



Aware Super

(formerly the First State Superannuation Scheme)

ABN 53 226 460 365
Financial Report
For the year ended 30 June 2020

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For a Reporting Entity

Aware Super (ABN: 53 226 460 365)

Report by the RSE Auditor to the trustee

Opinion

We have audited the financial statements of Aware Super for the year ended 30 June 2020 comprising the Income Statement, Statement of Financial Position, Statement of Changes in Member Benefits, Statement of Changes in Equity/Reserves, Statement of Cash Flows and notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, in accordance with Australian Accounting Standards the financial position of Aware Super as at 30 June 2020 and the results of its operations, cash flows, changes in equity/reserves and changes in members' benefits for the year ended 30 June 2020.

Basis for Opinion

We conducted the audit in accordance with Australian Auditing Standards. 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 are independent of the entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the trustee for the Financial Statements

The RSE's trustee is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the requirements of the *Superannuation Industry (Supervision) Act 1993* (SIS Act) and the *Superannuation Industry (Supervision) Regulations 1994* (SIS Regulations). The trustee is also responsible for such internal control as the trustee determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the ability of the RSE to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the RSE or cease operations, or has 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 Australian Auditing Standards 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercised professional judgement and maintained professional scepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the RSE's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Concluded on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the RSE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the RSE to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicated with the trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.
- Obtained sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

JGorton

Joanne Gorton
Partner
Chartered Accountants
Sydney, 23 September 2020

Trustee's Statement for the year ended 30 June 2020

In the opinion of the Directors of Aware Super Pty Ltd (formerly FSS Trustee Corporation) ("the Trustee") which is the trustee of Aware Super (formerly the First State Superannuation Scheme) ("the Fund"):

1. The accompanying financial statements of Aware Super are properly drawn up so as to present fairly the statement of financial position of the Fund as at 30 June 2020, the income statement for the year ended 30 June 2020 and the statements of changes in member benefits, changes in equity/reserves and cash flows for the year ended on that date; and
2. The accompanying financial statements have been drawn up in accordance with Accounting Standards in Australia.

Signed in accordance with a resolution of the Board of Directors of Aware Super Pty Ltd (ABN 11 118 202 672).

Signed at Sydney this 23rd day of September 2020.



Director
Aware Super Pty Ltd



Director
Aware Super Pty Ltd

Statement of Financial Position

as at 30 June 2020

	Note	2020 \$'m	2019 \$'m
Assets			
Cash and cash equivalents		786	489
Receivables		1,460	1,098
Financial assets	4	123,252	101,312
Investment in Service Entities	3(b)	332	-
Plant and equipment	6	51	1
Deferred tax assets	13(c)	430	237
Total assets		126,311	103,137
Liabilities			
Benefits payable		73	76
Accounts payable	7	813	1,245
Financial liabilities	4	303	3,090
Deferred tax liabilities	13(c)	1,790	1,776
Total liabilities excluding member benefits		2,979	6,187
Net assets available for members benefits		123,332	96,950
Defined contribution member liabilities	11	121,223	95,158
Defined benefit member liabilities	12	1,076	1,066
Total member liabilities		122,299	96,224
Net assets		1,033	726
Equity			
Reserves		992	635
Defined benefit surplus	12	41	91
Total equity		1,033	726

Income Statement for the year ended 30 June 2020

	Note	2020 \$'m	2019 \$'m
Investment revenue			
Interest – investments carried at fair value		575	533
Interest – bank deposits		3	6
Dividends		1,203	1,662
Distributions from unit trusts		1,083	987
Securities lending income		37	25
Other income		73	12
Changes in fair value of investments	8	(1,640)	2,792
Total revenue		1,334	6,017
Investment expenses			
		(345)	(323)
Administration expenses			
	9	(277)	(154)
Total expenses			
		(622)	(477)
Operating result before income tax expense			
		712	5,540
Income tax benefit/(expense)	13(a)	488	(160)
Operating result after income tax expense			
		1,200	5,380
Net benefits allocated to defined contribution member accounts		(968)	(5,090)
Net change in defined benefit member accounts		(34)	(80)
Operating result			
		198	210

Statement of Changes in Member Benefits for the year ended 30 June 2020

	Defined Contribution Member Benefits \$'m	Defined Benefit Member Benefits \$'m	Total \$'m
Opening balances as at 1 July 2018	69,956	1,082	71,038
Employer contributions	4,146	16	4,162
Member contributions	996	-	996
Transfer from StatePlus Retirement Fund	18,653	-	18,653
Transfers from other superannuation funds	1,583	-	1,583
Superannuation co-contributions	25	-	25
Income tax on contributions	(583)	(1)	(584)
Net after tax contributions	24,820	15	24,835
Benefits to members	(4,384)	(90)	(4,474)
Insurance premiums charged to members' accounts	(324)	-	(324)
Transfer (to)/from reserves	-	-	-
Net benefits allocated to members	5,090	80	5,170
Net change in member Defined Benefits	-	(21)	(21)
Closing balances as at 30 June 2019	95,158	1,066	96,224
Opening balances as at 1 July 2019	95,158	1,066	96,224
Employer contributions	4,401	15	4,416
Member contributions	1,853	-	1,853
Transfer from VicSuper Fund (Note 1.1)	24,189	-	24,189
Transfers from other superannuation funds	3,226	-	3,226
Superannuation co-contributions	24	-	24
Income tax on contributions	(622)	(2)	(624)
Net after tax contributions	33,071	13	33,084
Benefits to members	(7,662)	(87)	(7,749)
Insurance premiums charged to members' accounts	(312)	-	(312)
Transfer (to)/from reserves	-	-	-
Net benefits allocated to members	968	34	1,002
Net change in member Defined Benefits	-	50	50
Closing balances as at 30 June 2020	121,223	1,076	122,299

Statement of Changes in Equity/Reserves for the year ended 30 June 2020

	Investment Reserve	Operational risk financial reserve	Insurance reserve	Administration reserve	Total
	\$'m	\$'m	\$'m	\$'m	\$'m
Opening balances as at 1 July 2018	24	178	10	151	363
Operating result	142	16	-	52	210
Transfer to defined contribution member accounts	-	-	-	-	-
Transfer to defined benefit member accounts	-	-	-	-	-
Transfer from StatePlus Retirement Fund	-	46	-	16	62
Closing balances as at 30 June 2019	166	240	10	219	635
Opening balances as at 1 July 2019	166	240	10	219	635
Operating result	161	5	(7)	37	196
Transfer to defined contribution member accounts	-	-	-	-	-
Transfer to defined benefit member accounts	-	-	-	-	-
Transfer from VicSuper Fund (Note 1.1)	-	60	-	101	161
Closing balances as at 30 June 2020	327	305	3	357	992

1 The Investment Reserve is an unallocated reserve being the difference between the cumulative amount of investment income (net of investment expenses) allocated to members accounts compared to the cumulative income (net of expenses) earned, after any transfers to ORFR Reserve, Insurance Reserve, and Administration Reserve.

2 The Operational Risk Financial Requirement Reserve is an unallocated reserve which is maintained separately to the unitised assets of the Fund for use by the Trustee in accordance with the requirements of Superannuation Prudential Standard 114 Operational Risk Financial Requirement and the Fund's Operational Risk Financial Requirement Reserving Policy.

3 The Insurance Reserve is an unallocated reserve which is maintained separately to the unitised assets of the Fund for use by the Trustee in accordance with the Insurance Reserve Policy.

4 The Administration Reserve is an unallocated reserve which is maintained separately to the unitised assets of the Fund for use by the Trustee in accordance with the Trust Deed.

Statement of Cash Flows for the year ended 30 June 2020

	Note	2020 \$'m	2019 \$'m
Cash flows from operating activities			
Investment income		2,997	3,220
Investment expenses		(345)	(321)
Administration expenses		(639)	(136)
Income tax paid		122	(38)
Net inflows from operating activities	17	2,135	2,727
Cash flows from investing activities			
Purchase of investments		(55,731)	(97,388)
Proceeds from sale of investments		53,077	93,337
Net outflows from investing activities		(2,654)	(4,051)
Cash flows from financing activities			
Contributions received		8,788	6,160
Benefits paid		(7,752)	(4,465)
Insurance premiums paid		(312)	(324)
Transfer from VicSuper Fund (Note 1.1)		92	
Net inflows from financing activities		816	1,371
Net increase/(decrease) in cash held		297	47
Cash at the beginning of the financial year		489	442
Cash at the end of the financial year		786	489

Notes to the Financial Statements for the year ended 30 June 2020

1. Description of the Fund

Aware Super (ABN 53 226 460 365) (the Fund) is both a defined contribution and a defined benefit superannuation fund constituted by the Trust Deed dated 19 February 1999 (as amended). Aware Super Pty Ltd (ABN 11 118 202 672) (the Trustee) is the trustee of the Fund. The Fund provides superannuation benefits (including income streams), and insurance benefits (where applicable) to members and their dependants or beneficiaries.

