

Tasplan Superannuation Fund

Financial Statements

1 April 2021

Tasplan Superannuation Fund

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Tasplan Superannuation Fund
Statement of financial position
As at 1 April 2021

	Note	1 April 2021 \$	30 June 2020 \$
Assets			
Cash and cash equivalents			
Cash at bank	10(b)	-	122,671,325
Receivables			
Contributions receivable		-	10,000
Interest income receivable		-	18,139
GST receivable		-	815,568
Sundry debtors		-	450,427
Investments			
Australian equities	3	-	1,976,928,811
International equities	3	-	2,420,249,330
Other interest bearing securities	3	-	2,946,396,528
Other investments	3	-	1,300,097,705
Property	3	-	1,141,509,786
Other assets			
Fixed assets		-	3,287,417
Intangible assets		-	82,118
Lease assets	2(t)	-	11,629,726
Other assets		-	680,632
Prepayments		-	904,599
Tax assets			
Deferred tax assets	9(c)	-	1,845,244
Total assets		<u>-</u>	<u>9,927,577,355</u>
Liabilities			
Payables			
Benefits payable		-	5,370,990
Accounts payable		-	1,116,776
Group life premiums payable		-	2,072,956
Contributions suspense		-	33,412
Investment expenses payable		-	4,629,215
Sundry creditors		-	88,536
Provision for employee benefits		-	4,359,277
Lease liabilities	2(t)	-	13,206,956
Tax liabilities			
Superannuation contribution surcharge		-	10,689
Income tax payable		-	19,985,081
Deferred tax liability	9(c)	-	84,678,526
Total liabilities (excluding member benefits)		<u>-</u>	<u>135,552,414</u>
Net assets available for member benefits		<u>-</u>	<u>9,792,024,941</u>
Member benefits			
Defined contribution member liabilities	4(a)	-	9,539,309,384
Defined benefit member liabilities	4(b)	-	113,307,235
Total member liabilities		<u>-</u>	<u>9,652,616,619</u>
Total net assets		<u>-</u>	<u>139,408,322</u>
Equity			
Defined benefits that are over funded	4(b)	-	12,329,657
Operational risk financial requirements reserve	6	-	26,762,288
Administration reserve	6	-	30,952,221
Strategic development reserve	6	-	10,659,982
Unallocated reserve	6	-	58,704,174
Total equity		<u>-</u>	<u>139,408,322</u>

The statement of financial position should be read in conjunction with the accompanying notes on pages 7 to 30.

Tasplan Superannuation Fund
Income statement
For the period ended 1 April 2021

	Note	1 April 2021 \$	30 June 2020 \$
Superannuation activities			
Revenue			
Interest		15,488,260	29,266,480
Distributions		193,303,477	239,026,546
Other investment income		3,123,455	4,154,385
Net foreign exchange gains/(losses)	7	137,972,537	(51,380,169)
Changes in fair value of investments	7	831,708,493	(123,166,896)
Other Income		2,265,126	1,279,875
Total revenue		<u>1,183,861,348</u>	<u>99,180,221</u>
Expenses			
Investment manager fees		28,791,131	42,000,441
Auditors' remuneration	8	184,191	346,362
Operating expenses		28,743,594	30,991,321
Total expenses		<u>57,718,916</u>	<u>73,338,124</u>
Transfer of reserves			
Successor fund transfer of reserves		124,010,013	-
Net result from superannuation activities		<u>1,002,132,419</u>	<u>25,842,097</u>
Profit/(loss) from operating activities		1,002,132,419	25,842,097
Net benefits allocated to defined contribution members' accounts		(1,045,194,308)	(67,034,463)
Net change in defined benefit member liabilities		-	(10,145,041)
Profit/(loss) before income tax		<u>(43,061,889)</u>	<u>(51,337,407)</u>
Income tax expense/(benefit)	9(b)	96,346,434	(29,019,768)
Profit/(loss) after income tax		<u>(139,408,323)</u>	<u>(22,317,639)</u>

The income statement should be read in conjunction with the accompanying notes on pages 7 to 30.

