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COOK ISLANDS NATIONAL SUPERANNUATION FUND

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Financial Statements

For the year ended 31 December 2025

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Financial Statements
for the year ended 31 December 2025

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Independent Auditor’s Report

To the Members of Cook Islands National Superannuation Fund

Opinion

We have audited the financial statements of Cook Islands National Superannuation Fund (the ‘Fund’), which comprise the Statement of Net Assets as at 31 December 2025, 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 Fund as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards – Reduced Disclosure Regime ('NZ IFRS RDR’).

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 Fund 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 of taxation advice, we have no relationship with or interests in the Fund. These services have not impaired our independence as auditor of the Fund.

Other information

The Trustees are responsible on behalf of the Fund 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. If so, we are required to report that fact. We have nothing to report in this regard.

Trustees’ responsibilities for the financial statements

The Trustees are responsible on behalf of the Fund for the preparation and fair presentation of the financial statements in accordance with NZ IFRS RDR, and for such internal control as the Trustees 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 Trustees are responsible on behalf operations or assessing the Fund’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 Trustees either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

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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. 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/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Fund's members, as a body. Our audit has been undertaken so that we might state to the Fund'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 Fund's members as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Deloitte Limited
Auckland, New Zealand
27 July 2026

This audit report relates to the financial statements of Cook Island National Superannuation Fund (the 'Fund) for the year ended 31 December 2025 included on the Fund's website. The Directors are responsible for the maintenance and integrity of the Fund's website. We have not been engaged to report on the integrity of the Fund's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication, they should refer to the published hard copy of the audited financial statements and related audit report dated 27 July 2026 to confirm the information included in the audited financial statements presented on this website.

COOK ISLANDS NATIONAL SUPERANNUATION FUND
Statement of Net Assets
As at 31 December 2025

	Note	December 2025 NZ$	December 2024 NZ$
ASSETS			
Cash at Bank		2,464,905	2,109,691
Cash at Cook Islands Bank		557,879	417,265
Contributions Receivable - Member	19	1,824,676	1,172,358
Contributions Receivable - Employer	19	1,303,649	1,068,306
Investments at Fair Value Through Profit or Loss	4	333,922,114	285,495,955
Prepayments		55,053	35,081
Property, Plant and Equipment	16	158,580	126,290
Intangible Assets	17	309,857	660,450
Right-of-Use Asset		226,507	327,199
Total Assets		340,823,220	291,412,595
Less LIABILITIES			
Accounts Payable		(426,781)	(249,033)
Lease Liabilities		(257,921)	(345,800)
Total Liabilities		(684,702)	(594,833)
Assets allocated to Reserve		-	-
NET ASSETS AVAILABLE FOR BENEFITS		**340,138,518**	**290,817,762**
LIABILITY FOR ACCRUED BENEFITS			
Represented by:			
Compulsory Accounts		338,347,290	289,210,538
Reserve Account		1,469,688	1,318,714
Pension Accounts		321,540	288,510
	9	**340,138,518**	**290,817,762**

For and on behalf of the Trustee, Public Trust, who authorised the issue of these financial statements on the 27 July 2026

Date: 27 **July 2026**

The notes and accounting policies on pages 9 to 17 form an integral part of these financial statements.

COOK ISLANDS NATIONAL SUPERANNUATION FUND
Statement of Changes in Net Assets
For the year ended 31 December 2025

	Note	December 2025 NZ$	December 2024 NZ$
INVESTMENT ACTIVITIES			
Investment Revenue			
Gains/(Losses) on Investments at Fair Value Through Profit or Loss	5	36,669,999	39,279,186
Interest Received		4,094	3,727
		36,674,093	39,282,913
Investment Expenses			
Investment Management Fees (Net of Rebates)		(415,382)	(495,344)
Investment Team Expenses		(433,502)	(327,952)
Net Investment Revenue		35,825,209	38,494,170
OTHER INCOME			
Insurance Proceeds Received		358,827	379,193
Lease Revenue		36,720	34,553
		395,547	413,746
OTHER EXPENSES			
Cook Islands Office Expenses	11	(1,523,391)	(1,510,936)
Administration Fees		(400,702)	(409,014)
Fees Paid to Auditor - Audit Fees		(116,200)	(56,749)
Fees Paid to Auditor - Non Audit Fees		(5,400)	(12,900)
Group Insurance Premiums		(698,115)	(724,614)
Bank Fees		(4,936)	(4,785)
Trustee Fees		(85,204)	(77,560)
Consulting & Professional Fees		(513,670)	(373,637)
General Expenses		(3,609)	(11,687)
Depreciation Expense on Property, Plant and Equipment	16	(38,275)	(32,917)
Amortisation of Intangible Assets	17	(391,429)	(458,167)
Total Other Expenses		(3,780,931)	(3,672,966)
FINANCE COSTS			
Interest Expense on Lease Liabilities		(41,496)	(38,785)
Depreciation Expense for the Right-of-Use Asset		(100,691)	(96,793)
Total Finance Costs		(142,187)	(135,578)
Surplus before Taxation and Membership Activities		32,297,638	35,099,372
Income Tax Expense	3	-	-
Surplus after Taxation and before Membership Activities		32,297,638	35,064,819

