obligations specified in the contract are extinguished. The Plan shall offset financial assets and financial liabilities if the Plan has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. The Plan classifies its investments in Government stock & fixed interest investments, equity investments and managed funds as financial assets at fair value through profit or loss upon initial recognition. These investments are classified as such as the Plan manages its investments and makes purchase and sale decisions based on their fair values. The Plan has financial liabilities that are classified at fair value through profit or loss. Financial assets and liabilities carried at fair value through profit or loss are subsequently measured at fair value. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the statement of changes in net assets in the period in which they arise.

Financial assets at amortised cost

The Plan's financial assets that are measured at amortised cost include debtors, prepayments and related party receivables. The contractual terms of these assets give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial liabilities at amortised cost

This category includes creditors and accruals. Liabilities in this category are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method.

2 STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.6 Financial Instruments (Continued)

(i) Classification (Continued)

Derivatives

The Plan enters into forward exchange contracts and options where it agrees to buy or sell specified amounts of foreign currencies in the future at a predetermined exchange rate. The objective is to protect the Plan from possible material losses from future exchange rate fluctuations.

Forward exchange contracts and options are recognised at fair value as determined by quoted market prices. Hedge accounting is not applied. Any gains or losses arising from changes in fair value of derivative financial instruments are included in the Statement of

(ii) Recognition and derecognition

The Plan recognises financial assets and liabilities on the date they become party to the contractual agreement (trade date).

Financial assets are derecognised when the right to receive cash flows from the asset has expired or the Plan has transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are measured initially at fair value. After initial recognition, financial assets at fair value through profit or loss are revalued to fair value with changes in their fair value recognised in the profit or loss.

Financial assets at amortised cost

Financial asset measured at amortised cost are measured initially at fair value plus transaction costs and subsequently amortised using the effective interest rate method, less expected credit losses (if any).

Financial liabilities at amortised cost

Financial liabilities measured at amortised cost are measured at amortised cost using the effective interest method.

(iv) Impairment of financial assets

The Plan recognises an allowance for expected credit losses (ECLs) for all financial assets held at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Plan expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Plan applies a simplified approach in calculating ECLs. Therefore, the Plan does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Fair value

The fair values of quoted government stock and fixed interest investments, equity and managed fund investments are based on their quoted market price without any deduction for estimated selling costs. Quoted government stock, fixed interest investments and equity investments are priced at current bid prices. Investments in managed funds are recorded at redemption price as reported by the fund manager. The fair value of equity securities not quoted in an active market are determined by using valuation techniques. These include the use of recent arm’s length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer’s specific circumstances.

2.7 Goods and Services Tax

These financial statements have been prepared inclusive of goods and services tax.

2.8 Statement of Cash Flows

The following are definitions of the terms used in the Statement of Cash Flows:

Cash and cash equivalents - comprises cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Investing activities - comprises the sale and purchase of investments.

Operating activities - comprises all transactions and other events that are not investing activities.

2 STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.9 Amounts available for benefits

Amounts available for benefits are the Plan's present obligation to pay benefits to members. The amounts available have been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the liabilities as at balance date. Amounts available for benefits include amounts allocated to members' accounts.

2.10 Contributions and Benefits

Contributions are recognised in the Statement of Changes in Net Assets when they become receivable, resulting in a financial asset.

At the end of the year the income earned by the Plan is distributed to members' accounts (and the reserve account), through a standard interest allocation process, according to their share of the assets throughout the year.

2.11 Payments to Members

Payments to members for death and permanent disability are recognised in the Statement of Changes in Net Assets when the members' or their nominated beneficiaries' applications are accepted. Payments to members for retirement are recognised in the Statement of Changes in Net Assets in the first full month following the members' legislated retirement age. Payments to members for transfers or other withdrawals are recognised in the Statement of Changes in Net Assets when the members' instructions are approved by the Trustee.

2.12 New and Amended Standards and Interpretations

NZ IFRS 18 Presentation and Disclosure in Financial Statements was issued in May 2024, replacing New Zealand International Accounting Standard 1 ("NZ IAS 1"), This standard may affect the presentation of income and expenses on the Statement of Changes in Net Assets. The new standard will be effective for accounting periods beginning on or after 1 January 2027.

2.13 Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year.

2.14 Critical Judgement and Accounting Estimates

The Trustee has applied its judgement in designating the financial assets at fair value through Statement of Changes in Net Assets (i.e. Fair Value through Profit of Loss) at inception as the Plan manages and evaluates these investments on a fair value basis in accordance with its mandate. This policy has a significant impact on the amounts disclosed in the financial statements.