On 15 September 2020, the Fund changed its legal name from First State Superannuation Scheme to **Aware Super**. State Street Australia Limited (State Street) is the Fund's custodian for all investments and related cash.

The Fund is party to a Group Resources Agreement with Aware Super Services Pty Ltd dated 1 July 2019 under which Aware Super Services Pty Ltd acts as the employing entity for the Aware Super Group and provides personnel to relevant Aware Super Group members to enable those entities to undertake their business activities.

1.1 Successor Fund Transfer – Victorian Superannuation Fund

On 30 June 2020, the Fund undertook a Successor Fund Transfer with the Victorian Superannuation Fund (ABN 85 977 964 496) (VicSuper). VicSuper provided superannuation benefits (including income streams), and insurance benefits (where applicable), with operations primarily in Victoria, Australia.

The change to net member liabilities of **\$24,189 million** is described as **Transfer from VicSuper Fund** in the Statement of Changes in Member Benefits. The assets and liabilities transferred were:

Balance Sheet of VicSuper	2020
on 30 June 2020	\$'m
Assets	
Cash and cash equivalents	92
Receivables	459
Financial assets	24,165
Plant and equipment	29
Liabilities	
Accounts payable	75
Income tax payable	28
Deferred tax liabilities	292
Defined contribution member liabilities	24,189
Net assets	161
Equity	
Reserves	161
Total equity	161

1. Description of the Fund continued

1.2 Successor Fund Transfer – StatePlus Retirement Fund

On 30 June 2019, the Fund undertook a Successor Fund Transfer with the StatePlus Retirement Fund. The StatePlus Retirement Fund provided accumulation and pension benefits with operations in Australia.

The change to net member liabilities of **\$18,653 million** is described as **Transfer from StatePlus Retirement Fund** in the Statement of Changes in Member Benefits. The assets and liabilities transferred were:

Balance Sheet of StatePlus Retirement Fund on 30 June 2019	2019 \$'m
Assets	
Financial assets	20,144
Receivables	77
Liabilities	
Financial liabilities	(1,469)
Accounts payable	(14)
Deferred tax liabilities	(23)
Defined contribution member liabilities	(18,653)
Net assets	62
Equity	
Reserves	62
Total equity	62

1.3 Administrator and Custodian of the Fund

The custody and administration of the fund are performed by the following entities at 30 June 2020:

Division	Administration of Fund	Custodian
Retirement Division (heritage StatePlus Retirement Fund)	Aware Super Product Services Trust (formerly FSS Product Services Trust)	StateStreet
Heritage VicSuper	Self-administered	StateStreet
Balance of Aware Super	Mercer Administration Services (Australia) Pty Limited	StateStreet

The administrators of the Fund are the custodian of the Fund's bank accounts that manage the processing of contributions, maintaining member records, and paying benefits.

1. Description of the Fund continued

1.4 Successor Fund Transfer – WA Local Government Superannuation Plan Fund

On 29 July 2020, the Board of the Trustee approved the entering into a Successor Fund Transfer (SFT) Deed by the Trustee with WA Local Government Superannuation Plan Pty Ltd in its capacity as trustee of the WA Local Government Superannuation Plan (WA Super), with the intended SFT date being 30 November 2020.

The principal place of business of the Fund is 388 George Street, Sydney, NSW, 2000.

2. Basis of Preparation

2.1 Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (Accounting Standards), Interpretations, the Superannuation Industry (Supervision) Act 1993 and provisions of the Trust Deed.

The financial statements were authorised for issue by the Directors on 23 September 2020. For the purpose of preparing the financial statements, the Fund is a profit for members (i.e. not-for-profit) entity.

2.2 Significant Event

COVID-19 was declared a pandemic by the World Health Organisation on 11 March 2020. The economic impacts of the response to the pandemic have increased volatility in listed investment markets and increased uncertainty in the underlying assumptions applied in unlisted asset valuations. These changes in market conditions have been reflected in the financial statements according to the valuation policies and methodologies outlined in Note 3. There have been no changes to the Fund's valuation accounting policies.

However, to the extent that the market disruption as a result of COVID-19 required the use of judgements and estimates when considering the impact of market risk on asset valuations, these have been articulated in note 2.3 and note 5(a). Liquidity Risk during the market disruption has been managed in part by monitoring the ratio of illiquid assets in the Fund and modelling future cash flow expectations. These metrics have been impacted by market volatility, settlement of currency hedging losses and member switching into cash options. There has been no impact to the financial statements arising from changes in the Fund's liquidity profile which remains within tolerances outlined in our Risk Management Framework. The liquidity risk management during Covid-19 has been further outlined in note 5(c).

Operationally the Fund has had to invoke its business continuity plans and has changed its operating model to ensure the safety of staff and compliance with recommendations and regulatory policy requirements issued by government departments.

2.3 Use of Judgements and Estimates

In the application of Accounting Standards, management is required to make judgments, estimates and assumptions about the fair market values of assets of liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Management exercised judgement to assess the impact of the significant market volatility and economic disruption experienced due to the Covid-19 pandemic on the fair value of unlisted assets. Structured reviews of each asset were performed which included inquiries of fund managers and asset operators, and the incorporation of observable data, including economic stimulus responses, to determine an appropriate estimate of fair value. By 30 June 2020, all valuations had reverted to independent valuer or fund manager marks which incorporated the impact of the disruption due to the Covid-19 pandemic.

2.4 New Standards and Interpretations adopted during the year

The following new and revised Standards have been adopted in these financial statements. The adoption has not had significant financial or disclosure impact on these financial statements but may affect the accounting for future transactions or arrangements.

2. Basis of Preparation continued

AASB 16 Leases and related amending Standards

In the current year, the Fund has applied AASB 16 *Leases* (as amended) which is effective for annual period that begins on or after 1 January 2019. The standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. Contracts that are leases within the scope of AASB 16 from the lessee's perspective require the recognition of an asset (the right to use the lease item) and a liability to pay rental expenses for the lease contracts, except for short-term leases and leases of low value assets.

The Fund has elected to use the modified retrospective approach (Option B) on initial adoption of AASB 16, so is not required to restate comparatives. This elected approach recognises a right of use asset and a corresponding lease liability on 1 July 2019 at equal value with no adjustment to opening retained earnings.

The following sets out the impacts on the balance sheet upon initial application of AASB 16 *Leases* on 1 July 2019:

	Carrying amount 30 June 2019 (\$m)	AASB 16 Initial adoption (\$m)	Carrying amount 1 July 2019 (\$m)
Property, plant, and equipment	1	23	24
Lease Liabilities	-	(23)	(23)
Total	1	-	1

The Fund's financial assets and liabilities as at 1 July 2019 have been assessed based on the facts and circumstances that existed at that date and based on that assessment the initial application of AASB 16 has not had a significant impact on the financial position and/or financial performance of the Fund.

The following is a reconciliation of total operating lease commitments at 30 June 2019 (as disclosed in the financial statements to 30 June 2019) to the lease liabilities recognised at 1 July 2019:

	1 July 2019
Operating lease commitments as at 30 June 2019 under AASB 117	167
The effect of discounting using the lessee's incremental borrowing rate at 1 July 2019	(4)
(Less): leases contracted but with a commencement date in the next reporting year	(140)
Lease liability recognised as at 1 July 2019	23
<i>Of which are:</i>	
Current lease liabilities	5
Non-current lease liabilities	18

The initial value of the right of use assets is determined as follows:

	1 July 2019
Amount equal to lease liabilities as at 1 July 2019	23
Right-of-use asset recognised as at 1 July 2019	23

On transition to AASB 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 4.0%.

