



# FSS TRUSTEE CORPORATION

ABN 11 118 202 672  
Financial Report  
For the year ended 30 June 2019

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# Independent Auditor's Report



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## Independent Auditor's Report to the Board of Directors of FSS Trustee Corporation

### Opinion

We have audited the financial report of FSS Trustee Corporation (the "Company") which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Regime and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our 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 Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's directors' report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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## Independent Auditor's Report

# Deloitte

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### *Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the 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 this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 report or, if such disclosures are inadequate, to modify our 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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 identify during our audit.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

*JGorton*

Joanne Gorton  
Partner  
Chartered Accountants  
Sydney, 25 September 2019

## Auditor's Independence Declaration

# Deloitte.

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25 September 2019

FSS Trustee Corporation  
Level 21  
83 Clarence Street  
Sydney NSW 2000

Dear Board Members,

### **FSS Trustee Corporation**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of FSS Trustee Corporation.

As lead audit partner for the audit of the financial statements of FSS Trustee Corporation for the financial year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

*Deloitte Touche Tohmatsu*

**DELOITTE TOUCHE TOHMATSU**

*JGorton*

Joanne Gorton  
Partner  
Chartered Accountants  
Sydney, 25 September 2019

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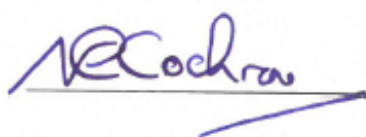
## Directors' Declaration

The Directors declare that:

- a) In the Directors' opinion, there are reasonable grounds to believe that the FSS Trustee Corporation will be able to pay its debts as and when they become due and payable;
- b) In the Directors' opinion, the attached financial statements and notes thereto are in compliance with International Financial Reporting Standards, as stated in Note 2 to the financial statements; and
- c) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and give a true and fair view of the financial position and performance of the FSS Trustee Corporation.

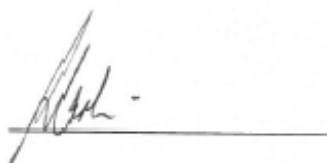
Signed in accordance with a resolution of the Directors made pursuant to Section 295(5) of the Corporations Act 2001.

On behalf of the Directors



*Director*

*FSS Trustee Corporation*



*Director*

*FSS Trustee Corporation*

Signed at 15 William Street, Melbourne this 25th day of September 2019.

## Directors' Report

The Directors of FSS Trustee Corporation (the "Trustee") submit herewith the annual report of the Trustee for the financial year ended 30 June 2019. To comply with the Corporations Act 2001, the Directors report as follows:

### Directors

The Directors of the Trustee at any time during or since the end of the financial year were:

Mr N Cochrane

Mr G Bunney

Ms P Carew

Ms S Carter

Ms J Furlan

Mr R Harty

Dr R Kelly

Mr R Kelly

Mr B Lipscombe

Mr M Morey (appointed 22 May 2019)

Ms R Ramwell (appointed 6 May 2019)

Ms N Steer

Mr T Symondson

Mr M Lennon (resigned 31 January 2019)

Ms P Smith (resigned 9 April 2019)

### Principal Activities

The principal activity of the Trustee is the provision of trustee services for the First State Superannuation Scheme (the "Fund").

### Review of Operations

The operating profit after deducting income tax expense for the year was \$- (2018: \$Nil)

### Changes in State of Affairs

There was no significant change in the state of affairs of the Trustee during the financial year.

### Subsequent Events

Since the end of the financial year, the Directors are not aware of any matter or circumstance that has or may significantly affect the operations of the Trustee, the results of those operations or the state of affairs of the Trustee in financial years subsequent to 30 June 2019.

## Directors' Report (continued)

### Directors' Meetings

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each Director (whilst they were a Director or committee member).

