

SUMMARISED ANNUAL REPORTS

FOR THE YEAR ENDED 31 MARCH 2009

PENSION CASH ACCUMULATION SCHEME

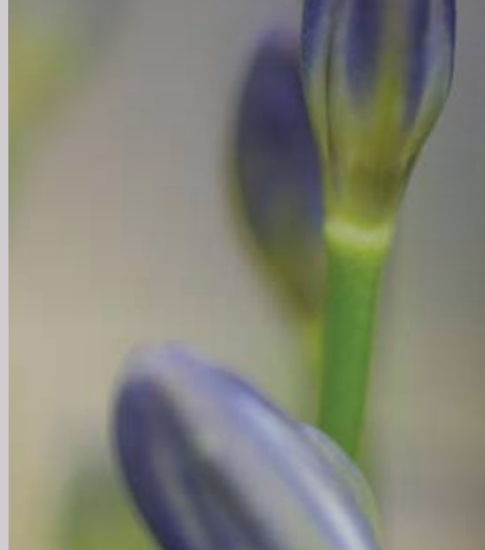
Deloitte.

This audit report relates to the summary financial statements of the Pension Cash Accumulation Scheme for the year ended 31 March 2009 included on this website. The Board is responsible for the maintenance and integrity of this website. We have not been engaged to report on the integrity of this website. We accept no responsibility for any changes that may have occurred to the summary financial statements since they were initially presented on this website. The audit report refers only to the summary financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these summary 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 summary financial statements and related audit report dated 24 June 2009 to confirm the information included in the audited summary financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements and summary financial statements may differ from legislation in other jurisdictions.



**NATIONAL
PROVIDENT**

In Safe Hands



PENSION CASH ACCUMULATION SCHEME

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2009

On behalf of the Board of Trustees of the National Provident Fund, set out below is a report on the performance and activities of your Scheme for the year ended 31 March 2009. Further information on the National Provident Fund's activities and commentary on the Scheme's investments are set out in the Review.

YOUR SCHEME AT A GLANCE

CROWN GUARANTEE

The Pension Cash Accumulation Scheme is a cash accumulation scheme. The benefits payable by your Scheme are guaranteed by the Crown.

INVESTMENT PERFORMANCE

The investment return (after tax and expenses) earned by the Scheme for the year ended 31 March 2009 was -10.11%. The poor investment return has resulted in the reserves of the Scheme becoming negative during the year.

The asset class returns (before tax and expenses) and comparative performance of the benchmark indices are shown in the table below.

	Return	Index
Cash	8.0%	7.7%
Fixed interest	5.2%	9.5%
Property	-52.7%	-54.5%
New Zealand shares	-20.2%	-24.1%
Overseas shares	-37.5%	-35.1%
Commodities	-19.9%	-20.7%

See the comparison over the page for the key statistics of your Scheme over the last 10 years. For an overview of the financial performance of the Scheme, refer to the tables on the following pages.



NATIONAL PROVIDENT

In Safe Hands

The summary financial statements included in this Annual Report have been extracted from the full financial statements for the year ended 31 March 2009.

The summary financial statements cannot be expected to provide as complete an understanding as the full financial statements.

Members are welcome to contact the Scheme administrator, Jacques Martin (see details on back page), for a free copy of the Scheme's full financial statements.

YOUR SCHEME AT A GLANCE

PENSION CASH ACCUMULATION SCHEME

EARNINGS RATE

The earnings rate declared by the Board for the Scheme for the year ended 31 March 2009 was 4.00%.

The investment return for the Scheme was lower than the 4% minimum earnings rate provided for in the Scheme trust deed. To bring the earnings rate up to 4%, the Board has drawn on the reserves of the Scheme. This is in line with the Board's crediting and reserving policy, which was applied this year to all of NPF's defined contribution and personal schemes. As a result, contributors were credited with higher earnings rates than would otherwise have been possible given the low investment returns. The reserves are now -12.4% of contributors' total credits, a decrease on the previous year.