It is possible to determine the fair values of all Level 1 and Level 2 financial assets as quoted market prices are readily available in an active market or quoted in an inactive market (respectively). The fair value of equity securities not based on observable market data are determined using valuation techniques. To the extent practical, models use observable data, however certain assumptions like volatilities require Trustees to make estimates. The fair value of equity securities where alternative valuation techniques have been used are based on the Trustee's assessment of the valuation inputs and what is considered reasonable. Refer to notes 2.6 and 7(f) for more information on fair value and key assumptions underlying the fair value calculation for Beca Group Limited.

3 DEBTORS AND PREPAYMENTS

	2024 $	2023 $
Sundry receivables	1,011,834	419,045

4 RELATED PARTY TRANSACTIONS

In the current year expenses of $65,000 (2023: $94,818) was paid by Beca Group Superannuation Plan to the Trustee. The Trustee paid $65,000 (2023: $94,818) in director fees to two directors in the current year. A quarter's 2024 Director's fees amounting to $16,250 are included in creditors.

In the current year administrative expenses incurred by the Plan amounting to $51,240 (2023: $68,320) were invoiced to and paid by Beca Limited and Beca Group Limited, companies related by virtue of common control.

At balance date the Plan holds 575,000 (2023: 575,000) shares issued by Beca Group Limited. The fair value of these shares is $3,001,500 (2023: $2,926,750).The Plan also holds at balance date 907,896 (2023: 907,896) redeemable shares issued by Beca Group Limited. The fair value of these shares is $862,501 (2023: $862,501).These investments are included in the Equity Investments and Managed Funds amount totalling $96,263,580 (2023: $81,865,068) disclosed in the statement of Net Assets. The Plan also received dividends amounting to $499,889 (2023: $485,791) from its holdings of BGL shares.

The Plan has received net member contributions from the Scheme to the value of $3,720,000 (2023: $5,255,000).

5 TAXATION

	2024 $	2023 $
Income Tax		
The taxation benefit is represented by:		
Current Taxation	1,206,313	-
Deferred Tax	807,634	541,289
Tax Expense	2,013,947	541,289
Operating Results before Taxation	17,209,675	9,657,107
Prima Facie Taxation at 28% (2023: 28%)	4,818,709	2,703,989
Permanent and Temporary Differences	(2,353,181)	(1,867,934)
Prior Period Adjustment	4,487	906
Imputation Credits on Income	(456,068)	(295,672)
Taxation Expense per the Statement of Changes in Net Assets	2,013,947	541,289
Deferred Tax Movement		
Opening Balance	213,134	754,424
Charged to the Statement of Changes in Net Assets	(807,634)	(541,290)
Closing Balance	(594,500)	213,134

6 CHANGES IN FAIR VALUE OF INVESTMENTS HELD AT BALANCE DATE AND REALISED GAIN/(LOSS) ON SALE OF INVESTMENTS DURING THE YEAR

	2024 $	2023 $
INVESTMENTS HELD AT BALANCE DATE		
Fixed Interest Investments and NZ Cash Funds	1,158,848	433,792
Equity Investments and Managed Funds	10,918,696	3,969,349
	12,077,544	4,403,141
INVESTMENTS REALISED DURING THE YEAR		
Equity Investments and Managed Funds	(589,115)	(191,929)
Fixed Interest Investments and Managed Funds in NZ Cash	(184,967)	(576,521)
Derivatives	896,856	(1,402,802)
	122,774	(2,171,252)
TOTAL	12,200,318	2,231,889

7 RISK MANAGEMENT

(a) Risk management objectives, policies and procedures

Risks arising from holding financial instruments are inherent in the Plan's activities, and are managed through a process of on-going identification, measurement and monitoring. The Plan is exposed to credit risk, market risk and liquidity risk.

The Plan is involved with a number of financial instruments in the course of its normal investing activities. Financial instruments of the Plan comprise investments in financial assets for the purpose of generating a return on the investment made by members, in addition to cash and cash equivalents, receivables and other financial instruments such as creditors, which arise directly from its operations.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in the accounting policies.

The Trustee has approved a Statement of Investment Policy and Objectives ("SIPO") which establishes investment portfolio objectives and target asset allocations. Performance against these targets is reviewed at least quarterly by the Trustee and asset re allocations are undertaken as required. In addition to the Trustee meeting to monitor the performance of the Plan there is also an Investment Committee.

The members of the investment committee meet on a monthly basis to review the performance of the Plan, ensure that the provision of the SIPO are being met and to ensure that the key risks of the Plan are being minimised. Where appropriate they change the plans investment portfolio to ensure these key performance indicators are met.