2. Basis of Preparation continued

AASB Interpretation 23 Uncertainty over Income Tax Treatment

Interpretation 23 clarified the application of the recognition and measurement criteria in AASB 112 Income Taxes where there is uncertainty over income tax treatments and requires an assessment of each uncertain tax position as to whether it is probable that a taxation authority will accept the position. Where it is not probable, the effect of the uncertainty is reflected in determining the relevant taxable profit or loss, tax bases, unused tax losses/credits or tax rate. The amount is determined as either the single most likely amount or the sum of the probability weighted amounts in a range of possible outcomes, whichever better predicts the resolution of the uncertainty. Judgements are reassessed as and when new facts and circumstances are presented.

The interpretation has not had a significant impact for the Fund.

2.5 Accounting Standards and interpretations issued, but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2020 reporting period and have not been early adopted by the Fund. The directors' assessment of the impact of these new standards (to the extent relevant to the Fund) is set out below:

New or revised requirement	Title	Effective Date (annual periods beginning on or after)
Conceptual Framework AASB 2019-1	Amendments to Australian Accounting Standards: Reference to the Conceptual Framework The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.	1 January 2020
AASB 2018-6	Amendments to Australian Accounting Standards: Definition of a Business The Standard amends the definition of a business in AASB 3 <i>Business Combinations</i> . The amendments clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.	1 January 2020
AASB 2018-7	Amendments to Australian Accounting Standards: Definition of Material This Standard amends AASB 101 <i>Presentation of Financial Statements</i> and AAS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> to align the definition of 'material' across the standards and to clarify certain aspects of the definition.	1 January 2020

A number of additional Australian Accounting Standards and Interpretations are in issue but are not effective for the current year end. The reported results and position of the Fund will not change on adoption of these pronouncements as they do not result in any changes to the Fund's existing accounting policies. Adoption will, however, result in changes to information currently disclosed in the financial statements. The Fund does not intend to adopt any of these pronouncements before their effective dates.

3. Significant Accounting Policies

The Fund's accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2020 and the comparative information presented in these financial statements for the year ended 30 June 2019.

(a) Cash and cash equivalents

Cash and cash equivalents include deposits held at call with a bank or financial institution and highly liquid investments with short periods to maturity which are readily convertible to cash and which are subject to insignificant risk of changes in value.

(b) Consolidation and Investment in Service Entities

The Fund meets the definition of an investment entity within AASB 10 *Consolidated Financial Statements* and is therefore required to measure controlled investments at fair value through profit or loss in accordance with AASB 9 *Financial Instruments* rather than consolidate them.

Notwithstanding the mandatory exception to the consolidation requirement for an investment entity, where the main purpose and activities of controlled entities are to provide investment-related services or activities that relate to the investment entity's investment activities, then the mandatory exception would not apply to such Service subsidiaries. Investment-related services include but are not limited to investment advisory services, investment management, investment support and administration services.

An investment entity is still required to consolidate its Service subsidiaries and apply the requirements of AASB 3 *Business Combinations* when acquiring control of any such subsidiary.

The Fund consolidates Aware Super Holdings Pty Ltd (formerly First State Super Holdings Pty Ltd) (and its subsidiaries), the Aware Super Product Services Trust (formerly FSS Product Services Trust) and FSSSP Pty Ltd (together, the Service entities). A list of all Service entities and other controlled investments is included under Note 19 to the financial statements.

In consideration of the materiality of the wholly owned Service entities, the Fund applies single-line consolidation (equity method). This requires the investment to be brought onto the face of the balance sheet for disclosure purposes. The profit or loss of the Service entities will also be included in the income statement of the Fund.

The equity method is expected to be economically the same for the Fund as the full consolidation approach as required in accordance with AASB 1056 *Superannuation Entities* and AASB 10 *Consolidated Financial Statements*.

Investment in a service subsidiary is a separate cash generating unit. It is required to be tested for impairment under AASB 136 *Impairment of Assets* (AASB 136) whenever there is an indicator of impairment or at least tested for impairment annually.

3. Significant Accounting Policies continued

(c) Financial assets

The Fund's investments are described as Financial assets and are classified as at fair value through profit or loss (FVTPL).

A financial asset is designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Fund's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract and the entire combined contract (asset or liability) is designated as at FVTPL.

Fair values of financial assets are determined as follows:

- Listed securities, foreign securities quoted on a recognised stock exchange, derivative financial instruments and government and other fixed interest securities are stated at market quotations as at the reporting date;
- Unit trust, and managed fund investments are stated at the redemption price quoted by the trust managers as at the reporting date;
- Unlisted securities are stated at a valuation based on the latest available advice of the Fund's investment managers as at the reporting date.
- Direct unlisted investments are stated at a valuation based on an independent third-party valuation, with a roll-forward prepared from the latest independent valuation to the reporting date if independent valuation was not available at the reporting date and there have been material changes since previous valuation. Third party valuations are primarily prepared using capitalisation models for property and infrastructure assets, and discounted cash flows for other assets.

Further, the Trustee's Valuation Policy provides that if a price is not at market value (due to illiquidity, suspension, a material event or otherwise), the Trustee may vary the value of the asset in accordance with the internal governance processes for the adjustment as outlined in the Policy. The objective of this process is to preserve equity across member outcomes, regardless of their choices, by mitigating against the risk that in major disruptions the effect of normal delays in the reporting of unlisted asset valuations may be materially amplified.

Given economic uncertainty and volatility in public equity markets in March 2020 due to the COVID-19 pandemic which impacted the market fundamentals of certain unlisted asset valuations, this process was triggered in March 2020 in accordance with the Valuation Policy. Accordingly, the asset valuations of impacted assets were adjusted by the Trustee during that period to reflect market conditions. Subsequently, the Trustee valuation adjustments were superceded by fund manager or independent third party valuations at 30 June 2020 which incorporated the impact of COVID-19 disruption.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement being recognised in the Income Statement.

3. Significant Accounting Policies continued

(d) Financial liabilities

The Fund's Financial liabilities are classified as at FVTPL.

A financial liability is designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Fund's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract and the entire combined contract (asset or liability) is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the in the Income Statement.

(e) Foreign currency

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at the reporting date are translated at the exchange rate existing at that date. Exchange differences are recognised in the Income Statement in the period in which they arise.

(f) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(g) Benefits paid and payable

The Fund recognises a benefit to be payable when a member's valid withdrawal notice is received, and it has been approved by the Trustee in accordance with the Fund's Trust Deed. Benefits paid and payable are measured at their nominal values as prescribed by the Fund's Trust Deed.

Benefits payable represent amounts which have not been paid where a valid withdrawal notice has been received.

3. Significant Accounting Policies continued

(h) Payables

Accounts payable are recognised when the Fund becomes obliged to make future payments resulting from the purchase of goods and services and are recognised at their nominal value which is equivalent to fair value.

(i) Leases

The Fund as lessee, recognises an asset for the right-to-use the leased item(s) and a liability to pay rental expenses for the lease contract(s), except for short-term leases under 12 months and leases of low value assets.

On initial adoption of AASB 16 *Leases* on 1 July 2019, the Fund elected to use the modified retrospective approach (Option B) so is not required to restate comparatives.

(j) Reserves

Investment reserve

The investment reserve comprises the difference between the cumulative amount of investment income (net of investment expenses) allocated to members accounts compared to the cumulative investment income (net of investment expenses) earned.

Operational risk financial reserve

An operational risk financial reserve is required under Australian Prudential Regulation Authority Standards to maintain adequate financial resources to address potential losses arising from operational risks. The Trustee has assessed a reserve of approximately 0.25% of funds under management as being appropriate for the Fund.

Insurance reserve

The insurance reserve comprises the receipt of profit share and/or premium adjustment amounts from the Fund's group life insurers less the use of these amounts to either reduce premiums for relevant members, fund insurance related projects or refund overpaid insurance premiums.

Administration reserve

The administration reserve funds the operations of the Trustee office, which may include investment in enhancing member services, expanding the product range or expenditure to achieve operational efficiencies. The reserve may also be used to reinstate the Operational Risk Financial Reserve following a loss. The reserve is funded by administration fees charged to members.

(k) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

3. Significant Accounting Policies continued

(k) Income tax (continued)

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Fund expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Fund intends to settle its tax assets and liabilities when due on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or benefit in the Income Statement.