WHO INVESTS YOUR MONEY

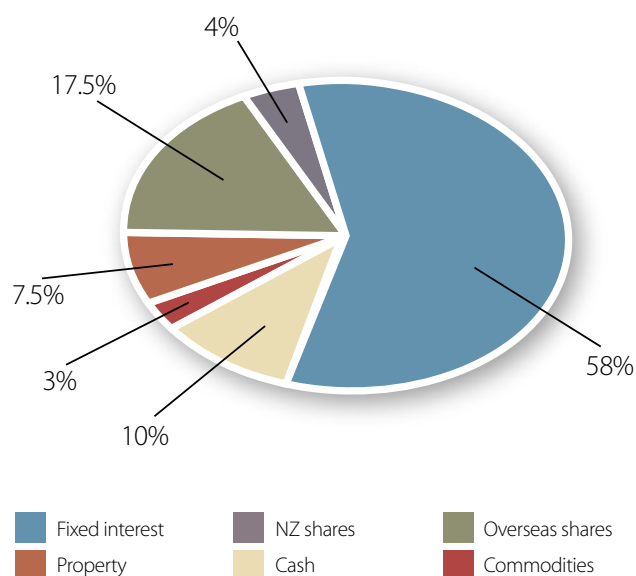
- AllianceBernstein New Zealand Limited (New Zealand shares)
- AMP Capital Investors Limited (overseas shares)
- AMP Capital Investors (NZ) Limited (New Zealand property and cash)
- ANZ National Bank Limited (cash and foreign exchange hedging)
- Bank of New Zealand (cash and foreign exchange hedging)
- Barclays Global Investors, N.A. (overseas shares and foreign exchange hedging)
- Cohen & Steers Capital Management, Inc. (global listed property)
- ING (NZ) Limited (New Zealand shares)
- LaSalle Investment Management (Securities) L.P. (global listed property)
- Mercer Investment Nominees Limited (overseas shares)
- Pacific Investment Management Company, LLC (PIMCO) (overseas fixed interest)
- Wellington Management Company LLP (overseas fixed interest)

AllianceBernstein New Zealand Limited and AMP Capital Investors (NZ) Limited were terminated as fixed interest managers in December 2008. Goldman Sachs International was appointed as commodities manager in December 2008 but terminated in February 2009.

As at the date of this report the allocation to commodities is being held in cash with the Bank of New Zealand pending the appointment of a new commodities manager.

HOW YOUR MONEY IS INVESTED

The Scheme's asset allocation benchmarks are set by the Board and reviewed regularly. The pie chart shows the Scheme's current asset allocation benchmarks.



See our website and the Scheme trust deed for more information about your Scheme – www.npf.co.nz

SUMMARY FINANCIAL STATEMENTS

PENSION CASH ACCUMULATION SCHEME

<p>This is a summary of the Scheme's income and expenses, and membership contributions and payments during the year.</p> <p>NPPS refers to the National Provident Pension Scheme.</p>	INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2009		
		2009 (\$000)	2008 (\$000)
	Investment (loss)/ income	(1,569)	103
	Less operating expenses	(150)	(181)
	Net loss before tax	(1,719)	(78)
	Add income tax credit	36	49
	Net loss after tax	(1,683)	(29)
	Contributions	572	916
	Less benefit payments	(798)	(828)
	Less transfers to NPPS	(839)	(882)
	Net membership activities	(1,065)	(794)
	Decrease in liability for accrued benefits	(2,748)	(823)

<p>This is a summary of the cash flows through the Scheme during the year.</p> <p>Cash was received from: • operating activities (being contributions less benefit payments and operating expenses), and • investing activities.</p> <p>The difference between the two cash flows is recorded as an increase or decrease in cash held.</p>	CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2009		
		2009 (\$000)	2008 (\$000)
	Opening cash brought forward	246	276
	Net cash flows from operating activities	(1,150)	(1,278)
	Net cash flows from investing activities	(1,383)	1,248
	Net increase/ (decrease) in cash held	233	(30)
	Closing cash carried forward	479	246

<p>This is a summary of the Scheme's assets and liabilities, as at 31 March 2009.</p> <p>Assets include the Scheme's investments in fixed interest, property, New Zealand shares, overseas shares and commodities plus what the Scheme had in the bank and was owed by others.</p> <p>Liabilities are what the Scheme owed to others.</p>	BALANCE SHEET AS AT 31 MARCH 2009		
		2009 (\$000)	2008 (\$000)
	Investment assets		
	Cash Unit Fund	1,440	1,710
	Fixed Interest Unit Fund	8,358	10,217
	Property Unit Fund	898	1,288
	New Zealand Equity Unit Fund	538	1,162
	Overseas Equity Unit Fund	2,313	2,498
	Commodities Fund	347	-
		13,894	16,875
	Other assets	537	306
	Total assets	14,431	17,181
	Less liabilities	(9)	(11)
	Net assets available to pay benefits	14,422	17,170
	Represented by:		
	Liability for accrued benefits		
	Allocated to contributors' total credits	16,467	16,884
	Unallocated reserves	(2,045)	286
		14,422	17,170