The notes and accounting policies on pages 9 to 17 form an integral part of these financial statements.

COOK ISLANDS NATIONAL SUPERANNUATION FUND
Statement of Changes in Net Assets (Continued)
For the year ended 31 December 2025

MEMBERSHIP ACTIVITIES	**Note**	**December 2025 NZ$**	**December 2024 NZ$**
Contributions			
Member Contributions		13,230,504	11,493,514
Member Voluntary Contributions		3,087,565	2,065,815
Employer Contributions		12,813,529	11,552,789
Penalty Fees		91,557	69,095
Transfer In		-	-
Unallocated Contributions	23	141,251	68,058
Total Contributions		29,364,406	25,249,271
Benefits Paid			
Retirement		(3,735,569)	(3,958,128)
Death		(825,754)	(706,516)
Insurance Proceeds Paid		(399,852)	(278,665)
Pensions Paid		(1,435,573)	(1,049,864)
Critical Illness		(305,261)	(229,489)
Total Permanent Disablement		(141,973)	(221,067)
Expatriate Withdrawal Benefit		(1,686,919)	(1,232,244)
Voluntary Contribution Withdrawals		(1,770,984)	(776,031)
Transfer Out		(1,600,943)	(1,367,789)
Total Benefits Paid		(11,902,828)	(9,819,793)
Switches In	24	9,826,224	7,135,116
Default Switches In			
Total Switches In		9,826,224	7,135,116
Switches Out	24	(9,826,224)	(7,135,116)
Default Switches Out			
Total Switches Out		(9,826,224)	(7,135,116)
Net Membership Activities		17,461,578	15,429,478
Increase/(Decrease) in Net Assets During the Year		49,759,216	50,494,297
Increase/(Decrease) in Net Assets Allocated to Reserve		-	-
Increase/(Decrease) in Net Assets During the Year		**49,759,216**	**50,494,297**
Benefits Accrued			
Allocated to:			
Compulsory Accounts		49,575,212	50,297,166
Reserve Account		150,974	161,744
Pension Accounts		33,030	35,387
		49,759,216	**50,494,297**

The notes and accounting policies on pages 9 to 17 form an integral part of these financial statements.

COOK ISLANDS NATIONAL SUPERANNUATION FUND
Statement of Cash Flows
For the year ended 31 December 2025

	Note	December 2025 NZ$	December 2024 NZ$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash provided from			
Member Contributions		12,578,186	11,348,085
Member Voluntary Contributions		3,087,565	2,065,815
Employer Contributions		12,578,186	11,452,137
Penalty Fees		91,557	69,095
Transfer In		-	-
Unallocated Contributions	23	141,251	68,058
Switches In	24	9,826,224	7,135,116
Interbank transfer		-	870,260
Interest Received		4,094	3,727
Insurance Proceeds Received		358,827	379,193
Lease Revenue		36,720	34,553
		38,702,610	33,426,039
Cash applied to			
Retirement		(3,735,569)	(3,984,291)
Death		(825,754)	(706,516)
Insurance Proceeds Paid		(399,852)	(278,665)
Pensions Paid		(1,435,573)	(1,049,864)
Critical Illness		(305,261)	(229,489)
Total Permanent Disablement		(141,973)	(221,067)
Expatriate Withdrawal Benefit		(1,686,919)	(1,232,244)
Voluntarily Contribution Withdrawals		(1,770,984)	(776,031)
Transfer Out		(1,600,943)	(1,367,789)
Switches Out	24	(9,826,224)	(7,135,116)
Investment Team Expenses		(433,502)	(327,952)
General and Other Expenses		(3,188,517)	(3,331,788)
Bank Fees		(4,936)	(4,785)
Income Tax Paid		-	-
Principal Portion of Lease Liabilities		(87,878)	(78,083)
Interest Expense on Lease Liabilities		(41,496)	(38,785)
Switches Fee		-	-
		(25,485,381)	(20,762,465)
Net Cash Flows from Operating Activities	10	13,217,229	12,663,574
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash provided from			
Sale of Investments		19,400,000	27,176,000
Cash applied to			
Purchase of Investments		(32,010,000)	(38,297,000)
Purchase of Property, Plant & Equipment		(70,565)	(84,421)
Purchase of Intangible Assets		(40,836)	(203,628)
Net Cash Flows used in Investing Activities		(12,721,401)	(11,409,049)
Net Increase/(Decrease) in Cash Held		495,828	1,254,525
Cash at Beginning of the Year		2,526,956	1,272,431
Cash at End of the Year		**3,022,784**	**2,526,956**