The Plan's investments include managed funds. Through the holding of these investments the Plan is exposed indirectly to a variety of financial risks. The financial risk disclosures have been prepared on the basis of the Plan's direct investments and not a full look through basis for investments held indirectly through managed funds.

7 RISK MANAGEMENT (Continued)

(b) Liquidity Risk

Liquidity risk is the risk that the Plan will encounter difficulty in meeting its obligations to pay members and creditors. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The Plan manages this by ensuring that it holds minimum cash levels and listed equity investments that can be realised within a short time frame in order to pay members. Other financial liabilities of the Plan comprising of creditors and accruals that have no contractual maturity date but are typically settled within 30 days.

(c) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Financial Instruments which potentially expose the Plan to credit risk consist of cash and cash equivalents, term deposits, derivatives, fixed interest securities and receivables. The maximum credit exposure is the carrying amount of the individual investments. The plan has no significant credit risk exposure as the Trustee ensures that there is diversification in terms of the Plan's investments. Cash and cash equivalents are held with Westpac Banking Corporation Limited and ANZ Bank New Zealand Limited which have Standard & Poors credit ratings of AA- (2023: AA-) respectively. The term deposit is held with Bank of New Zealand Limited which has a Standard & Poors credit rating of AA- (2023: AA-). Small amounts of cash are also held with Forsyth Barr and Jarden Limited (formerly First NZ Capital) from time to time as a result of sale of investments for which there are no credit ratings available.

(d) Capital Management

Net assets available to pay benefits are considered to be the Plan's capital for the purposes of capital management. The Plan does not have to comply with any externally imposed capital requirements.

The Plan's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its members and maximise the Plan member's value.

(e) Market Risk

Market risk represents the risk that the value of the Plan's investment portfolio will fluctuate as a result of changes in market prices. This risk is managed by ensuring that all investment activities are undertaken in accordance with the investment strategies outlined in the SIPO.

Market risk incorporates interest rate risk, price risk, and foreign exchange risk.

(i) Price Risk

Price risk is the risk that the fair value of the Plan's investments decreases as a result of changes in the price of the underlying investment. The Plan manages its risk by ensuring that it holds a diverse investment portfolio and through regular monitoring of the performance of its equity investments. 2024: 5% (2023: 7.5%) is deemed to be an appropriate measure of sensitivity.

The increase/ (decrease) in net assets available to pay benefits due to a reasonably possible change in the prices by 5% in equity investments and managed funds with all other variables held constant is $4,813,179/($4,813,179). (2023:$6,139,880/($6,139,880)).

(ii) Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk arises from the Plan's exposure to changes in interest rates applicable to term deposits at bank, derivatives and fixed interest investments. The Trustee manages the Plans interest rate risk by maintaining minimal variable rate cash balances and ensuring it holds appropriate fixed interest investments. Excess cash resources are placed into fixed rate term deposits where appropriate.

The following table demonstrates the sensitivity of the Plan's net increase in fair value of assets after tax to a reasonably possible change in interest rates, with all other variables held constant.

The sensitivity of the net increase in fair value of assets after tax is the effect of the assumed changes in interest rates on changes in fair value of investments for the year, based on revaluing the fixed rate investment assets at balance date. As interest rates are stable, 2% is deemed an appropriate measure of sensitivity.

	Change in interest rate	**2024**	**2023**
Increase/(decrease) in the fair value of investment based on revaluing	2%	(165,294)	(97,134)
the fixed rate investment assets	-2%	165,294	97,134

A 2% increase/decrease in the interest rate on the cash and cash equivalents balance would have an immaterial effect on the net increase in assets after tax and net assets available to pay benefits. This assumes all other variables remain constant.

7 RISK MANAGEMENT (Continued)

(iii) Currency Risk
Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Plan is indirectly exposed to currency risk in that future currency movements will affect the valuation of foreign currency denominated equity investments. Risk management activities are undertaken by the Investment Managers to operate within the SIPO guidelines.

The Plan primarily holds equity investments and bonds denominated in New Zealand dollars and in other overseas currencies which are mainly in Euros, British pounds, Swedish krona, Japanese yen, Hong Kong dollar, Chinese yen, Canadian, Australian and United States dollars. Derivative contracts are also held primarily denominated in these 9 overseas currencies. At balance date the Plan had $17,059,820 (2023: $8,048,336) invested in equity investments, bonds and derivative contracts denominated in these 9 overseas currencies.