NOTES AND REPORTS

PENSION CASH ACCUMULATION SCHEME

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS

The summarised financial statements:

- have been extracted from the final full financial statements which were:
 - prepared in accordance with, and comply with, NZ IFRS and NZ GAAP;
 - authorised for issue by the Board on 24 June 2009; and
 - audited and received an unqualified opinion;
- cannot be expected to provide as complete an understanding as provided by the full financial statements;
- are reported in New Zealand dollars;
- are for a profit oriented entity; and
- comply with Financial Reporting Standard 43.

BOARD OF TRUSTEES' REPORT

For the year ended 31 March 2009

The Board of Trustees of the National Provident Fund, as trustee of the Scheme, provides members with the following information, as required by the Second Schedule to the Superannuation Schemes Act 1989.

Changes in the Scheme membership numbers during the year were as follows:

	Contributors
Opening membership 1 April 2008	589
Retirements	(32)
Withdrawals	(2)
Transfers	(13)
Deaths and disablements	(9)
Joins/rejoins	2
Extinguished liabilities*	(6)
Closing membership as at 31 March 2009	529

* Following a trust deed amendment on 5 April 2001, once reasonable efforts have been made to locate a member who has been missing for at least five years, the Board may extinguish the liabilities to that member.

The terms of the Scheme trust deed do not specify contribution levels.

The Board certifies that, to the best of its knowledge, all benefits required to be paid from the Scheme were paid in accordance with the terms of the Scheme trust deed.

The Board certifies that, based on the advice of the Actuary, as at 31 March 2009 the market value of the assets of the Scheme exceeded the amount that would have been payable if all members transferred out of the Scheme on that date, but was less than the amount that would have been payable if all contributors retired on that date.

TRUST DEED AMENDMENTS

There have been no amendments to your scheme trust deed since the date of the last annual report, 4 July 2008.

AUDITOR-GENERAL'S REPORT

To the members of the Pension Cash Accumulation Scheme

We have audited the summary financial statements of the Pension Cash Accumulation Scheme (the Scheme) for the year ended 31 March 2009 as set out in this annual report. The Auditor-General has appointed me, Ian C Marshall, using the staff and resources of Deloitte, to carry out the audit of the summary financial statements of the Scheme, on his behalf, for the year ended 31 March 2009.

Board of Trustees' Responsibilities

The Board of Trustees is responsible for the preparation of summary financial statements, in accordance with New Zealand law and generally accepted accounting practice.

Auditor's Responsibilities

It is our responsibility to express to you an independent opinion on the summary financial statements.

Basis of Opinion

We conducted our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. We planned and performed procedures to ensure the summary financial statements are consistent with the full financial statements on which the summary financial statements are based. We also evaluated the overall adequacy of the presentation of information in the summary financial statements against the requirements of FRS-43: *Summary Financial Statements*.

Other than in our capacity as auditor, we have no relationship with or interests in the Scheme.

Unqualified Opinion

In our opinion, the information reported in the summary financial statements complies with FRS-43: *Summary Financial Statements* and is consistent with the full financial statements from which it is derived and upon which we expressed an unqualified audit opinion in our report to the members dated 24 June 2009.

For a better understanding of the scope of our audit of the Scheme's financial statements and of the Scheme's balance sheet, income statement and cash flows for the year ended 31 March 2009, this report should be read in conjunction with the Scheme's audited financial statements for that year.

Our examination of the summary financial statements was completed on 24 June 2009 and our unqualified opinion is expressed as at that date.