Directors	Board of Directors		Audit and Compliance Committee		Risk Committee		Investment Committee		Member Services, Marketing and Business Development Committee		Remuneration and Human Resources Committee		Disputes Committee		Nominations Committee		Claims Review Committee <sup>1</sup>		Direct Assets Committee <sup>1</sup>		Direct Assets sub-committee <sup>1</sup>	
	H*	A	H*	A	H*	A	H*	A	H*	A	H*	A	H*	A	H*	A	H*	A	H*	A	H*	A
N Cochrane	9	9	-	-	-	-	7	6	-	-	-	-	-	-	9	8	-	-	-	-	-	-
G Bunney	9	9	4	4	4	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
S Carter <sup>2</sup>	9	7	4	4	4	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
P Carew	9	8	-	-	-	-	-	-	4	4	-	-	3	1	-	-	-	-	-	-	-	-
J Furlan	9	9	-	-	4	4	7	7	-	-	-	-	3	3	9	9	-	-	1	1	-	-
R Harty	9	9	4	4	-	-	-	-	-	-	5	5	3	3	-	-	-	-	-	-	-	-
R Kelly	9	9	-	-	4	4	7	6	-	-	-	-	-	-	-	-	-	-	2	2	3	3
Dr R Kelly	9	9	-	-	-	-	7	7	-	-	5	5	3	3	9	8	-	-	2	2	3	3
M Lennon <sup>3</sup>	4	4	-	-	-	-	3	3	-	-	-	-	-	-	-	-	-	-	1	1	-	-
B Lipscombe	9	9	4	4	4	4	-	-	4	4	-	-	-	-	-	-	4	4	-	-	-	-
P Smith <sup>4</sup>	6	6	3	3	-	-	-	-	3	3	-	-	3	3	5	5	2	2	-	-	-	-
N Steer	9	6	-	-	-	-	-	-	4	4	5	5	-	-	9	7	-	-	-	-	-	-
T Symondson	9	8	-	-	-	-	-	-	4	3	4	4	-	-	-	-	-	-	-	-	-	-
R Ramwell	2	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
M Morey	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

H\*: Number of meetings held during the time the Director held office or was a member of the committee during the year. This table does not include attendance at Board meetings of any controlled entities.

A: Number of meetings attended.

1. The Claims Review Committee, the Direct Assets Committee and the Direct Assets Sub-Committee are not Board committees but are included here for completeness.
2. Did not attend the 1 May 2019 board meeting in order to manage a conflict arising from her role as a Director of State Super Financial Services Australia Limited
3. Resigned 31 January 2019
4. Resigned 9 April 2019



## Directors' Report (continued)

### Directors' Benefits

Since 1 July 2018, no Director of the Trustee has received or become entitled to receive a benefit by reason of a commercial contract made by the Trustee or a related corporation with the Director or with a firm of which the Director is a member, or with an entity in which the Director has a substantial financial interest.

### Indemnification of Directors and Officers

During the financial year, the Fund paid a premium in respect of a contract insuring the Directors of the Trustee, the company secretary and all executives of the Trustee and of any related body corporate against a liability incurred as a Director, secretary or executive to the extent permitted by the Corporations Law. The contract of insurance prohibits the disclosure of the nature of the liability and the amount of the premium.

The Trustee has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer of the Trustee or of any related body corporate against a liability incurred as an officer.

### Dividends

The Trustee's Constitution provides that no profit or dividends can be distributed to the members, either during the ordinary course of business or on a winding up or other dissolution of the Company.

### Future Developments

The disclosure of information regarding likely developments in the operations of the Trustee in future financial years and the expected results of those operations, because of their commercial sensitivity, could result in unreasonable prejudice to the Trustee. Accordingly, this information has not been disclosed in this report.

### Auditor's Independence Declaration

The Auditor's Independence Declaration is included on page 3 of the annual report.

The Directors' report is signed in accordance with a resolution of the Directors made pursuant to Section 298(2) of the Corporations Act 2001.

On behalf of the Directors



*Director*

*FSS Trustee Corporation*



*Director*

*FSS Trustee Corporation*

Signed at 15 William Street, Melbourne this 25th day of September 2019.

## Statement of Financial Position as at 30 June 2019

	Note	2019 \$	2018 \$
<b>Current Assets</b>			
Cash and cash equivalents		13	13
Receivables	4	54,514	63,730
<b>Total assets</b>		<b>54,527</b>	<b>63,743</b>
<b>Current liabilities</b>			
Accounts Payable		54,514	63,730
<b>Total liabilities</b>		<b>54,514</b>	<b>63,730</b>
<b>Net assets</b>		<b>13</b>	<b>13</b>
<b>Equity</b>			
Issued capital		13	13
<b>Total Equity</b>		<b>13</b>	<b>13</b>

## Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue from continuing operations	3	1,958,623	2,218,411
Expenses		(1,958,623)	(2,218,411)
Profit/(loss) before income tax expense		-	-
Income tax expense		-	-
Net profit/(loss)		-	-
Other comprehensive income		-	-
<b>Total comprehensive income</b>		-	-