Tasplan Superannuation Fund
Statement of changes in member benefits
For the period ended 1 April 2021

	Note	Defined contribution \$	Defined benefit \$	Total \$
For the period ended 1 April 2021				
Opening balance of member benefits		9,539,309,384	113,307,235	9,652,616,619
Contributions:				
Employer		362,220,648	2,474,864	364,695,512
Member		69,845,723	509,395	70,355,118
Transfers from other superannuation funds		144,205,627	116,184	144,321,811
Government co-contributions		1,030,919	-	1,030,919
Income tax on contributions		(59,456,657)	(555,570)	(60,012,227)
Net after tax contributions		<u>517,846,260</u>	<u>2,544,873</u>	<u>520,391,133</u>
Benefit payments		(515,767,340)	(160,277)	(515,927,617)
Transfers from defined benefit to defined contribution		13,420,330	(13,420,330)	-
Insurance premiums charged to member's accounts		(22,815,396)	(195,911)	(23,011,307)
Tax benefit on insurance premiums charged to member's accounts		3,423,082	650	3,423,732
Proceeds from group life policies		12,131,618	125,736	12,257,354
Benefits allocated to members' accounts, comprising:				
Net investment income		1,064,036,207	-	1,064,036,207
Administration fees		(18,841,899)	-	(18,841,899)
Net change in defined benefit member accrued benefits		-	-	-
Successor fund transfer of member benefits		(10,592,742,246)	(102,201,976)	(10,694,944,222)
Closing balance of member benefits		<u>-</u>	<u>-</u>	<u>-</u>
For the year ended 30 June 2020				
Opening balance of member benefits		9,337,733,118	118,207,158	9,455,940,276
Contributions:				
Employer		493,286,210	3,825,166	497,111,376
Member		130,581,628	790,526	131,372,154
Transfers from other superannuation funds		282,998,651	143,396	283,142,047
Government co-contributions		1,192,617	-	1,192,617
Income tax on contributions		(81,712,409)	(841,198)	(82,553,607)
Net after tax contributions		<u>826,346,697</u>	<u>3,917,890</u>	<u>830,264,587</u>
Benefit payments		(712,759,805)	264,386	(712,495,419)
Transfers from defined benefit to defined contribution		19,332,505	(19,332,505)	-
Insurance premiums charged to member's accounts		(26,812,117)	(202,904)	(27,015,021)
Tax benefit on insurance premiums charged to member's accounts		4,024,414	2	4,024,416
Proceeds from group life policies		24,410,109	308,167	24,718,276
Benefits allocated to members' accounts, comprising:				
Net investment income		91,379,833	-	91,379,833
Administration fees		(24,345,370)	-	(24,345,370)
Net change in defined benefit member accrued benefits		-	10,145,041	10,145,041
Closing balance of member benefits		<u>9,539,309,384</u>	<u>113,307,235</u>	<u>9,652,616,619</u>

This statement of changes in member benefits should be read in conjunction with the accompanying notes on pages 7 to 30.

Tasplan Superannuation Fund
Statement of changes in reserves
For the period ended 1 April 2021