The notes and accounting policies on pages 9 to 17 form an integral part of these financial statements.

1. Scheme Description

The Cook Islands National Superannuation Fund (the "Fund") commenced operations on 19th September 2001 on the signing of the Trust Deed by the Board of the Cook Islands National Superannuation Fund and Public Trust, a New Zealand Crown Entity established under the Public Trust Act 2001.

The Fund is a defined contribution superannuation scheme. Upon retirement, most contributing member accounts are transferred to pensioner accounts. The pension paid to a retired member (or their surviving spouse) is based on the account balance at retirement and a rate of pension conversion applied by the Trustee. The rate of conversion is set by the Trustee based on actuarial advice. The Fund does not have the actuarial risks associated with defined benefit schemes because the conversion rate can be altered by the Trustee.

The Trust Deed has had amendments made since inception. Details of amendments are available from the Fund's registered office.

The Fund is domiciled in the Cook Islands and the registered office is located at ANZ House, Avarua, Rarotonga, Cook Islands.

Termination Terms

The Trust Deed sets out the basis on which the Fund can be terminated. Clause 145 of the Trust Deed also covers the situation where the Fund can be wound-up, upon the date determined by the Fund's National Superannuation Board in consultation with the Trustee and the Cook Islands Government.

2. Basis of Preparation

Statement of Compliance

The financial statements of the Fund have been prepared in accordance with the Trust Deed governing the Fund and New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime ("NZ IFRS RDR"), as issued by the New Zealand External Reporting Board ("XRB"), and other applicable Financial Reporting Standards as appropriate for profit-oriented entities.
The Fund has applied the disclosure concessions available under NZ IFRS RDR. The Fund qualifies for NZ IFRS RDR as it does not have public accountability and is not a large for-profit public sector entity.

Measurement Base

The measurement base adopted is that of historical cost modified by the revaluation of financial assets which are measured at fair value through profit or loss.

Functional and Presentation Currency

These financial statements are rounded to the nearest dollar and presented in New Zealand dollars because that is the currency of the primary economic environment in which the Fund operates.

3. Summary of Significant Accounting Policies

Classification of Assets and Liabilities

The Fund operates as a superannuation scheme. As such, the assets and liabilities are disclosed in the Statement of Net Assets in an order that reflects their relative liquidity.

Classification of Expenditure

Expenditure in the Statement of Changes in Net Assets and Statement of Cash Flows is allocated to the investment funds on a basis according to member registry balances. This methodology is consistent with the prior year.

Standards, amendments and interpretations to existing standards that are effective and have been adopted by the Fund

After due enquiry, there were no new standards, amendments and interpretations to existing standards that were effective and adopted by the Fund during the year.

Interest Income

Interest income is recognised in the Statement of Changes in Net Assets using the effective interest method.

Investment Income

Distribution income and other income from unitised investments are recognised in the Statement of Changes in Net Assets to the extent that it is probable that the economic benefits will flow to the Fund and the income can be readily measured.

Income and Expenses

Income and expenses are accounted for on an accruals basis.

Receivables

Receivables do not carry any interest, and are short-term in nature and are stated at their amortised cost.

Payables

Payables include liabilities and accrued expenses owing by the Fund which are unpaid as at balance date. These amounts are unsecured and are usually paid within 30 days of recognition. These amounts are stated at amortised cost.