## Statement of Cash Flows for the year ended 30 June 2019

Note	2019 \$ Inflows/ (Outflows)	2018 \$ Inflows/ (Outflows)
<b>Cash flows from Operating Activities</b>		
Cash receipts in the course of operations	2,163,702	2,440,096
Cash payments in the course of operations	(2,163,702)	(2,440,096)
<b>Net cash from Operating Activities</b>	-	-
<b>Cash flows from Investing Activities</b>		
	-	-
<b>Cash flows from Financing Activities</b>		
Proceeds from issue of preference shares	2	-
Redemption of preference shares	(2)	-
<b>Net cash from Financing Activities</b>	-	-
<b>Net increase in cash and cash equivalents</b>	-	-
Cash and cash equivalents at the beginning of the financial year	13	13
Cash and cash equivalents at the end of the financial year	13	13

## Statement of Changes in Equity for the year ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Issued Capital</b>			
Opening balance at 1 July		13	13
Total comprehensive income for the period		-	-
Issue of preference shares		2	-
Redemption of preference shares		(2)	-
Closing balance at 30 June	7	<u>13</u>	<u>13</u>

## Notes to the Financial Statements

### 1. Operations of the Company

FSS Trustee Corporation (ABN 11 118 202 672) (the “Trustee”) is the trustee of the First State Superannuation Scheme (ABN 53 226 460 365) (the “Fund”). The Fund is both a defined contribution and a defined benefit superannuation fund. Originally established as a defined contribution fund under the *First State Superannuation Act 1992(NSW)*, and as constituted by the Trust Deed dated 19 February 1999 (as amended), the Fund also provides defined benefits following its merger with Health Super Fund on 30 June 2011. The Fund provides superannuation benefits (including income streams), and insurance benefits (where applicable) to members and their dependants or beneficiaries.

On 1 May 2006, the Fund became a regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993.

On 18 April 2013, the Trustee was authorised to offer a MySuper product with effect from 1 July 2013.

The Trustee holds all assets of the Fund in trust and is liable for all liabilities of the Fund. The Trustee is entitled to indemnity from the assets of the Fund. The Fund is a reporting entity for accounting and taxation purposes.

The principal place of business of the Fund is:

Level 21, 83 Clarence Street  
Sydney, NSW, 2000

### 2. Basis of Preparation and Significant Accounting Policies

#### Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures the financial statements and notes of the Trustee comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the Directors on 25 September 2019. For the purposes of preparing the financial statements, the Trustee is a ‘for profit’ entity.

#### Basis of Preparation

The financial statements have been prepared on a historical cost basis. Historical cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise indicated.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

## 2. Basis of Preparation and Significant Accounting Policies (continued)

### Cash and Cash Equivalents

Cash includes cash on hand and 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.

### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when the Trustee invoices the Fund for reimbursement of the remuneration paid/payable to the Directors.

### Receivables

Receivables are recorded at amounts due less any allowance for doubtful debts.

### 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 net market value.

### 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 the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the Statement of Financial Position.

### Use of Judgments and Estimates

In the application of Accounting Standards, management is required to make judgments, estimates and assumptions about carrying values of assets and 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 judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustment in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

### Accounting Standards and Interpretations Issued, but not yet effective

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

### 3. Revenue

	2019	2018
	\$	\$
Reimbursement from the Fund for:		
Remuneration and reimbursements paid to Directors	1,864,369	2,114,054
Payroll tax on Directors' remuneration	94,254	104,357
<b>Total Revenue</b>	<b>1,958,623</b>	<b>2,218,411</b>

### 4. Receivables

	2019	2018
	\$	\$
Amount due from the Fund	54,514	63,730
	<b>54,514</b>	<b>63,730</b>

### 5. Remuneration of External Auditors

Amounts paid or payable for external audit services in relation to the Trustee that have been paid by the Fund:

	2019	2018
	\$	\$
Deloitte Touche Tohmatsu - FSS Trustee Corporation Financial Report	21,642	22,281

### 6. Contingent Liabilities

The Trustee had no contingent liabilities at 30 June 2019. (2018: \$Nil).



## 7. Issued Capital

Under the terms of the Constitution of the Trustee, thirteen (2018: thirteen) \$1.00 Redeemable Preference Shares issued are to members of the Trustee.

Only Directors of the Trustee are eligible to become a member and hold a share. The terms of issue of the Redeemable Preference Shares do not permit the distribution of dividends and they are not transferable. On redemption of the shares, the only right held by the member is the repayment of the \$1.00 issue price.