Some aspects of tax legislation and rulings require interpretation and necessitate reasonable assumptions or allocations to be made in determining the provision for income taxes. There are some tax calculations made during the ordinary course of business which may be uncertain if assumptions or allocations are subsequently challenged. Because of its size and the amount of tax paid, the Fund is subject to regular reviews by the Australian Taxation Office. The fund actively monitors and assesses the impacts of those reviews, including making appropriate tax provisions for potential tax exposures. Where the final outcome of a tax authority review is different from the amounts that were initially recorded, such differences may impact the current and deferred tax provisions in the period in which such determination is made.

(l) Revenue recognition and measurement

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised to the extent to which it is probable that economic benefits will flow to the Fund and the amount of revenue can be reliably measured.

The following recognition criteria relates to the different items of *Investment revenues* the Fund receives:

Interest revenue

Revenue on money market and fixed interest securities is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount. If interest is not received at balance sheet date, the balance is reflected in the Statement of Financial Position as a receivable.

3. Significant Accounting Policies continued

(l) Revenue recognition and measurement (continued)

Dividend revenue

Revenue from dividends is recognised on the date the shares are quoted ex-dividend. If the dividend is not received at balance sheet date, the balance is reflected in the Statement of Financial Position as a receivable.

Changes in fair value of investments

Changes in the fair value of investments are recognised as revenue and are determined as the difference between the fair value at year end or consideration received (if sold during the year) and the fair value as at the prior year end or cost (if the investment was acquired during the period).

Changes in fair value of liabilities

Changes in the fair value of financial liabilities are recognised as revenue (or expense) and are determined as the difference between the fair value at year end or consideration paid (if settled during the year) and the fair value as at the prior year end or amount originally incurred (if the financial liabilities were incurred during the period).

Distributions from unit trusts

Distribution income is recognised on a receivable basis on the date the unit value is quoted ex-distribution. Where the distribution is not received at reporting date, the balance is reflected in the Statement of Financial Position.

(m) Superannuation contributions (surcharge) tax

The Trustee recognises amounts paid or payable in respect of the surcharge tax as an expense of the Fund. The expense (and any corresponding liability) is brought to account in the period in which the assessments are received by the Trustee and are properly payable by the Fund. All amounts paid are allocated back against the member accounts to which the surcharge relates.

4. Financial Instruments

(a) Financial instruments management

The investments of the Fund are predominantly managed by specialist sector fund managers who are required to invest the assets allocated for management in accordance with the terms of a written investment management agreement. The appointment of these managers is appropriate for the Fund and is in accordance with the Fund's investment strategy. Some of the investments of the Fund are managed by the internal investment staff.

(b) Significant accounting policies

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 are disclosed in Note 3 to the financial statements.

(c) Fair value measurements recognised in the statement of financial position

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As noted in 3(c), during the year and as per the Valuation policy, the Trustee varied the value of impacted level 2 and level 3 assets in response to the economic disruption as a result of the COVID-19 pandemic. This was to ensure appropriate asset valuations during the normal lag that can occur between the occurrence of the disruption and the reflection of the disruption in fund manager or independent valuations. Subsequently, the Trustee valuation adjustments were superseded by fund manager or independent third party valuations at 30 June 2020 which incorporated the impact of COVID-19 disruption.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

4. Financial Instruments continued

30 June 2020	Level 1	Level 2	Level 3	Total
	\$'m	\$'m	\$'m	\$'m
Financial assets				
Cash	3,991	-	-	3,991
Discounted securities	5,232	8,139	-	13,371
Fixed interest	9,902	10,913	409	21,224
Equities	50,673	3,498	1,370	55,541
Unit trusts	2,689	7,406	17,462	27,557
Derivatives	38	1,530	-	1,568
Total Financial Assets	72,524	31,486	19,241	123,252
Financial liabilities				
Fixed interest securities subject to repurchase agreements	-	-	-	-
Derivatives	151	152	-	303
Total Financial Liabilities	151	152	-	303

30 June 2019	Level 1	Level 2	Level 3	Total
	\$'m	\$'m	\$'m	\$'m
Financial assets				
Cash	1,560	-	-	1,560
Discounted securities	4,440	3,259	-	7,699
Fixed interest	6,323	6,879	471	13,673
Equities	34,879	25	1,696	36,600
Unit trusts	3,239	21,297	16,512	41,048
Derivatives	52	680	-	732
Total Financial Assets	50,493	32,140	18,679	101,312
Financial liabilities				
Fixed interest securities subject to repurchase agreements	927	-	-	927
Derivatives	28	2,135	-	2,163
Total Financial Liabilities	955	2,135	-	3,090

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the year ended 30 June 2019.

4. Financial Instruments continued

The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets /Financial liabilities	Fair value as at 30 June 2020 \$'m	Fair value as at 30 June 2019 \$'m	Fair Value Hier- archy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Equities	55,541	36,600	1,2,3	Level 1 - Quoted bid prices in an active market, 91% of total equities classified as Level 1 Level 2 – Derived from inputs other than quoted prices Level 3 – Valuation based on independent valuers as at the reporting date.	N/A	N/A
Unit trusts	27,557	41,048	1,2,3	Level 1 - Quoted bid prices in an active market Level 2 – Derived from inputs other than quoted prices Level 3 – Valuation based on advice of the Fund's investment managers as at the reporting date or independent valuers for directly and semi-directly held assets.	Level 3 generally based on economic and business assumptions in the valuation models	N/A
Fixed interest	21,224	13,673	1,2,3	Quoted bid prices in an active market. Where not available, valuation models used.	N/A	N/A
Discounted securities	13,371	7,699	1,2	Quoted bid prices in an active market.	N/A	N/A
Futures and options (net)	4	75	1,2	Exchange traded futures or options are stated at the last quoted bid or sale price relevant to close out the contract as at the reporting date less any transactional costs, over-the-counter options are stated using the quotations of an independent broker or where unavailable by the responsible entity using an option pricing model using independent market data less any transactional costs.	N/A	N/A
Foreign exchange (net)	1,261	(42)	2	Foreign exchange contracts are stated at the exchange rate current at reporting date less any transaction costs	N/A	N/A
Swaps & warrants (net)	(1)	5	2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of the counterparties.	N/A	N/A

4. Financial Instruments continued

Reconciliation of Level 3 fair value measurements of financial assets

Level 3 Fair Value Reconciliation	Fixed Interest \$'m	Equities \$'m	Unit Trusts \$'m	Total \$'m
Balanced at 1 July 2019	471	1,696	16,512	18,679
Purchases	92	21	2,217	2,330
Redemptions/disposals	(161)	-	(1,197)	(1,358)
Transfers into Level 3	-	3	-	3
Transfer out of Level 3 ¹	-	(313)	-	(313)
Total gains/(losses) in Income Statement	7	(37)	(70)	(100)
Balance at 30 June 2020	409	1,370	17,462	19,241
Balanced at 1 July 2018	414	1,590	11,695	13,699
Purchases	-	246	4,495	4,741
Redemptions/disposals	-	(9)	(868)	(877)
Transfers into Level 3	-	-	-	-
Transfer out of Level 3	-	(14)	-	(14)
Total gains/(losses) in Income Statement	57	(117)	1,190	1,130
Balance at 30 June 2019	471	1,696	16,512	18,679

Note 1: The transfer of Equities out of level 3 relates to reclassification of FSSSP Financial Services Pty Limited from financial asset at fair value to a consolidated investment in service entity.

The following table shows the sensitivity of the fair values of the Level 3 assets. The expected volatility forecasts are derived primarily from the last several years of realised values with adjustments based on an independent consultant's judgement and experience.

Level 3 Asset Sensitivity	Volatility of investment sector returns %		Effect on changes in net assets and net assets available to pay benefits	
	2020	2019	2020 \$'m	2019 \$'m
Fixed Interest	8%	6%	31	26
Equities	17%	16%	237	265
Unit Trusts	11%	10%	1,834	1,585

5. Financial Risk Management

Financial risk management objectives

The Fund is exposed to a variety of financial risks as a result of its activities. These risks include market risk (including currency risk, cash flow interest rate risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Fund's risk management and investment policies seek to minimise the potential adverse effects of these risks on the Fund's financial performance. These policies may include the use of certain financial derivative instruments.

An enterprise-wide Risk Management Framework (RMF) is in place to manage material risks and ensure appropriate levels of oversight are in place.