3. Summary of Significant Accounting Policies (Continued)

Goods and Services Tax ("GST")

The Fund is not registered for GST and consequently all components of the financial statements are stated inclusive of GST where appropriate.

Accrued Benefits

Accrued benefits (also known as promised retirement benefits) are the benefits which the Fund is presently obliged to transfer in the future to employees and participants, as a result of membership of the Fund, up to the date at which the actuarial valuation of accrued benefits is determined.

Taxation

The Fund is an overseas superannuation scheme with no liability for New Zealand income tax other than Non-Resident Withholding Tax and is exempt from Cook Islands taxation under the CINS Act 2000.

The Fund invests through Portfolio Investment Entities ("PIEs"). Its Prescribed Investor Rate (PIR) was 0% for the year (2024: 0%); accordingly, no PIE tax was attributable to the Fund.

No income tax expense has been recognised for the year (2024: nil).

Statement of Cash Flows

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

Cash includes cash on hand, deposits held at call with financial institutions, 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.

Operating activities - include all transactions and other events that are not investing activities or financing activities.

Investing activities - comprise acquisition and disposal of investments. Investments include securities not falling within the definition of cash.

Contributions and Benefits

Contributions and benefits are accounted for on an accrual basis. Contributions are recognised in the Statement of Changes in Net Assets when they become receivable, or are received.

Benefits are recognised in the Statement of Changes in Net Assets when they become payable or are paid.

Financial instruments

Classification

The Fund classifies its investments as financial assets at fair value through profit or loss.

Financial assets and financial liabilities classified at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is for the Trustee to evaluate the information about these financial assets on a fair value basis together with other related financial information. The Trustee has determined that all financial assets and liabilities of the Fund are classified at fair value through profit or loss with the exception of receivables and payables which are measured at amortised cost.

Recognition/derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date. Investments are derecognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership. All realised and unrealised gains or losses on financial assets and financial liabilities held at fair value through profit or loss are recognised in the Statement of Changes in Net Assets.

Measurement

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all financial assets and financial liabilities held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Changes in Net Assets.

Fair value measurement

When measuring the fair value of an asset or liability, the Fund uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based upon the inputs used in the valuation techniques as follows:

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between

- In the principal market of the asset or liability.
- In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or most advantageous market must be accessible by the Fund.

The fair value of financial assets at fair value through profit or loss is based on the unit prices provided by Smartshares Limited. For further details please refer to Note 15.

3. Summary of Significant Accounting Policies (Continued)

Property, Plant and Equipment

Property, plant and equipment assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight line basis at rates that will write off the cost of assets over their estimated useful lives.

The following depreciation rates have been applied:

Furniture and Fittings	10%
Equipment	25%
Motor Vehicle	20%
Buildings	7%

Intangible Assets

Intangible assets include costs incurred in acquiring and building software and computer systems. Intangible assets are stated at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised using the straight line method over the expected useful life.

The following amortisation rates have been applied:

IT System	33%

Capital Risk Management

The Fund's primary purpose is to ensure that its net assets are sufficient to meet all present and future obligations of the Fund, as defined by the liability for accrued benefits.

The Fund achieves this through obtaining contributions from members and members' employers. These are then invested into financial assets.

Critical Judgement and Accounting Estimates

The Fund's financial assets are measured at fair value using quoted unit prices provided by the Investment Managers, which are readily observable and available. There are therefore no material sources of estimation uncertainty in the preparation of the financial statements.

The Trustee has classified financial assets at fair value through profit or loss since inception. This classification does not require ongoing reassessment. Further details on the fair value hierarchy are set out in Note 15 (Fair Value).

Changes in Accounting Policies

There have been no changes to accounting policies during the year (2024: None).

4. Financial Assets Held at Fair Value Through Profit or Loss

The Fund's investments are held in a single pooled portfolio managed by Smartshares Limited. Members choose between the Conservative (30/70), Balanced (60/40) and Growth (80/20) investment options, which determine their share of the pooled investments. Investments are not managed separately for each option.

At 31 December 2025, member balances were invested as follows: 4.2% Conservative, 81.2% in the Balanced option (including Default, Balanced and Pension) and 14.6% in the Growth option.

The investments are classified as Level 2 in the fair value hierarchy. For further details refer to Note 15 (Fair Value).