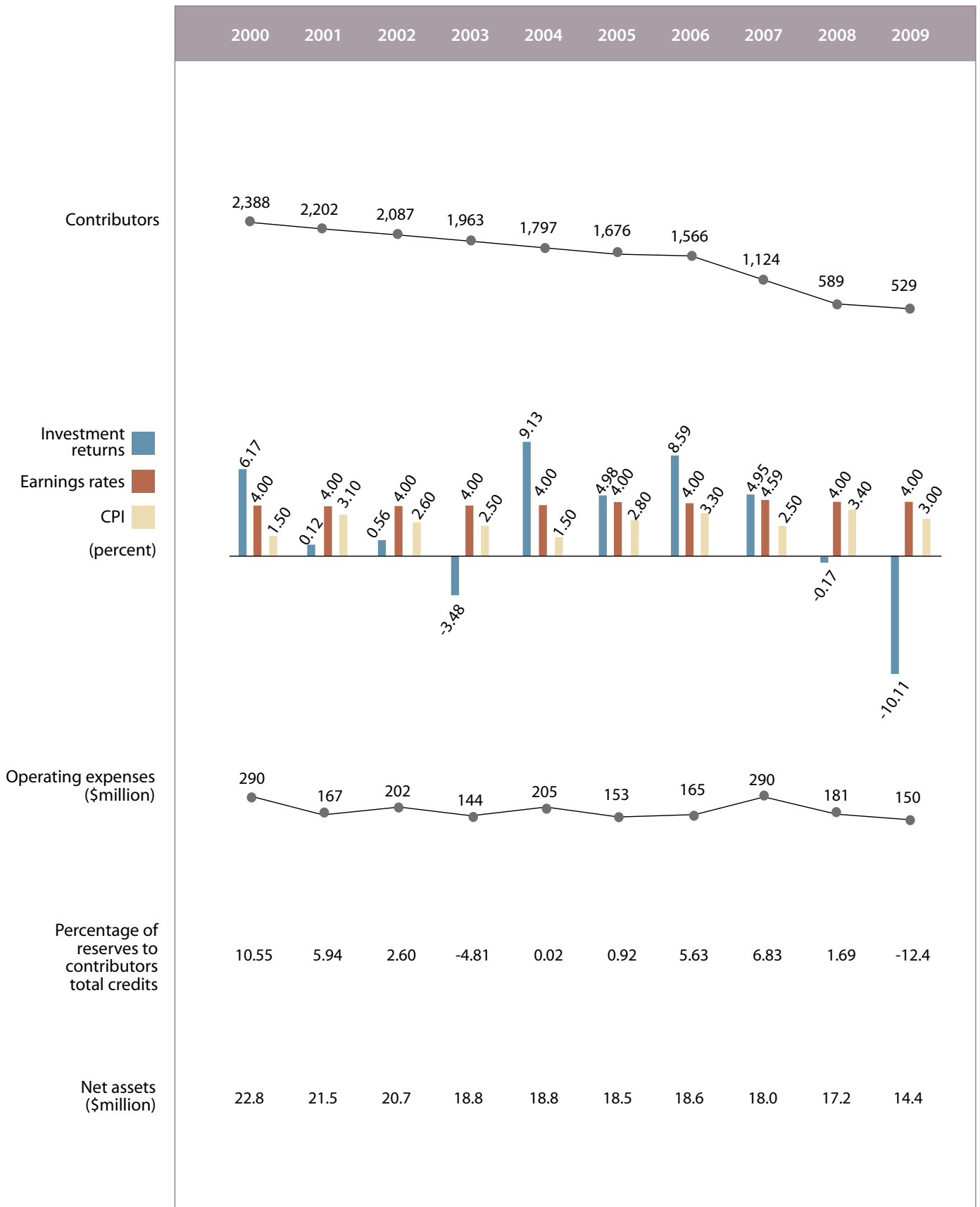


I C Marshall
Deloitte
On behalf of the Auditor-General
Wellington, New Zealand
24 June 2009

Deloitte.

10 YEAR COMPARISON

PENSION CASH ACCUMULATION SCHEME



DIRECTORY AS AT 24 JUNE 2009

PENSION CASH ACCUMULATION SCHEME

BOARD MEMBERS



SUE SHELDON CNZM, BCOM, FCA

Sue Sheldon (appointed to the Board in 2001 and as Chairman in 2003) is a professional company director. She is a director of listed companies Freightways, Smiths City Group and Contact Energy, Chairman of Wool Industry Network, Deputy Chairman of Christchurch International Airport and a director of Electronic Transaction Services and the Reserve Bank. Sue is a former President of the Institute of Chartered Accountants of New Zealand.