	Operation risk reserve \$	Administration reserve \$	Strategic reserve \$	Unallocated surplus/ (deficiency) \$	DB over or (under) funded \$	Total equity \$
Opening balance as at 1 July 2019	22,977,455	40,244,032	873,387	75,320,728	22,310,359	161,725,961
Net transfers (to)/from DC member accounts	-	-	-	(67,034,463)	-	(67,034,463)
Net transfers (to)/from DB member accounts	-	-	-	(10,145,041)	-	(10,145,041)
Operating result	3,784,833	(9,291,811)	9,786,595	60,562,950	(9,980,702)	54,861,865
Closing balance as at 30 June 2020	26,762,288	30,952,221	10,659,982	58,704,174	12,329,657	139,408,322
Opening balance as at 1 July 2020	26,762,288	30,952,221	10,659,982	58,704,174	12,329,657	139,408,322
Net transfers (to)/from DC member accounts	-	-	-	(1,045,194,308)	-	(1,045,194,308)
Net transfers (to)/from DB member accounts	-	-	-	-	-	-
Operating result	28,726	(99,488)	(10,659,970)	1,052,856,387	(12,329,657)	1,029,795,999
Successor fund transfer of reserves	(26,791,014)	(30,852,733)	(12)	(66,366,253)	-	(124,010,013)
Closing balance as at 1 April 2021	-	-	-	-	-	-

This statement of changes in reserves should be read in conjunction with the accompanying notes on pages 7 to 30.

Tasplan Superannuation Fund
Statement of cash flows
For the period ended 1 April 2021

	Note	1 April 2021 \$	30 June 2020 \$
Cash flows from operating activities			
Interest received		191,031	971,072
Proceeds from group life policies received		12,265,898	24,046,718
Other revenue received		1,988,588	473,125
Direct investment expenses paid		(20,373,375)	(28,578,930)
Group life insurance premiums paid		(18,667,231)	(23,853,935)
Other general administration expenses paid		(24,303,154)	(29,840,435)
Income tax paid		(7,102,335)	51,361,360
Net cash outflows from operating activities	10(a)	<u>(56,000,578)</u>	<u>(5,421,025)</u>
Cash flows from investment activities			
Sales of units in Australian equities		945,795	369,819
Sales of units in international equities		1,554,808	1,262,951,912
Sales of units in other investments		80,106,230	294,199,354
Sales of units in other interest bearing securities		1,044,517,755	875,775,158
Sales of units in property		37,794,303	64,921,048
Income from other assets		24,770	-
Purchase of fixed assets		(779,171)	(761,904)
Proceeds on disposal of fixed assets		659	157,943
Purchases of units in Australian equities		(82,000,000)	(2,100,033)
Purchases of units in international equities		(80,300,868)	(914,026,453)
Purchases of units in other investments		(224,762)	(93,794,001)
Purchases of units in other interest bearing securities		(959,304,736)	(1,368,477,576)
Purchases of units in property		(109,061,220)	(236,868,663)
Net cash flows used in investing activities		<u>(66,726,437)</u>	<u>(117,653,396)</u>
Cash flows from financing activities			
Employer contributions		365,197,085	497,021,818
Member contributions		70,355,118	131,372,154
Transfers from other superannuation funds		144,321,811	283,142,047
Government co-contributions		1,030,919	1,192,617
Benefits paid to members		(520,837,016)	(712,120,754)
Income tax paid on contributions received		(60,012,227)	(82,553,607)
Net cash inflows from financing activities		<u>55,690</u>	<u>118,054,275</u>
Net (decrease)/increase in cash and cash equivalents		(122,671,325)	(5,020,146)
Cash at the beginning of the financial year		122,671,325	127,691,471
Cash at the end of the financial year	10(b)	<u><u>-</u></u>	<u><u>122,671,325</u></u>

This statement of cash flows should be read in conjunction with the accompanying notes on pages 7 to 30.

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

1. Operation of the fund

The Tasplan Superannuation Fund is a superannuation fund domiciled in Australia. Under the terms of the Fund's declaration of trust, Tasplan Pty Ltd (A.B.N. 13 009 563 062) is appointed trustee. The members' accounts are credited or debited each year with contributions and their proportionate share of the net investment income, expenses and income tax expense of the Fund.

The Fund is a hybrid fund with defined benefits, accumulation, and account based pension sections. The defined benefit sections are closed to new entrants. All other new entrants join the accumulation or account based pension sections.