As investments are managed on a pooled basis, compliance with the Statement of Investment Policy and Objectives (SIPO) is monitored at the total fund level. As at 31 December 2025, the weighted average SIPO target allocation was 38.3% defensive assets and 61.7% growth assets. The actual allocation was 38.2% defensive and 61.8% growth assets, representing a variance of less than 0.1%. All fund options remained within the prescribed SIPO limits.

	Total 2025 NZ$	Total 2024 NZ$
SuperLife Invest Global Aggregate Bond Fund	127,461,058	109,905,414
SuperLife Invest Total World (NZD Hedged) Fund	103,235,561	86,186,534
SuperLife Invest Total World Fund	103,225,494	89,195,785
Accrued rebates - unallocated	-	208,222
Total Investments	**333,922,114**	**285,495,955**

5. (Losses)/Gains on Investments at Fair Value Through Profit or Loss

Investment gains and losses arise from changes in fair value of the Fund's pooled investments managed by Smartshares Limited. As investments are not held in separately managed portfolios by fund option, gains and losses are presented at the total fund level, consistent with Note 4.

	Total 2025 NZ$	Total 2024 NZ$
SuperLife Invest Global Aggregate Bond Fund	3,601,047	2,358,901
SuperLife Invest Total World (NZD Hedged) Fund	17,141,173	14,211,841
SuperLife Invest Total World Fund	15,927,779	22,708,444
Total (Losses)/Gains on Investments at Fair	**36,669,999**	**39,279,186**

6. Distribution Income

The SuperLife PIE funds contain three ETFs (Exchange Traded Funds). The ETFs track Total Return indices for Equities and Bonds. The total returns on the ETFs recognise all returns as if all dividends and fixed interest coupons have been reinvested. No physical dividend or coupon distributions were collected in 2025.

7. 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 Fund at balance date.

	Total 2025 NZ$	Total 2024 NZ$
Vested Benefits	338,668,830	289,499,048

8. Guaranteed Benefits

No guarantees have been made in respect of any part of the liability for promised benefits (2024: Nil).

9. Liability for Accrued Benefits

a) Changes in Accrued Benefits allocated to Compulsory Accounts

	Total 2025 NZ$	Total 2024 NZ$
Opening Balance	289,210,538	238,748,706
Contributions	29,364,406	25,249,271
Withdrawals	(11,902,828)	(9,819,793)
Switches In	9,826,224	7,135,116
Switches Out	(9,826,224)	(7,135,116)
Insurance Proceeds	399,852	278,665
Group Insurance Expense	(698,115)	(724,614)
Interest Allocation - Member and Employer	31,973,442	35,478,164
Transfer In	69,624	52,244
Transfer Out	(69,628)	(52,105)
Closing Balance	**338,347,290**	**289,210,538**

b) Changes in Accrued Benefits allocated to the General Reserve Account

	Total 2025 NZ$	Total 2024 NZ$
Opening Balance	1,318,714	1,156,970
Interest Allocation - General Reserve	150,974	161,744
Closing Balance	**1,469,688**	**1,318,714**

c) Changes in Accrued Benefits allocated to the Pension Reserve Account

	Total 2025 NZ$	Total 2024 NZ$
Opening Balance	288,510	253,123
Interest Allocation - Pension Reserve	33,030	35,387
Closing Balance	**321,540**	**288,510**
Total Liability for Accrued Benefits	**340,138,518**	**290,817,762**

COOK ISLANDS NATIONAL SUPERANNUATION FUND
Notes to the Financial Statements
For the year ended 31 December 2025

10. Reconciliation of (Decrease)/ Increase in Net Assets to Net Cash Flows from Operating Activities

	Total 2025 NZ$	Total 2024 NZ$
(Decrease)/Increase in Net Assets During the Year	49,320,755	50,658,963
Net investment adjustments	438,459	-
(Less)/Add Non Cash Items:		
(Gains)/Losses on Investments at Fair Value Through Profit or Loss	(36,669,999)	(39,279,186)
Net SuperLife adjustment	-	
Investment Management Fees	415,382	330,680
Depreciation Expense on Property, Plant and Equipment	38,275	32,917
Amortisation of Intangible Assets	391,429	458,167
Depreciation Expense for the Right-of-Use Asset	100,691	96,793
(Less)/Add Movements in Other Working Capital Items:		
Increase in Prepayments	(19,972)	(8,667)
Decrease in Cash in Transit	-	870,260
Increase in Contributions Receivable	(887,661)	(246,081)
Increase in Accounts Payable	177,748	(146,026)
Decrease in Benefits Payable	-	(26,163)
Decrease in Net Lease Liabilities	(87,878)	(78,083)
Net Cash Flows from Operating Activities	**13,217,229**	**12,663,574**

The increase in net assets includes $438,459 recognised on finalisation of the opening balance reconciliation and investment earnings. As this was recognised through opening retained earnings rather than the current year's movement in net assets, it has been added back above as a non-cash reconciling item.