PAUL FOLEY LLB, BCA

Paul Foley (appointed August 2008) is a partner of Minter Ellison Rudd Watts with over 20 years' experience in the corporate, securities and financial services areas and a member of that firm's Board of Management. He is a director of the listed oil exploration and production company New Zealand Oil & Gas Limited and a board member of Queen Margaret College, Wellington.



ROGER KERR BCOM CA, FNZIM, FCTP

Roger Kerr (appointed 2003) is a director of, and shareholder in, Asia-Pacific Risk Management Limited, an advisory firm specialising in interest rates, debt, foreign exchange and corporate treasury management, and ETOS Limited, a company which manages outsourced treasury services. Roger has 25 years' investment banking and financial markets experience. He is an advisory board member of the New Zealand Government Debt Management Office, Chairman of Trust Investments Management Limited, Chairman of PIE Funds Management Limited, a director of Select Access New Zealand Limited (Deutsche Bank) and a Trustee of Auckland City Mission Foundation.



NOELINE MUNRO DIPNZSE, FNZIM

Noeline Munro (appointed 2001) is an Investment Adviser with ABN AMRO Craigs Limited. She is an NZX Adviser, Fellow of the Institute of Directors, Fellow of NZ Institute of Management Inc, a director of St James Multiplex Limited and Trustee to the NZ Institute for Cancer Research Trust and the Otago Community Trust.



CATHERINE SAVAGE BCA, CA

Catherine Savage (appointed April 2009) is a director of, and shareholder in, CMS Capital Limited and NZX Incognito Limited, and a director of Savage Group Limited, The Griffin Savage Co Ltd, Pathfinder Asset Management Limited and SAFCO Limited. She is also the Chairman of the Management Board of Samuel Marsden Collegiate School.



ROY TIFFIN BA (HONS IND ECON), FCA

Roy Tiffin (appointed 2004) is a Wellington Chartered Accountant with over 40 years' private and public sector audit experience, and is a past President of the Institute of Chartered Accountants of New Zealand. Roy is a Trustee of the Auckland University of Technology Millennium Ownership Trust and the General Manager of the Accounting Standards Review Board. He is also Chair of the Audit Committees of the Treasury and the Department of Labour, and an external member of the Audit Committee of Auckland City Council.



MARY WATSON PHD, MA (HONS)

Mary Watson (appointed 2005) is currently employed as a Portfolio Manager on the Poutama Maori Business Trust. Previously she was a member of the Public Trust Investment Board and has worked in research and analytical roles for broking firms.

MANAGEMENT



ALAN LANGFORD
Chief Executive



EUAN WRIGHT
Board Secretary and
Chief Financial Officer



PHILIPPA DRURY
General Manager, Schemes



PAUL BEVIN
General Manager,
Investments



PETER MCCAFFREY
Manager, Special Projects



NICKY RUMSEY
Manager, Investments



JANET SHIRLEY
Manager, Schemes



Jacques Martin New Zealand Limited is the administrator of the NPF Schemes.

Contact details

You are welcome to contact Jacques Martin if you have any specific questions about the information in this package, if you would like to receive a free copy of the full financial statements in the mail, to purchase a copy of the trust deed (\$10) or the actuarial valuation (\$10), or to enquire about your Scheme membership in general.

Please quote your identity number when contacting Jacques Martin.

Free phone: 0800 628 776

between 8.00am and 5.15pm
Monday to Friday

Phone: (04) 381 0500

Fax: (04) 381 0501

Post:

The Manager
National Provident Fund Administration
Jacques Martin New Zealand Limited
PO Box 606
Wellington 6140

Email: enquiries@jacquesmartin.co.nz

If you would like to know more about NPF in general, or if you would like to view or download a copy of the Scheme's full financial statements rather than receive a copy in the mail, please visit the NPF website – www.npf.co.nz.

To contact the Board of Trustees write to:

The Board Secretary
Board of Trustees of the
National Provident Fund
Level 12
The Todd Building
95 Customhouse Quay
Wellington 6011

Actuary: Christine D Ormrod,
PricewaterhouseCoopers

Bank: Bank of New Zealand

Custodian: JP Morgan Chase Bank, N.A.

Solicitors: Chapman Tripp