In accordance with the amendments to the Superannuation Industry (Superannuation) Act 1993 the Fund was registered with the Australian Prudential Regulation Authority on 19 August 1987 and was granted a RSE licence on 5 January 2006 (Licence Number L0000680).

On 1 April 2021, Tasplan Superannuation Fund and MTAA Super merged, as a result all of the Fund's assets and liabilities were successor fund transferred out to MTAA Super and recorded as a transfer out on the income statement and statement of changes in member benefits effective 1 April 2021. The combined fund, Spirit Super (formally MTAA Super), will be able to provide greater efficiencies, improved products and services, increased capability, and better value to members.

The following reconciles the balance in the successor fund transferred out items as at 1 April 2021.

	\$
Successor fund transfer - income statement	124,010,013
Successor fund transfer - statement of changes in member benefits	<u>10,694,944,222</u>
	<u>10,818,954,235</u>
Statement of financial position balances as at 31/03/2021	
Cash	64,974,563
Investments	10,953,777,074.00
Other assets	23,292,714.00
Liabilities	<u>(223,090,116)</u>
	<u>10,818,954,235</u>

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements are general purpose statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Superannuation Industry (Supervision) Act 1993 and regulations and the provisions of the Trust Deed.

The financial statements are presented in Australian dollars (which is the functional currency of the Fund).

The financial statements were authorised for issue by the Board of the Trustee on 21 June 2021.

The financial statements are not prepared on a going concern basis as all of the Fund's assets and liabilities were successor fund transferred out to Spirit Super (see Note 1 above) and the Fund was closed on 1 April 2021 and is in the process of deregistration. In preparing the financial statements on an alternate basis, the Directors of the Fund have continued to apply the requirements of Australian Accounting Standards taking into account that the Fund will not continue as a going concern past 1 April 2021. As at 1 April 2021 all assets have been successor fund transferred to Spirit Super (formally MTAA Superannuation Fund).

(b) New accounting standards and interpretations

New accounting standards and interpretations have been published that are not mandatory for the 1 April 2021 reporting period and have not been early adopted by the Fund. These standards are not expected to have a material impact on the Fund.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The judgements, estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable in the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities where not available from independent sources. The key estimates and assumptions that have a significant risk of causing a material adjustment to the values of assets and liabilities are:

Valuation of accrued benefits which have been actuarially determined for the defined benefit plans - the key assumptions are set out in Note 4.

Valuation of Financial assets and financial liabilities - the key assumptions are set out in Note 2(d).

2. Summary of significant accounting policies (continued)

(c) Significant accounting judgements, estimates and assumptions (continued)

Entities that meet the definition of an investment entity within AASB 10 *Consolidated Financial Statements* are required to measure their subsidiaries at fair value through profit and loss rather than consolidate them. The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Fund's product disclosure statement details its objective of providing services to members which includes investing in equities, fixed income securities and private equity for the purposes of returns in the form of investment income and capital appreciation.

The Fund reports to its members via an annual report, and to its management, via internal management reports, on a fair value basis. All investments are reported at fair value to the extent allowed by AASB 1056 in the Fund's annual report.

The Trustee has also concluded that the Fund meets the additional characteristics of an investment entity, in that it has more than one investment; the investments are predominantly in the form of equities and similar securities; it has more than one investor and its investors are not related parties.

The Trustee has therefore concluded that the Fund meets the definition of an investment entity. These conclusions will be reassessed on an annual basis, if any of these criteria or characteristics change.

(d) Financial assets and liabilities

Financial assets and financial liabilities at fair value in the profit and loss are initially recorded in the statement of financial position at fair value. All transaction costs are recognised directly in the income statement.

Loans and receivables and financial liabilities (other than those classified at fair value through the profit or loss) are measured initially at their fair value plus any directly attributable incremental costs of acquisition of issue.

For financial assets and liabilities where the fair value at initial recognition does not equal the transaction price, the Fund recognises the difference in the income statement, unless specified otherwise.