11. Cook Islands Office Expenses

The Fund's Cook Islands Office expenses are set out below:

	Total 2025 NZ$	Total 2024 NZ$
Legal and Professional Fees	(21,497)	(50,469)
Salaries and Personnel Costs	(852,582)	(884,513)
Other Expenses	(649,311)	(575,954)
Cook Islands Office Expenses	**(1,523,391)**	**(1,510,936)**

12. Financial Instruments

The Fund utilises a number of financial instruments in the course of its normal investing activities. 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 Policies and Objectives which establishes investment objectives and target asset allocations for the Fund. Performance against these targets is reviewed at least quarterly by the Trustee and asset reallocations undertaken as required.

	Total 2025 NZ$	Total 2024 NZ$
Financial instruments by category		
Financial assets at fair value through profit or loss		
Investments at Fair Value Through Profit or Loss	333,922,114	285,495,955
Financial assets at amortised cost		
Cash at Bank	3,022,784	2,526,956
Cash in Transit	-	-
Receivables	3,128,325	2,240,664
Total financial assets	**340,073,223**	**290,263,575**
Financial liabilities at amortised cost		
Accounts Payable	426,781	249,033
Lease Liabilities	257,921	345,800
Total financial liabilities	**684,702**	**594,833**

12. Financial Instruments (continued)

Credit Risk

Credit risk is the risk that a counterparty 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 Fund to credit risk consist of cash, receivables, and investments in unitised funds. The maximum credit exposure to credit risk is the carrying value of these financial assets.

Credit risk management activities are undertaken by the investment manager in accordance with investment mandate set by the Trustee.

Liquidity Risk

Liquidity risk is the risk that the Fund may encounter difficulty in raising funds to meet its obligation to pay members. However, to control liquidity risk, the Fund invests in financial assets, which are readily redeemable. In addition, the Fund invests within established limits to ensure there is no concentration of risk. There are no significant financial liabilities.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Due to the unitised nature of the investments it is not practical to determine the sensitivity of the unit price to changes in foreign exchange rates, interest rates, or other market factors of the underlying investments. Risk management activities are undertaken by the Fund's investment manager to operate within the guidelines provided by the Trustee.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund has an indirect exposure to currency risk through its investments in the Superlife Global Aggregate Bond Fund, Superlife Total World (NZD Hedged) Fund and Superlife Total World Fund. Currency hedging is used by the Investment Manager to hedge the exposure back to New Zealand dollars.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of interest-bearing financial instruments will fluctuate because of changes in market interest rates. The Fund is indirectly exposed to interest rate risk in that future interest rate movements will indirectly affect the valuation of investments in unitised funds which invest in cash and fixed interest investments. There is no maturity period for unitised investments.

Interest rate risk management activities are undertaken by the Investment Manager in accordance with the investment mandate set by the Trustee.

Other Price Risk

Other price risk is the risk that the value of the Fund's investments will decrease due to a change in the unit prices of the Fund's unitised funds.

As at 31st December 2025 the Fund is exposed to other price risk through its investments in Funds managed by Smartshares Limited.

A ten percent decrease/increase in the unit prices of the Fund's investments in the unitised funds would have an adverse/positive impact on the value of the Funds assets of:

	Total 2025 NZ$	Total 2024 NZ$
+/(-) 10% increase/decrease	33,392,211	28,549,596

Capital Management

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

The Fund'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 Fund members' value.

Investment Strategy

To meet these investment objectives, net contributions per investment fund choice are invested into the following asset mixes:

	Conservative	Balanced	Growth
Growth Assets (Equities)	30%	60%	80%
Defensive Assets (Bonds)	70%	40%	20%

Trust Name	Sector	Domiciled
SuperLife Invest Global Aggregate Bond Fund	Defensive Assets	New Zealand
SuperLife Invest Total World (NZD Hedged) Fund	Growth Assets	New Zealand
SuperLife Invest Total World Fund	Growth Assets	New Zealand

13. Actuarial Valuation

The most recent actuarial interest rate review was completed by Aon New Zealand on 26 May 2026, using the Fund's financial and membership data as at 31 December 2025.