Sensitivity Analysis:
The following table demonstrates the sensitivity to a reasonably possible change in the 9 foreign currencies exchange rates related to its equity investments held, with all other variables held constant, of the Plan's Net Assets. Other currencies are not considered in the analysis as the amounts held are immaterial. Due to the volatility of the foreign exchange, 1% is deemed to be an appropriate measure of sensitivity.

	Net Assets Available to Pay Members		Changes in Net Assets	
	1.0%	**-1.0%**	**1.0%**	**-1.0%**
2024	(170,598)	170,598	(170,598)	170,598
2023	(80,483)	80,483	(80,483)	80,483

(f) Fair Value
The Plan fair values its Fixed Interest, Equity and Managed Funds investments and Forward Exchange Contracts at fair value by way of the following fair value measurement hierarchy levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities **(level 1)**,
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) **(level 2)**,
- inputs for the asset or liability that are not based on observable market data **(level 3)**.

The following table analyses within the fair value hierarchy the Plan's Fixed Interest, Equity and Managed Funds investments (by class) measured at fair value.

2024

	Level 1	Level 2	Level 3	Total
Fixed Interest Investments and Managed Funds in NZ Cash		26,791,972		26,791,972
Term deposits		27,570,279		27,570,279
Derivative Contracts - Assets		2,978		2,978
Derivative Contracts – Liabilities		(83,966)		(83,966)
Equity Investments and Managed Funds	10,784,462	81,615,117	3,864,001	96,263,580
	10,784,462	135,896,380	3,864,001	150,544,843

2023

	Level 1	Level 2	Level 3	Total
Fixed Interest Investments and Managed Funds in NZ Cash		22,334,783	-	22,334,783
Term deposits	-	29,679,756	-	29,679,756
Derivative Contracts - Assets	-	1,217	-	1,217
Derivative Contracts – Liabilities	-	(979,285)	-	(979,285)
Equity Investments and Managed Funds	10,381,139	67,694,678	3,789,251	81,865,068
	10,381,139	118,731,149	3,789,251	132,901,539

7 RISK MANAGEMENT (Continued)

(f) Fair Value (Continued)

Reconciliation of Level 3 items

	2024	2023
Beca Group Limited	**$**	**$**
Opening Balance	3,789,251	3,685,751
Realised gains on disposals	0	0
Unrealised changes in fair value	74,750	103,500
Sales of investments	0	0
	3,864,001	3,789,251

Fair value of the investment in Beca Group Limited is set by the Beca Group Limited Board and is based on a share valuation prepared by Baker Tilly Staples Rodway Chartered Accountants, and peer reviewed by Jai Basrur of CGB Consulting.

Beca Group Limited believe that its estimate of fair value is appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. The fair value of the investment in Beca Group Limited is calculated annually as at 31 March by using expected cash flows and risk adjusted discount rates based on the probability weighted average of the Plan's ranges of possible outcomes. As at 31 August 2024, the 31 March 2024 valuation of Beca Group Limited has been used being the latest available. The Trustees view this price best represents fair value at the balance date.

Expected cash flows have been based on five year forecasts prepared by management of Beca Group Limited.

Key inputs and assumptions used include the following:

- Weighted Average Cost of Capital (WACC) of 10.00% (2023: 10.00%)
- Terminal Growth rate of 2.00% (2023: 2.00%); and
- Revenue and Operating Cost increase of 2.00% (2023: 2.00%) post the initial forecasted period.

Sensitivity Analysis

For fair value movements in the Level 3 investment held, the favourable and unfavourable effects of using reasonably possible alternative assumptions have been calculated by recalibrating the model values using alternative estimates of expected cash flows that might reasonably have been considered by a market participant for the purpose of pricing the instrument at balance date.

The following table demonstrates the sensitivity of investment in Beca Group Ltd to a favourable and unfavourable effect in the WACC, Terminal Growth rate and Revenue and Operating Cost in relation to the expected cash flows, with all other variables held constant.

	Weighted Average Cost of Capital		Terminal Growth Rate		Revenue and Operating Costs	
	0.50%	**-0.50%**	**0.50%**	**-0.50%**	**2.50%**	**-2.50%**
2024	($235,750)	$115,000	$17,250	($149,500)	$5,750	($143,750)
2023	($207,000)	$132,250	$11,500	($34,500)	$92,000	($57,500)

For the fair value of other financial instruments refer to note 2.6.

8 INVESTMENTS HELD

The following investments exceeded 5% of the net assets available to pay benefits.