The RMF identifies the Trustee's policies and procedures, processes and controls that comprise its risk management and control systems. These systems address all material risks, financial and non-financial, likely to be faced by the Fund. Annually, the Trustee certifies to the Australian Prudential Regulatory Authority (APRA) that adequate strategies have been put in place to monitor those risks, that the Trustee has systems in place to ensure compliance with legislative and prudential requirements and the Trustee has satisfied itself as to compliance with the RMF.

The Fund has an Investment Governance Framework (IGF) established by the Trustee. The IGF sets out the Trustee's policies for the selection, management and monitoring of investments for the Fund. For each investment option offered by the Fund, the Trustee seeks to maximise the returns derived for the level of risk to which the Fund is exposed. In the current year, these risks have been assessed in the light of known information about the COVID-19 pandemic at the date of this report.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange (currency risk), market interest rates (interest rate risk) and market prices (price risk). The Fund's policies and procedures put in place to mitigate the Fund's exposure to market risk are detailed in the Fund's investment policies and the RMF.

Management exercised judgement to assess the impact of the significant market volatility and economic disruption experienced due to the COVID-19 pandemic on the fair value of unlisted assets. Structured reviews of each asset were performed which included inquiries of fund managers and asset operators, and the incorporation of observable data to determine an appropriate estimate of fair value. By 30 June 2020, all valuations reverted to independent valuer or fund manager valuations which incorporated the impact of the market disruption due to the COVID-19 pandemic.

Foreign currency risk management

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Fund undertakes certain investment transactions denominated in foreign currencies, hence it is exposed to the effects of exchange rate fluctuations. Exchange rate exposures are managed within approved policy parameters. This exchange rate exposure is managed in line with the Fund's investment policies. The Fund's overall policy in foreign currency risk management remains unchanged from the previous reporting period.

5. Financial Risk Management continued

The Fund's total exposure (in Australian dollars) to fluctuations in foreign currency exchange at the reporting date was as follows:

Year ended	USD	EUR	HKD	JPY	Others
30 June 2020	\$'m	\$'m			\$'m
Assets	24,132	4,456	1,018	1,410	5,976
Liabilities	(248)	(159)	(23)	(11)	(94)
	23,884	4,297	995	1,399	5,882
Forward exchange contracts	(15,505)	(1,846)	(68)	(690)	(3,337)
Net exposure	8,379	2,451	927	709	2,545

Year ended	USD	EUR	GBP	Others
30 June 2019	\$'m	\$'m	\$'m	\$'m
Assets	25,883	4,200	3,602	4,524
Liabilities	(6,054)	(99)	(385)	(123)
	19,830	4,101	3,216	4,401
Forward exchange contracts	(13,438)	(2,894)	(2,642)	(1,713)
Net exposure	6,392	1,207	575	2,688

Foreign currency risk management

The following table details the Fund's sensitivity to a 18% (2019: 18%) increase or decrease in the Australian dollar against the relevant foreign currencies. 18% represents the assessment of the possible change in foreign exchange rates. The expected volatility forecasts are derived primarily from the last several years of actual foreign currency movements combined with adjustments based on an independent consultant's judgement and experience.

The sensitivity analysis includes only outstanding foreign currency denominated items and adjusts their translation at the period end for a 18% (2019:18%) change in foreign currency rates. The analysis assumes all currencies fluctuate in the same direction at the same time. The number is positive when the Australian dollar weakens against the respective currency, causing assets available to pay benefits to increase. Conversely the number is negative when the Australian dollar strengthens causing assets in foreign currencies to fall in value.

Currency Risk	% change in A\$		Effect on net assets and net assets available to pay benefits	
	2020	2019	2020 \$'m	2019 \$'m
	18 %	18%	2,645	1,914

5. Financial Risk Management continued

Interest rate risk management

The Fund's activities expose it to the financial risk of changes in interest rates. Floating rate instruments expose the Fund to cash flow risk, whereas fixed interest rate instruments expose the Fund to fair value interest rate risk. Exposures to interest rate risk are monitored.

Year ended 30 June 2020	Floating interest rate \$'m	Fixed interest rate \$'m	Non-interest bearing \$'m	Total \$'m
Assets				
Cash and cash equivalents	4,629	-	-	4,629
Receivables	-	-	1,460	1,460
Plant & equipment	-	-	51	51
Unit trusts	-	-	27,557	27,557
Fixed interest	6,719	14,505	-	21,224
Equities	-	-	55,541	55,541
Discounted securities	2,172	11,199	-	13,371
Derivative financial instruments	1	87	1,480	1,568
Total financial assets	13,521	25,792	86,089	125,401
Liabilities				
Payables	-	-	886	886
Equities	-	-	159	159
Derivative financial instruments	3	-	300	303
Fixed interest securities subject to repurchase agreements	-	-	-	-
Total financial liabilities	3	-	1,345	1,348
Net financial assets	13,518	25,792	84,744	124,053

5. Financial Risk Management continued

Interest rate risk management continued

Year ended 30 June 2019	Floating interest rate \$'m	Fixed interest rate \$'m	Non-interest bearing \$'m	Total \$'m
Assets				
Cash and cash equivalents	2,049	-	-	2,049
Receivables	-	-	1,098	1,098
Plant & equipment	-	-	1	1
Unit trusts	-	-	41,048	41,048
Fixed interest	5,029	8,643	1	13,673
Equities	-	-	36,600	36,600
Discounted securities	1,894	5,805	-	7,699
Derivative financial instruments	13	200	519	732
Total financial assets	8,985	14,648	79,267	102,900
Liabilities				
Payables	-	-	1,321	1,321
Derivative financial instruments	179	1,484	500	2,163
Fixed interest securities subject to repurchase agreements	-	927	-	927
Total financial liabilities	179	2,411	1,821	4,411
Net financial assets	8,806	12,237	77,446	98,489

The sensitivity analyses below have been determined based on the exposure to interest rates at the reporting date. It is assumed that the basis point change occurs as at the reporting date. The interest rate risk sensitivity analysis calculates the impact on the market value of the fixed interest portfolio of a 100 basis points term structure increase in every market in which the fund holds fixed interest securities, based on the duration of the Fund's fixed interest portfolio as at the reporting date. The possible increase or decrease in fixed interest rates of 100 basis points (2019: 100 basis points) are estimated to result in the following impact on the fixed interest portfolio's contribution to the consolidated operating result as illustrated in the following table:

5. Financial Risk Management continued

Interest rate risk management continued

Interest Rate Risk	Change in variable		Effect on change in net assets and net assets available to pay benefits	
	2020 bps	2019 bps	2020 \$'m	2019 \$'m
Interest rate risk	+100	+100	1,136	(690)
	-100	-100	(1,136)	690

Market Price risks

Market price risk is the risk that the total value of investments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Fund has investments in unit trusts which expose it to price risk. In addition, the Fund holds equity instruments which expose it to equity price risk.

As the majority of the Fund's financial instruments are carried at fair value with changes in fair value recognised in the Income Statement, all changes in market conditions will directly affect net investment income.

Price risk is mitigated by constructing a diversified portfolio of instruments traded on various markets in accordance with the Fund's investment strategy.

The following table illustrates the effect on changes in net assets and net assets available to pay benefits from possible changes in market risk that were reasonably possible based on the risk the Fund was exposed to at reporting date. For a negative change in the variable there would be an equal and opposite impact on the increase in net assets and on net assets available to pay benefits and the balances below would be negative.

The expected volatility estimates are derived primarily from the last several years of realised values with adjustments based on an independent consultant's judgement and experience.

5. Financial Risk Management continued

Market Price Risk	Volatility of investment sector returns %		Effect on change in net assets and net assets available to pay benefits	
	2020	2019	2020 \$'m	2019 \$'m
Discounted securities	8%	6%	1,003	423
Fixed interest	8%	6%	1,592	749
Equities	17%	16%	9,636	5,710
Unit trusts	11%	10%	2,893	3,941

Climate risk

Climate change represents a significant long-term risk to the Fund's investment portfolio. The Fund has undertaken extensive research to establish a plan to address the large systemic and structural changes that limiting climate change will require. Key initiatives under the plan include:

- developing a de-carbonisation pathway for the investment portfolio;
- transitioning the portfolio to invest in assets which carry a lower climate change risk and, where required, helping investments adapt to a changing climate;
- proactively investing in energy-efficient investments; and
- lowering risk through actively managing and engaging with portfolio investments on their climate change transition pathway.