Interest rates applied for the year ended 31 December 2025 were 7.51% for the Conservative Fund, 11.45% for the Balanced Fund, and 13.73% for the Growth Fund, after allowing for fees and expenses of approximately 1.2% per annum.

The pensioner liability was valued using a discount rate of 5.2% per annum (2024: 5.1%). The assumed age difference between pensioners and spouses was revised from 10 years to 3 years following a review of spouse data. All other actuarial assumptions are consistent with the valuation as at 31 December 2022.

Value of Accrued Benefits

	NZ$
Members' Accounts	312,310,000
Pensioners' Liabilities	21,050,000
Total Accrued Benefits (A)	333,360,000
Value of Assets (B)	334,500,000
Surplus (B - A)	1,140,000

The Fund's Actuary calculated the Pensioners' Liabilities of $21,050,000 (2024: $17,650,000) as the present value of the expected future pension payments to existing pensioners and their spouses (if applicable).

The Accrued Benefits include a Pension Reserve of $321,540 (2024: $288,510) and a General Reserve of $1,469,688 (2024: $1,318,714).

14. Reserve Account Policy

Amounts in the Reserve Account may be applied by the Trustee:

(a) to the credit of one or more member accounts, pension accounts, or the pension reserve account;
(b) to make a payment under clause 76 of the Trust Deed;
(c) to pay particular fund expenses;
(d) to meet general fund expenses; or
(e) to pay insurance premiums under clause 72 of the Trust Deed.

15. Fair Value

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. The Trustee considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value:

Financial Assets at 31 December 2025	**Level 1 NZ$**	**Level 2 NZ$**	**Level 3 NZ$**	**Total NZ$**
Fair Value Measurements				
Unitised Investment Funds				
SuperLife Invest Global Aggregate Bond Fund	-	127,461,058	-	127,461,058
SuperLife Invest Total World (NZD Hedged) Fund	-	103,235,561	-	103,235,561
SuperLife Invest Total World Fund	-	103,225,494	-	103,225,494
Accrued rebates - unallocated	-	-	-	-
Total Financial Assets	**-**	**333,922,114**	**-**	**333,922,114**

Financial Assets at 31 December 2024	**Level 1 NZ$**	**Level 2 NZ$**	**Level 3 NZ$**	**Total NZ$**
Fair Value Measurements				
Unitised Investment Funds				
SuperLife Invest Global Aggregate Bond Fund	-	109,905,414	-	109,905,414
SuperLife Invest Total World (NZD Hedged) Fund	-	86,186,534	-	86,186,534
SuperLife Invest Total World Fund	-	89,195,785	-	89,195,785
Accrued rebates - unallocated	-	208,222	-	208,222
Total Financial Assets	**-**	**285,495,955**	**-**	**285,495,955**

As the investments are unlisted and fair value is based on prices determined by the Investment Manager, they have been classified in both 2025 and 2024 as level 2.

There were no transfers between levels during the year.

16. Property, Plant and Equipment

The following property, plant and equipment are held at year end:

	Total 2025 NZ$	Total 2024 NZ$
Buildings		
At Cost	76,206	74,328
Accumulated Depreciation	(6,039)	(1,208)
	70,166	73,120
Furniture and Fittings		
At Cost	43,331	44,585
Accumulated Depreciation	(22,858)	(26,245)
	20,473	18,340
Equipment		
At Cost	142,551	131,487
Accumulated Depreciation	(113,656)	(105,078)
	28,894	26,409
Motor Vehicle		
At Cost	90,410	68,613
Accumulated Depreciation	(51,364)	(60,192)
	39,046	8,421
Net Book Value	**158,580**	**126,290**
Depreciation Expense		
Buildings	4,831	1,208
Furniture and Fittings	3,907	4,030
Equipment	16,364	16,709
Motor Vehicle	13,173	10,970
	38,275	**32,917**

17. Intangible Assets

The following intangible assets are held at year end:

	Total 2025 NZ$	Total 2024 NZ$
Software		
At Cost	2,703,065	2,703,065
Accumulated Amortisation	(2,434,010)	(2,042,615)
Net Book Value	269,055	660,450
Work in Progress		
At Cost	40,802	-
Net Book Value	40,802	-
Amortisation Expense		
Software	391,429	458,167

18 Leases

The Fund leases its Rarotonga office premises, which are recognised as a right-of-use asset of $226,507 (2024: $327,199) with a corresponding lease liability of $257,921 (2024: $345,800). A portion of the premises is sub-leased under an operating lease arrangement, generating rental income of $36,720 (2024: $34,553), which is recognised within Other Income. The sub-lease arrangement expires in June 2026.