After initial measurement, the Fund measures investments and derivatives at fair value through the profit or loss. Subsequent changes in fair value of those investments are recorded as 'changes in fair value of investments' through the income statement.

Purchases and sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognised on the trade date i.e. the date that the Fund commits to purchase the asset. From this date, any gains and losses arising from changes in the fair value are recorded.

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Fund transfers substantially all the risks and rewards of ownership of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

(e) Fair value measurement

Fair value is the price that would be received to sell the asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the assets or liability, assuming that market participants act in their economic best interest.

2. Summary of significant accounting policies (continued)

(e) Fair value measurement (continued)

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value has been determined as follows: in the case of shares in listed companies, unit trusts and government and other fixed interest securities, by reference to relevant middle-market quotations; in the case of real estate properties, and fixtures and fittings, on the basis of independent valuations and in the case of mortgage loans, by reference to the outstanding principal of the loans. Unlisted securities in infrastructure investments are stated at the Trustee's valuation based on the advice of the Fund's investment manager and external valuers at the balance date. Private equity investments are based on the basis of bid prices as determined by the managers of the trusts at the balance date or based on the advice of the Fund's external valuers at balance date. The unit prices are based on the valuations of the underlying securities and the fund managers of unlisted assets typically appoint an independent valuer to value the underlying assets at least annually.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. Refer to Note 15.

(f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Changes in fair values

Changes in the fair value of investments and derivatives are calculated as the difference between the fair value at sale, or at balance date, and the fair value at the previous valuation point. All changes are recognised in the income statement.

Group life recoveries

Group life recoveries are recognised when control of the asset has been attained and are recorded, gross of any tax.

Interest

Revenue is recognised as interest accrues using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Distributions and dividends

Revenue is recognised when the right to receive payment is established, which is the date the investments are quoted. Ex-distributions, if not received at the reporting date, are reflected in the income statement as part of the change in fair value of investments.

(g) Income tax

The Fund is a complying superannuation fund within the provisions of the Income Tax Assessment Act. Accordingly, the concessional tax rate of 15% has been applied.

Income tax in the income statement for the year comprises current and deferred tax.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all the temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

2. Summary of significant accounting policies (continued)

(g) Income tax (continued)

Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(h) Goods and services tax (GST)

Revenues, expenses and assets, with the exception of receivables and payables, are recognised net of the amount of GST to the extent that the GST is recoverable from the taxation authority. Where GST is not recoverable, it is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from the taxation authority is included as part of receivables in the statement of financial position.

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

(i) Foreign currency

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in a previous financial report, are recognised in the income statement in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(j) Benefits payable

Benefits payable are valued at net market value which comprises the entitlements of members who ceased employment prior to the year end but had not been paid at that time. Benefits payable are settled within 30 days.

(k) Receivables and other payables

Receivables are carried at nominal amounts due which approximate net market value. Receivables are normally settled within 30 days. An allowance for uncollectible amounts is only made where there is objective evidence that the debt will not be collected.

Other payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Fund and are carried at nominal amounts which approximate net market value. Payables are normally settled on 30 day term.

(l) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(m) No-TFN contributions tax

Where a member does not provide their tax file number to the Fund, the Fund may be required to pay a no-TFN contributions tax at a rate of 34% which is in addition to the concessional tax rate of 15% which applies to the Fund's taxable income.

2. Summary of significant accounting policies (continued)

(m) No-TFN contributions tax (continued)

The no-TFN contributions tax liability recognised by the Fund will be charged to the relevant members' accounts. Where a tax offset is obtained by the Fund in relation to members' no-TFN contributions tax, the tax offset will be included in the relevant members' accounts.

(n) Excess contributions tax

The Australian Taxation Office may issue release authorities to members of Tasplan Super relating to the relevant member's excess contributions tax that is payable in respect of the member's concessional and/or non-concessional contributions for a particular year. Where a member receives an excess contributions tax release authority, the member:

- May give the release authority relating to the member's concessional contributions to a fund for payment; and
- Must give the release authority relating to the member's non-concessional contributions to a fund for payment.