Issued Capital	2019	2018
	\$	\$
Opening balance at 1 July	13	13
Preference shares issued in the year	2	-
Preference shares redeemed in the year	(2)	-
<b>Closing balance at 30 June</b>	<b>13</b>	<b>13</b>
Number of Directors in office at 30 June	13	13

## 8. Related Parties

The FSS Trustee Corporation is the Trustee of the First State Superannuation Scheme (the "Fund").

The Trustee is reimbursed by the Fund, on a cost recovery basis, for the remuneration paid to Directors. Details of the amount of reimbursement paid by the Fund during the year are disclosed in Note 3 and the amount owed by the Fund at balance date is disclosed in Note 4.

## 8. Related Parties (continued)

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

Non-Executive Directors	
Mr N Cochrane	Independent Director
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 <sup>1</sup>
Ms J Furlan	Employer representative <sup>1</sup>
Mr R Harty	Member representative, Unions NSW
Dr R Kelly	Member representative, Health Services Union
Mr R Kelly	Employer representative <sup>1</sup>
Mr B Lipscombe	Member representative, Unions NSW
Mr M Morey	Member representative, Unions NSW (appointed 22 May 2019)
Ms R Ramwell	Employer representative <sup>1</sup> (appointed 6 May 2019)
Ms N Steer	Member representative, Unions NSW
Mr T Symondson	Employer representative, Victorian Healthcare Association
Mr M Lennon	Member representative, Unions NSW (resigned 31 January 2019)
Ms P Smith	Employer representative <sup>1</sup> (resigned 9 April 2019)
	<sup>1</sup> 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 (appointed 1 December 2018)
Ms J Brennan	Chief Operating Officer (appointed 8 April 2019)
Mr R Elliott	Group Executive, Finance, Strategy & Transformation
Mr D Graham	Chief Investment Officer
Ms S Holden	Group Executive, Member Growth (Acting) (appointed 4 April 2019)
Ms S Thurman	Group Executive, Risk and Compliance
Mr M Dwyer	Chief Executive Officer retired (30 November 2018)
Mr G McAliece	Chief Operating Officer retired (8 April 2019)

## 8. Related Parties (continued)

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

KMP Compensation	2019 \$	2018 \$
Short term employee benefits, non-executive Directors' and Executives' salaries	6,096,864	4,832,199
Post-employment benefits, superannuation contributions made on behalf of non-executive Directors and Executives	219,421	247,781
Other long-term employee benefits, long service leave expenses for Executives	441,437	484,762
<b>Total Compensation</b>	<b>6,757,722</b>	<b>5,564,742</b>

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. Committee memberships are set out on page 6.

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 Executives 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.

## 9. Registrable Superannuation Entity Status - Guarantees and Warranties

On 1 May 2006, the Trustee was granted Registrable Superannuation Entity (RSE) Licence status regulated by the Australian Prudential Regulation Authority (APRA), to act as Trustee of the Fund which is a Public Offer Superannuation Fund.

The Trustee's RSE Licence requires it to have the following arrangements in place:

- a) An independent Custodian holding the assets of the Fund; and
- b) That the Custodian have at least \$5 million in net tangible assets.

Administration of the Fund during the year was conducted by Mercer Administration Services (Australia) Pty Limited.

From 1 November 2016, State Street Australia Limited was the Fund's custodian for investments and related cash. Mercer Administration Services (Australia) Pty Limited is the custodian for the Fund's operational bank accounts.

The Trustee has received undertakings from the custodian that it will maintain at all times during their appointment as custodian with the Trustee, either net tangible assets of at least \$5 million or be entitled to a benefit under an approved guarantee for \$5 million.

The undertakings are necessary as the Trustee does not have net tangible assets of at least \$5 million.

## 10. Trustee and Right of Indemnification

The Trustee holds all assets of the Fund in trust and is liable for all liabilities of the Fund. The Trustee is entitled to be indemnified from the assets of the Fund to satisfy these liabilities.

The assets and liabilities of the First State Superannuation Scheme as at 30 June 2019 are as follows:

Fund Assets & Liabilities	2019 \$'m	2018 \$'m
<b>Assets</b>		
Financial assets	101,312	73,932
Other assets	1,588	1,041
Deferred tax assets	237	230
	103,137	75,203
<b>Less Liabilities:</b>		
Payables	1,321	409
Financial liabilities	3,090	1,774
Current tax liabilities	-	81
Deferred tax liabilities	1,776	1,468
Member liabilities	96,224	71,038
	102,411	74,770
<b>Net assets</b>	726	433

## 11. Events Subsequent to Reporting Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the Trustee, the results of those operations or the state of affairs of the Trustee in future years.

End of Audited Financial Statements