19. Contributions Receivable

	Total 2025 NZ$	Total 2024 NZ$
Contributions Receivable - Member		
Gross Contributions Receivable - Member	1,824,676	1,172,358
Provision for non-recovery of contributions - Member	-	-
Net Contributions Receivable - Member	**1,824,676**	**1,172,358**
Contributions Receivable - Employer		
Gross Contributions Receivable - Employer	1,303,649	1,068,306
Provision for non-recovery of contributions - Employer	-	-
Net Contributions Receivable - Employer	**1,303,649**	**1,068,306**

20. Related Parties

The Fund comes under the responsibility of the Cook Islands Government's Minister for Superannuation. Government Ministries, Departments and Agencies contribute to the Fund as employers, and Fund members include Government employees. Government and its employees are subject to the same provisions and terms as all Fund members.
The Fund holds no investments in any of the employer companies or any of their related parties and during the period had no related party transactions.

21. Auditor's Remuneration

Fees incurred for services provided by the Fund's auditor, Deloitte Limited, during the year were as follows:

	Total 2025 NZ$	Total 2024 NZ$
Auditors Remuneration		
Audit of the Fund's annual financial statements	116,200	56,749
Other services	5,400	12,900
	121,600	**69,649**

The 2025 audit fee of $116,200 includes $52,050 relating to the completion and finalisation of the audit of the Fund's 31 December 2024 financial statements, together with an accrual of $64,150 for the audit of the Fund's 31 December 2025 financial statements.

Other services relate to non-assurance services provided by the auditor in connection with tax compliance matters.

22. Contingent Liabilities and Contingent Assets

Contingent Liabilities

In 2014 an amendment to the Value Added Tax Act required that entities not registered for value added tax ("VAT") in the Cook Islands become liable for VAT on imported services. The VAT liability applies to professional and investment management fees from offshore service providers from 1st April 2014. The value of the Fund's VAT liability from 2015 -2019 is estimated at $325,000. Amounts related to 2020-2024 have not been estimated and are not considered material due to changes in the Fund's operations. The Board has been in discussions with the Ministry of Finance and Economic Management ("MFEM"), as it is the Trustee's and the Board's view based on discussions to date, that the Fund was not intended to be caught by these amendments.

MFEM has advised that as no legislation has been passed to date to exempt the Fund from VAT, the liability remains.
On 5 April 2024, the Minister of the Cook Islands National Superannuation, Hon. Vainetutai Rose Toki-Brown, submitted to the Cook Island Government a memorandum seeking a review of the Cook Island National Superannuation Act, which included amongst other items, clarification on the intention of the Fund to be exempted from VAT. On the 10th April 2024, the Office of Cabinet Services receipted and approved the submission of the memorandum.

On 5 December 2025, the Minister submitted a further Cabinet Submission seeking clarification of the Government's policy position on the VAT liability. On 20 January 2026, Cabinet approved recommendations to amend the Act and issued drafting instructions to Crown Law, which include resolution of the VAT matter. The outcome of the proposed legislative amendments remains pending as at the date of these financial statements.

Contingent Assets

The Fund has prosecution proceedings before the Court against non-compliant employers for recovery of outstanding contributions totalling $121,316 as at 31 December 2025. No receivable has been recognised as outcomes remain uncertain pending trial. Where arrears have been recovered, cases continue before the Court for recovery of legal costs.

23. Unallocated Contributions

Unallocated contributions represent member contributions received from employers and held in the Fund's contribution bank accounts pending submission to the registry for allocation to members' accounts.

The net movement in these amounts during the year ended 31 December 2025 was $141,251 (2024: $68,058), recognised within Contributions. The balance held in the contribution bank accounts at 31 December 2025 was $443,314 (2024: $299,563).

24. Switches

Switches represent transfers of member account balances between the Fund's investment options (Conservative, Balanced and Growth). This occurs when a member elects to change their investment strategy, or upon retirement when a member's account is converted to the Default (Balanced) option.

25. Events after Balance Date

There have been no material events after balance date that require adjustment to or disclosure in the financial statements.