The liability for the excess contribution tax will be recognised when the relevant release authorities are received from the members, as the Trustee considers this is when it can be reliably measured. The excess contributions tax liability recognised by the Fund will be charged to the relevant members' accounts.

(o) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses. Fixed assets are depreciated using either straight line or diminishing value methods over their effective lives. The low value pool rules are used to depreciate assets costing less than \$1,000. Assets costing less than \$100 are expensed in the year of purchase. Depreciation methods, useful lives and residual values are re-assessed at each reporting date.

Major depreciation periods are:

Office Fit-out	3 - 11 years
Office Equipment	3 - 10 years
Office Furniture	4 - 10 years

(p) Intangible assets

Software and development expenditure is capitalised only if development costs can be measured reliably and the Fund intends to have sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of consultants and labour that are directly attributable to preparing the asset for its intended use. Capitalised development expenditure is measured at fair value which is deemed to be cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the income statement on a straight line basis over the estimated useful lives of intangible assets, from the date they are available for use. The estimated useful lives for the current period for intangible assets is 2.5 – 5 years.

(q) Treatment of merger related costs

Merger-related expenses relate to costs incurred solely to facilitate the merger between the Fund and MTAA Super. These costs are one-off in nature and not expected to occur once the merger is complete. Merger-related costs are recorded as expenses in the Income Statement in the period in which the costs are incurred and services are rendered, unless these costs relate to the purchase of capital items. Where such costs are incurred, these are capitalised in the Statement of Financial Position as fixed assets. The costs incurred during the year only reflect the Fund's relevant share of such costs.

(r) Comparative figures

Previous year's figures have been reworked, regrouped and reclassified wherever necessary, to conform to current year's classification and presentation. Due to the wind up of Tasplan Superannuation Fund as at 1 April 2021 the comparatives reported are the full financial year (1 July 2019 to 30 June 2020), compared to this years reporting balances being 1 July 2020 to 1 April 2021.

(s) Reserves

The Trustee maintains an operational risk reserve, an administration reserve, a strategic development reserve and an unallocated reserve to provide the Trustee with access to funds to protect members' interests and mitigate the impact of an adverse event. These reserves are operated in accordance with the Fund's reserving policies and are held at Fund level.

(t) Leases

The Fund (when the lessee) has recognised a lease liability and right-of-use asset for all leases previously classified as operating leases, these are presented on the Statement of Financial Position. The lease liabilities are measured at the present value of the remaining lease payments. The Fund's incremental borrowing rate (2.2%) was used to discount the lease payments.

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

2. Summary of significant accounting policies (continued)

(t) Leases (continued)

The lease assets were measured at their carrying amount as if AASB 16 *Leases* has been applied since the commencement date, but discounted using the Fund's weighted average incremental borrowing rate (2.2%).

The following practical expedients have been used by the Fund in applying AASB 16 for the first time:

- For a portfolio of leases that have reasonably similar characteristics, a single discount rate has been applied;
- Leases that have remaining lease term of less than 12 months as at 1 July have been accounted for in the same way as short term leases; and
- The use of hindsight to determine lease terms on contracts that have options to extend or terminate.

Lease payments included in the measurement of the lease liability are as follows:

- Fixed lease payments less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; and
- Lease payments under extension options if the lessee is reasonably certain to exercise the options.

The right of use lease assets are depreciated over the lease term and presented via operating expenses on the Income Statement. The lease liability is measured by a reduction to the carrying amount of any payments made and an increase to reflect any interest on the lease liability. The interest is presented via operating expenses on the Income Statement. The actual cash flow lease payments adjusted out of the income statement in accordance with AASB 16 *Leases* is \$1,060,995 (2020: \$1,371,167).