(b) Credit Risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund. The Fund has counterparty credit procedures in place and the exposure to credit risk is monitored on an ongoing basis in accordance with the Statement of Investment Objectives and Policy.

Substantially all of the cash held by the Fund is held by State Street and Commonwealth Bank of Australia (CBA). The Fund monitors its credit risk by monitoring the credit quality and financial positions of the banks through regular analysis of their financial reports.

Unsettled investment sales are transactions with investment managers that are awaiting settlement and are included in receivables. The credit risk relating to unsettled transactions is considered small due to the short settlement period involved and the high credit quality of the brokers used. The ageing of unsettled trades is monitored.

5. Financial Risk Management continued

(b) Credit Risk continued

State Street is the custodian of all the Fund's investment assets and associated liquid assets. State Street provides services including physical custody and safekeeping of assets, settlement of trades, collection of dividends and accounting for investment transactions. Mercer is the custodian for the Fund's CBA accounts and performs transactional and accounting services. Mercer is also the Fund's administrator of member services. The credit quality and financial positions of the custodians is monitored through regular analysis of their financial reports.

The Fund participates in securities lending via the agency securities lending programme of its custodian, State Street, whereby the Fund has a principal relationship with the borrower. All loans of securities are subject to collateral backing. The market value of securities on loan at 30 June 2020 was \$13,942m (2019: \$5,375m).

The Fund does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Except for security lending arrangements and OTC derivatives, the Fund holds no collateral security and has no credit enhancement arrangements for any financial assets held. No financial assets are considered past due as all payments are considered recoverable when contractually due. The table below shows the maximum exposure to credit risk at the reporting date. The carrying amounts of these financial assets represent the maximum credit risk exposure at the reporting date.

The Fund's maximum aggregate exposure to credit risk is as follows:

Aggregate Credit Risk Exposure	2020	2019
	\$'m	\$'m
Cash and cash equivalents	4,629	2,049
Discounted securities	13,372	7,699
Fixed interest securities	21,224	13,673
Derivatives	1,568	732
Receivables	1,460	1,098
	42,253	25,251

5. Financial Risk Management continued

(c) Liquidity risk

The Fund's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities. The Fund allows members to withdraw benefits in accordance with the appropriate requirements and it is therefore exposed to the liquidity risk of meeting members' legitimate withdrawal requests at any time. The majority of the Fund's listed securities and unit trust investments are considered to be readily realisable. The Fund's financial instruments include investments in unlisted investments and private equity which are not traded in an organised market and that generally may be illiquid. As a result, in extraordinary circumstances, there is a risk that the Fund may not be able to liquidate all of these investments at their net market value in order to meet all of its liquidity requirements.

The Fund's framework for managing liquidity risk considers the following key elements:

1. understanding the drivers behind liquidity needs;
2. setting liquidity parameters;
3. implementing effective investment structures;
4. monitoring liquidity;
5. regularly conducting liquidity stress testing; and
6. maintaining a Liquidity Management Plan.

The strategic asset allocation of each investment option is the main determinant of its overall risk and return characteristics, including its liquidity profile. Hence, Aware Super explicitly considers the liquidity characteristics of each asset class before setting the strategic asset allocations and ranges for the individual investment options offered to members. In setting the liquidity classification for each asset class, Aware Super tailors the liquidity classification to the characteristics of the underlying assets themselves, rather than applying a standardised approach.

It is expected that each investment option would be able to meet its cashflow requirements on a stand-alone basis. Hence, the proportion of illiquid assets held at an investment option level is a key parameter considered in relation to liquidity risk; an increasing proportion of illiquid assets will, by definition, reduce the overall level of liquidity. Overall, the following principles apply:

- a majority of assets are held in highly liquid securities, many exchange-traded, which can be fully liquidated at short notice if necessary;
- all investment options have a strategic allocation to cash, which is highly liquid, and could be drawn upon to manage cash flow requirements; and
- unlisted securities are regularly reviewed for valuation accuracy.

Impact of COVID-19 on Liquidity Risk Management

During the second half of the year, stressed market protocols were enacted to manage liquidity risk to ensure that the Fund could meet its liquidity requirements given the elevated switches between investment options by members resulting from market volatility, and to ensure that the Fund could meet the withdrawals under the Early Release of Super arrangements. This included projections of Fund liquidity requirements under current and stressed scenarios and detailed analysis of market liquidity to assess for further stress and the potential impact on Fund liquidity. By 30 June 2020, the stressed market protocols were stood down as the market had reverted back to more normalized levels.

5. Financial Risk Management continued

(c) Liquidity risk continued

The Fund has capital commitments in relation to property, private equity and infrastructure investment activities. Note 12 sets out the commitments contracted for at the reporting date but not recognised as liabilities in the tables below.

The following tables summarise the maturity profile of the Fund's financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Fund can be required to pay. The tables include both interest and principal cash flows.

Year ended 30 June 2020	Less than one month \$'m	One to twelve months \$'m	Over one year \$'m	Total \$'m
Liability Defined contribution member liabilities¹	121,223	-	-	121,223
Liability Defined benefit member liabilities¹	1,076	-	-	1,076
Benefits payable	73	-	-	73
Accounts payable	717	96	-	813
Financial liabilities	88	115	100	303
Current tax liabilities	-	-	-	-
Total Financial Liabilities	123,177	211	100	123,488

Amount is considered less than one month as it is based on the earliest period when a beneficiary may claim their benefit.

Year ended 30 June 2019	Less than one month \$'m	One to twelve months \$'m	Over one year \$'m	Total \$'m
Liability Defined contribution member liabilities¹	95,158	-	-	95,158
Liability Defined benefit member liabilities¹	1,066	-	-	1,066
Benefits payable	76	-	-	76
Accounts payable	1,236	9	-	1,245
Financial liabilities	1,027	155	1,908	3,090
Current tax liabilities	-	-	-	-
Total Financial Liabilities	98,563	164	1,908	100,635

5. Financial Risk Management continued

Capital risk management

The Operating Risk Financial Requirement Reserve has been established in accordance with SPS 114 Operational Risk Financial Requirement - refer Statement of Changes in Equity/reserves. The purpose of this operational risk reserve is to provide funding for incidents where material losses may arise from operational risk (as opposed to investment risk) relating to the Fund. The level of reserve is determined by the Trustee based on an assessment of the risks faced by the Fund.

6. Property, Plant, Equipment

The following tables sets out the wholly owned Service entities of the Fund:

Entity name	Right-of-use Buildings & Offices \$'m	Right-of-use IT Services \$'m	Other assets \$'m	Total \$'m
Balance 30 June 2019	23	1	16	40
Additions	25	-	3	28
Depreciation & impairment	(10)	-	(7)	(17)
Balance 30 June 2020	38	1	12	51

7. Accounts Payable

	2020 \$'m	2019 \$'m
Accounts Payable at reporting date comprises:		
Lease liabilities	39	-
Other payables	774	1,245
Total Accounts payable	813	1,245

8. Changes in Fair Value of Investments

	2020	2019
	\$'m	\$'m
Investments held at reporting date:		
Cash	(35)	(14)
Discounted securities	32	-
Fixed interest	81	489
Equities	678	1,015
Unit trusts	(176)	1,087
Derivatives	1,143	309
Total unrealised changes in fair value	1,723	2,886
Investments realised during the reporting period:		
Cash	(140)	10
Discounted securities	40	71
Fixed interest	122	118
Equities	(789)	699
Unit trusts	(152)	(63)
Derivatives	(2,444)	(929)
Total realised changes in fair value	(3,363)	(94)
Total changes in fair value of Investments	(1,640)	2,792

9. Administration Expenses

	2020	2019
	\$'m	\$'m
Administration expenses at reporting date comprises:		
Depreciation – right-of-use assets	(14)	-
Interest expense – lease liability	(1)	-
Other Administration expenses	(262)	(154)
Total Administration expenses	(277)	(154)

10. Insurance arrangements

The Fund provides death and disability benefits to its members. The Trustee has a group policy in place with third-party insurance companies to insure these death and disability benefits for the members of the Fund.

The Fund collects premiums from members on behalf of the insurers. Insurance claim amounts are recognised where the insurer has agreed to pay the claim. Therefore, insurance premiums are not revenues or expenses of the Fund and do not give rise to insurance contract liabilities or reinsurance assets. Insurance premiums charged to members accounts are recognised in the statement of changes in members benefits.