Mercer Asset Management Limited 2024: $16,733,660 (2023: $24,151,969)

Nikko Asset Management New Zealand Limited 2024: $36,680,914 (2023: $27,793,393)

Salt Investment Funds Limited 2024: $38,629,503 (2023: $24,997,285)

Atlas Fiera Global Companies 2024: $8,123,679 (2023: $10,428,078)

9 LIABILITY FOR PROMISED RETIREMENT BENEFITS

Liability for promised retirement benefits is maintained through member's account, employer's account and reserve account.

Member account is an accumulation of members' contributions credited with interest and debited with members' fees and benefit payments. Interest may either increase or decrease the member account depending on the interim rates available during the time of exit and the declared rates at year end approved by the Trustee.

The financial position of the Plan is reviewed at least once every three years. The valuation of accrued retirement benefits was undertaken by Bernard Reid of Melville Jessup Weaver, a fellow of the New Zealand Society of Actuaries, as part of a comprehensive actuarial review undertaken as at 31 August 2021. The Actuary has advised that both the accrued retirement and vested benefits are adequately covered by the Plan's assets. A further review is due effective 31 August 2024.

All active members of the Plan are defined contribution members. There are no defined benefit members apart from 9 pensioners (2021: 9). The significant actuarial assumptions used in the valuation of accrued liabilites for pensioners in the 2021 trienniel valaution were as follows:

- Investment return (net of tax and investment expenses) 3.9% (2019: 5%)
- Mortality of pensioners is in accordance with NZ Life Tables (2017-19) with an age deduction of 1 year. (2019: NZ Life Tables (2017-19) with an age deduction of 4 years)
- Mortality improvements 1.25% starting from 2018 (2019: Mortality improvements 1.25% starting from 2013)
- Pension Increases Nil (2019: Nil)

	31 August 2021	31 August 2018
Actuarial present value of accrued benefits:	$000s	$000s
Defined Contribution balances	42,805	52,665
Beca Super Scheme Balances	86,422	63,034
Pensioners	1,638	1300
Net Assets	131,203	117,496
Past service surplus	338	497
Funding Ratio	100.3%	100.4%

The balance of employer's account includes vested employer contributions in respect of the member and unvested employer contributions. The detailed vesting rules are set up in the Trust Deed.

The amount of promised retirement benefit attributed to Beca Superannuation Scheme included in the total balance for the year in the table below is $111,014,955 (2023: $97,154,437).

Changes in promised retirement benefits as at 31 August 2024:

	Member Account $	Employer Account $	Reserve Pension and General Account $	Total 2024 $
1 September 2023	119,375,028	16,955,996	1,095,283	137,426,307
Contributions	3,720,000			3,720,000
Benefits	(1,424,894)	(1,002,767)		(2,427,661)
Pension Payments	(126,316)		(135,241)	(261,557)
Net Income Allocated	12,350,687	1,719,362	94,898	14,164,947
31 August 2024	**133,894,505**	**17,672,591**	**1,054,940**	**152,622,036**

Changes in promised retirement benefits as at 31 August 2023:

	Member Account $	Employer Account $	Reserve Pension and General Account $	Total 2023 $
1 September 2022	110,457,267	16,656,467	1,196,755	128,310,489
Contributions	5,255,000			5,255,000
Benefits	(577,983)	(342,979)		(920,962)
Pension Payments	(138,000)		(135,241)	(273,241)
Net Income Allocated	4,378,744	642,508	33,769	5,055,021
31 August 2023	**119,375,028**	**16,955,996**	**1,095,283**	**137,426,307**

10 VESTED BENEFITS

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 Plan at balance date.

All active members of the Plan are defined contribution members. There are no defined benefit members apart from 9 pensioners (2023: 9). The significant actuarial assumptions used in the valuation of vested benefits for pensioners were as follows for 2024:

- Investment return (net of tax and investment expenses) 5.5% (2023: 5.7%)
- Mortality of pensioners is in accordance with NZ Life Tables (2017-19) with an age deduction of 1 year. (2023: NZ Life Tables (2017-19) with an age deduction of 1 year).
- Mortality improvements 1.25% starting from 2018 (2023: 1.25% starting from 2018).
- Pension Increases Nil (2023: Nil).

	2024	2023
	$	$
Vested Benefits	**152,388,922**	**137,185,622**

11 GUARANTEED BENEFITS

No guarantees have been made in respect of any part of the liability for accrued benefits (2023: Nil).

12 PURCHASE OF ADDITIONAL BENEFITS

No additional payments to acquire additional benefits were made by entrants or existing members during the year (2023: Nil).

13 COMMITMENTS AND CONTINGENT LIABILITIES

There were no commitments or contingent liabilities outstanding as at 31 August 2024 (2023: Nil).

14 SUBSEQUENT EVENTS

There were no subsequent events post balance date.