The Trustee determined that the Fund is not exposed to material insurance risk because:

- members (or their beneficiaries) will only receive insurance benefits if the external insurer pays the claim;
- insurance premiums are only paid through the Fund for administrative reasons, and
- insurance premiums are effectively set directly by reference to premiums set by an external insurer

11. Defined contribution member liabilities

Defined contribution members bear the investment risk relating to the underlying assets and unit prices used to measure defined contribution member liabilities. Unit prices are updated on daily basis for movements in investment markets. The Fund's management of the investment market risks is as disclosed within note 5.

Defined contribution members' liabilities are fully vested as at 30 June 2020 and 30 June 2019.

12. Defined benefit member liabilities

The Fund engages qualified actuaries annually to measure defined benefit member liabilities. The Fund has no information that would lead it to adjust the factors or assumptions used by the actuary for discount rate, salary adjustment rate, resignations and mortality.

The Trustee manages liquidity risk by having sufficient liquid funds to meet member pension payments and redemptions within the time frames established by the Trustee and communicated to members.

The summary financial position of the Health Super DB Fund, a sub-fund of the Aware Super, is per the table below:

Accrued Benefits	2020	2019
	\$'m	\$'m
Net assets available to pay Defined benefits as at 30 June	1,117	1,157
Accrued benefits – Defined benefits as at 30 June	1,076	1,066
Defined benefits surplus	41	91

Vested Benefits	2020	2019
	\$'m	\$'m
Net assets available to pay Defined benefits as at 30 June	1,117	1,157
Vested benefits – Defined benefits as at 30 June	1,076	1,071
Defined benefits surplus	41	86
Vested Benefits Index at 30 June	103.8%	108.0%

12. Defined benefit member liabilities (continued)

As at 30 June 2020, the net assets of the Defined Benefit Fund (the "DB Fund") exceed the vested benefits; the DB Fund is therefore in a satisfactory financial position as at the reporting date.

Mercer Consulting (Australia) Pty Ltd is the Independent Actuary for the DB Fund. The Independent Actuary has reviewed and considered the rate of contributions for active defined benefit members and expects the DB Fund to maintain a satisfactory financial position over the next three years. The employers are contributing at the amount recommended by the actuary.

13. Income Tax

Income tax recognised in profit or loss	2020 \$'m	2019 \$'m
Tax expense comprises:		
Current tax expense	137	153
Under provision in prior year	(120)	(35)
Deferred tax asset / (liability) relating to the origination and reversal of temporary differences	471	(278)
Total tax benefit / (expense)	488	(160)

The prime facie income tax expense on pre-tax changes in net assets reconciles to the income tax expense in the financial statements as follows:

(a) Income Tax Expense Reconciliation	2020 \$'m	2019 \$'m
Operating result before income tax	712	5,540
Income tax expense calculated at 15% (2019: 15%)	(107)	(831)
Non-assessable investment income	711	711
Non-deductible expenses	(66)	(44)
Exempt pension income	70	39
Under provision in prior year	(120)	(35)
Total tax benefit/(expense)	488	(160)

The tax rate used in the above reconciliation is the superannuation tax rate of 15% payable by Australian superannuation funds on taxable profits under Australian taxation law.

(b) Current Tax Liabilities	2020 \$'m	2019 \$'m
Current tax liabilities are attributable to the following		
Current tax payable – income tax payable	-	-

13. Income Tax continued

(c) Deferred tax balances Recognised deferred tax assets and liabilities	2018	Charged to income	Transferred in	2019	Charged to income	Transferred in	2020
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Deferred tax assets and liabilities are attributable to the following:							
Deferred tax assets							
Unrealised capital losses	161	41		202	203		405
Unrealised forward foreign exchange and other losses	31	(26)		5	1		6
Administration expenses accrued but not incurred	8	-		8	-		8
Realised capital losses	-	-		-	-		-
Accrued franking credits	30	(8)		22	(11)		11
Total Deferred Tax Assets	230	7		237	193		430
Deferred tax liabilities							
Unrealised capital gains	1,422	239	23	1,684	(395)	268	1,557
Unrealised forward foreign exchange gains	31	49	-	80	121	(5)	196
Accrued income	15	(3)	-	12	(4)	29	37
Total Deferred Tax Liabilities	1,468	285	23	1,776	(278)	292	1,790

14. Leases (Fund as lessee)

The Fund leases several assets including buildings, carparks, IT equipment, motor vehicles. Leases relating to IT equipment and motor vehicles are of low value or short term.

The total cash outflow for lease amount for the financial year ended 30 June 2020 was \$5.83 million.

Commitments in relation to non-cancellable leases contracted for at balance date but not provided for in the financial statements (excluding GST).

Lease liabilities maturity analysis	2020	2019
	\$'m	\$'m
Payable not later than one year	10	7
Payable later than one year but not later than five years	67	60
Payable later than five years	66	100
	143	167

The Fund has no liquidity risk with regard to its lease liabilities.

15. Commitments for Expenditure

The Fund has capital commitments in relation to property, private equity and infrastructure investment activities. Commitments contracted for at the reporting date but not recognised as liabilities are as follows:

Capital Expenditure Commitments	2020	2019
	\$'m	\$'m
Investment commitments		
Property, private equity and infrastructure	5,709	4,192

16. Contingent Liabilities

The Fund has contingent liabilities under subscription agreements with controlled entities as follows:

Contingent Liabilities	2020	2019
	\$'m	\$'m
Property, private equity and infrastructure	2,587	2,176

The agreements are only activated in the event a controlled entity is unable to repay its borrowings and allows the controlled entity to compel the Fund to subscribe for sufficient equity to repay its borrowings.

17. Notes to the Cash Flow Statement

Reconciliation of net inflows from operating activities to operating result after income tax.

	2020	2019
	\$'m	\$'m
Operating result after income tax	1,200	5,380
Changes in fair value of investments	1,640	(2,792)
Decrease/(increase) in receivables	29	(1)
Decrease/ (increase) Increase in plant and equipment	(20)	-
Decrease/(increase) in deferred tax asset	(192)	(7)
Increase/ (decrease) in accounts payable	(346)	18
Increase/(decrease) in provision for deferred tax	(278)	285
Increase/(decrease) in provision for tax	102	(757)
Net inflows of cash from operating activities	2,135	2,727

18. Related Parties

The Trustee of the Aware Super is Aware Super Pty Ltd (ABN 11 118 202 672).

Key Management Personnel

The following were key management personnel of the Fund. No Executive is a Director of the Trustee.

Non-Executive Directors of the Trustee	
Mr N Cochrane	Independent Director & Chairman of the Board
Mr G Bunney	Employer representative, Leading Age Services Australia
Ms P Carew	Member representative, Australian Nursing and Midwifery Federation (VIC branch)
Ms S Carter	Employer representative ¹ (resigned 1 July 2020)
Mr J Dixon	Member representative, Unions NSW (appointed 21 February 2020)
Ms J Furlan	Employer representative ¹
Mr R Harty	Member representative, Unions NSW (resigned 1 July 2020)
Dr R Kelly	Member representative, Health Services Union
Mr P Moffitt	Employer representative ¹ (appointed 14 April 2020)
Mr M Morey	Member representative, Unions NSW
Ms R Ramwell	Employer representative ¹
Ms N Steer	Member representative, Unions NSW
Mr T Symondson	Employer representative, Victorian Healthcare Association
Mr R Kelly	Employer representative ¹ (resigned 1 March 2020)
Mr B Lipscombe	Member representative, Unions NSW (resigned 20 February 2020)
	¹ Jointly appointed by the Secretary, NSW Department of Premier and Cabinet and the Secretary of the Treasury, NSW.

Executives	
Ms D Stewart	Chief Executive Officer
Mr G Arnott	Deputy Chief Executive Officer (appointed 2 September 2019, resigned 31 July 2020)
Ms J Brennan	Chief Operating Officer
Mr P Chun	Group Executive, Member Growth (appointed 6 January 2020)
Ms J Couchman	Chief Risk Officer (appointed 18 May 2020)
Mr R Elliott	Group Executive, Finance Strategy & Transformation
Ms S Forman	Group Executive, Advice (appointed 21 October 2019)
Mr D Graham	Chief Investment Officer
Mr S Hill	Group Executive, People and Workplace Environment
Ms D Mika	Chief of Staff & Group Executive Victoria
Mr I Pendleton	Group Executive, Legal & Company Secretary
Ms S Holden	Group Executive, Member Growth (acting) (resigned 1 November 2019)
Ms S Thurman	Group Executive, Risk & Compliance (resigned 13 December 2019)

18. Related Parties continued

The key management personnel compensation in relation to services to the Fund is as follows:

KMP Compensation	2020	2019
	\$	\$
Short term employee benefits, non-executive Directors' and Executives' salaries	7,554,306	6,096,864
Post-employment benefits, superannuation contributions made on behalf of non-executive Directors and Executives	324,259	219,421
Other long-term employee benefits, long service leave expenses for Executives	679,447	441,437
Total Compensation	8,558,012	6,757,722

Total compensation for the financial year ended 30 June 2020 has increased as compared to the prior financial year reflecting the increase in the number of key management personnel following the operational integration and consolidation as a service entity of Aware Super Financial Services Australia Limited into Aware Super effective from 1 July 2019.

The fees or salaries provided to Directors include superannuation fund contributions and fees received for acting as a Director or a member of a committee.

The membership terms and conditions for those Directors and Executives who are members of the Fund are the same as those available to other members of the Fund.

Where any of the Trustee's Directors are Directors, Consultants or Executive Officers of, or otherwise related to, an entity with which the Fund transacts, those transactions are conducted on an arms-length basis, under normal commercial terms and conditions. The Trustee regularly updates its Conflicts Registers and ensures any conflicting interest is appropriately managed by, for example, the conflicted Director declaring their interest to the meeting, the Director being requested not to participate in the discussion, or the Director absenting himself or herself from the discussion.

The Trustee is reimbursed by the Fund, on a cost recovery basis, for the remuneration paid to Directors. Details of transactions between the Fund and its Trustee are set out below:

Aware Super Pty Ltd	2020	2019
	\$'000	\$'000
Reimbursement to the Trustee for the remuneration paid to Directors	1,679	1,959
Amounts owed to the Trustee	(44)	(55)

Details of transactions between the Fund and its controlled entities are set out below:

First State Super Financial Services Pty Ltd	2020	2019
	\$'000	\$'000
Recovery of the cost of resources used in the provision of advice	-	1,794
Provision of general and limited advice to members	-	17
Amounts received by the Fund for GST payable	-	111

Amounts paid by the Fund for GST receivable - (4)

Member financial planning services are provided on an arm's-length basis.

18. Related Parties continued

Aware Super Financial Services Australia Limited *	2020	2019
	\$'000	\$'000
Recovery of costs	N/A	8,476

The Fund is reimbursed by Aware Financial Services Australia Limited* for the cost of services provided to that entity.

Details of amounts owed by/to related entities at balance date are set out below:

	2020	2019
	\$'000	\$'000
Owed by:		
Aware Financial Services Australia Limited	n/a *	1,557
Owed to:		
First State Super Financial Services Pty Ltd	-	(2)
Aware Financial Services Australia Limited	n/a*	(3,143)

The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or prior periods for bad or doubtful debts owed by related parties.

n/a* - From 1 July 2019 AwareSuper Financial Services Australia Limited was reclassified as a Service entity and therefore consolidated into the Fund. Consequently, transactions eliminate on consolidation and are no longer disclosed as transactions with related parties for financial year end 30 June 2020.

19. Controlled Entities

The Fund is an investment entity so does not consolidate these controlled entities which are carried at fair value. The exception are Service subsidiaries¹ which are consolidated.

Name	Country of incorporation	Equity holding		Commitments for expenditure	
		2020 %	2019 %	2020 \$'m	2019 \$'m
ACN 084 162 489 (HSPL)	Australia	100	-	-	-
Altis Real Estate Trust	Australia	100	100	-	-
ALTRAC Light Rail Holdings 2 Pty Ltd	Australia	100	100	-	-
Blackbird FSS Co-investment Trust	Australia	100	100	-	-
Darby Servtec Energia LP	United States of America	100	100	74	198
First State Super Financial Services Pty Ltd ¹	Australia	100	100	-	-
FSS Agriculture 1 Pty Limited	Australia	100	100	-	-
FSS BAC Airports 1 Pty Ltd	Australia	100	100	-	-
FSS Darling Square Trust	Australia	100	100	-	-
FSS Emerging Market Equity Trust	Australia	100	100	-	-
FSS Energy Credit Trust	Australia	100	100	-	273
FSS “Go Australia” Impact Investment Trust	Australia	100	99	170	170
FSS Infrastructure Trust	Australia	100	100	-	-
Aware Super Legal Pty Limited ¹	Australia	100	100	-	-
FSS Multi Family Residential Trust	Australia	100	100	-	399
FSS NSW Almond Orchards Trust	Australia	100	100	-	22
FSS Private Equity Trust	Australia	100	100	-	325
First State Super FT Real Estate Trust	Australia	100	100	-	-
FSS Real Estate Trust	Australia	100	100	-	88
FSS Retirement Villages Trust	Australia	100	100	-	-

19. Controlled Entities continued

The Fund is an investment entity so does not consolidate these controlled entities which are carried at fair value. The exception are Service subsidiaries¹ which are consolidated.

Name	Country of incorporation	Equity holding		Commitments for expenditure	
		2020 %	2019 %	2020 \$'m	2019 \$'m
FSS Product Services Trust * ¹	Australia	100	100	-	-
First State Super Holdings Pty Limited ¹	Australia	100	100	-	-
FSS Trustee Services Pty Limited ¹	Australia	100	100	-	-
FSS Two Melbourne Quarter Trust	Australia	100	100	-	224
FSS SA Almond Orchards Trust	Australia	100	100	-	21
FSS Vic Almond Orchards Trust	Australia	100	100	-	5
FSSSP Financial Services Pty Limited ** ¹	Australia	100	100	-	-
GO NSW VCLP	Australia	67	67	-	86
Lend Lease Public Infrastructure Investment Company Pty Ltd	Australia	100	90	-	-
Oak Tree Debt Trust	Australia	100	100	-	117
Potentia FSS CoInvestment Trust	Australia	100	-	-	-
Quadrant First State Super Trust	Australia	100	100	-	-
VicSuper Pty Limited ¹	Australia	100	-	-	-
VicSuper EcoSystem Services Pty Ltd ¹	Australia	100	-	-	-
VicSuper Future Farming Landscapes Trust	Australia	100	-	-	-
VicSuper Future Farming Landscapes Land Holdings Trust	Australia	100	-	-	-
VicSuper International Private Equity Trust	Australia	100	-	-	-
VicSuper QGIF Trust	Australia	100	-	-	-

* Parent entity of Aware Financial Services Australia Limited

** Effective from 1 July 2019, FSSSP Financial Services Pty Limited was classified as a service subsidiary and therefore consolidated into the fund as part of Investment in Service Subsidiary on the Balance Sheet.

20. Remuneration of External Auditors

External Auditors' Remuneration	2020 \$	2019 \$
External audit report in relation to Financial Statements and Compliance		
Aware Super Pty Ltd	11,000	21,642
Aware Super	542,190	498,285
	553,190	519,927
Other services		
Digital transformation and delivery consulting services	558,605	2,977,632
Risk consulting services	42,851	52,085
Information technology consulting services	167,020	16,979
Investment custody and operations consulting services	-	65,463
Remuneration review	-	7,574
Tax consulting services	33,000	-
	1,354,665	3,119,733

Unless otherwise noted, audit services for the years ended 30 June 2020 and 30 June 2019 were provided by Deloitte Touche Tohmatsu.

Deloitte Touche Tohmatsu has confirmed that it is compliant with its independence requirements in respect of both the quantum and nature of the fees for Other services.

21. Subsequent Events

For the period from 1 July 2020 to 23 September 2020, the Fund has continued to monitor the ongoing disruption from COVID-19 on the economies in which fund invests in (including the disruption experienced in Victoria) and the corresponding impact on asset valuations. No material changes to asset valuations have been identified through this period.

Apart from the matters noted above, no significant events have occurred since the end of the reporting period which would impact on the net assets of the Fund as at 30 June 2020 or the Statement of Changes in Net Assets of the Fund for the year ended on that date.

End of audited financial report