3. Investments and derivatives

The investments and derivatives of the Fund (including cash and short term deposits) are managed on behalf of the Trustee by selected investment managers. The Custodian holding the shares and fixed interest securities is National Nominees Ltd.

	1 April 2021	30 June 2020
	\$	\$
Australian equities comprise:		
Balanced Equity Management		
Celeste Australian Small Companies		
Eight IP Small Companies		
IFM Australian Core Equities		
Pendal Australian Sustainable Share Fund		
Schroder Australian Equities Fund Trust		
State Street Global Management Australian Equities Transition		
Tasfoods Ltd		
Wavestone Australian Equity		
	<u>-</u>	<u>1,976,928,811</u>
International equities comprise:		
Baillie Gifford Long Term Global Growth		
CFS Generation WS Global Share Fund		
Hexavest Global Equity Fund		
Independent Franchise Partners		
International Equities Hedged Transition		
International Equity Unhedged Transition		
Investec Emerging Market Equities		
Magellan Global Sustainable Equities		
MFS Global Equity Trust Unhedged		
Ninety One Emerging Markets Equities		
Ninety One Global		
Pzena		
Robeco Low Volatility		
Schroder Global Core Plus		
T Rowe Price Emerging Markets Equity Fund		
Wasatch Small Capital Growth		
	<u>-</u>	<u>2,420,249,330</u>

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

3. Investments and derivatives (continued)	1 April 2021	30 June 2020
	\$	\$
Other interest bearing comprise:		
AXA Global Fixed Income		
Blackrock Wholesale Indexed Australian Bonds		
Brandywine Global Fixed Interest		
Direct Term		
Henderson Cash Institutional		
Kapstream Global Bonds		
Metrics Credit Partners Senior		
Pental Fixed Interest Fund		
Pimco Global Bonds		
QTIM Mortgages		
Shenkman 4 Point Multi-Strategy		
The Super Loans Trust		
Vanguard International Fixed Interest		
Wellington Emerging Local Debt Unhedged		
	<u>-</u>	<u>2,946,396,528</u>
Other investments comprise:		
AMP Australian Diversified Infrastructure Trust		
AMP Responsible Investment Leaders		
Antin Infrastructure Equity Fund		
AQR Delta Fund		
Avenue Europe III		
BlackRock Style Advantage Fund		
Elementum Zephyrus CAT Bonds		
GAM Absolute Return Bonds Defensive		
GSA Trend Fund		
Harbourvest FOF No 9 Buyout		
Harbourvest FOF No 9 Venture		
Harbourvest HIPEP 6		
ICG Europe Fund VI		
IFM Australian Infrastructure		
IFM Global Infrastructure Fund		
IFM International Private Equity		
Industry Super Holding Pty Ltd		
Insight Diversified Inflation Plus		
Lexington Capital Partners VIII		
Lexington Secondaries International Equities 7		
Mesirow Absolute Return		
Mesirow Alternate Debt		
Mesirow International Equity		
ROC AIT IV Portfolio		
Tasmanian Gateway Holdings		
Transition Account		
Utilities Trust of Australia		
Winton Global Alpha Fund		
	<u>-</u>	<u>1,300,097,705</u>
Property investments comprise:		
AMP Diversified Property Fund		
AMP Hedged Global Direct Property Fund		
AMP Select Property Portfolio II		
AMP Select Property Portfolio III		
Charter Hall Prime Industry Fund		
Direct Property		
EG Funds Management - High Income Sustainable Office Trust		
Goodman Australian Industrial		
Investa Commercial Property Fund		
Lend Lease Australian Prime Property Fund - Commercial		
Lend Lease Australian Prime Property Fund - Retail		
Lend Lease Community		
Mesirow Listed Property		
Resolution Capital		
Stepstone TS Opportunities Fund L.P.		
Tasmanian Growth & Development Fund		
Tasmanian Growth & Development Fund 2		
	<u>-</u>	<u>1,141,509,786</u>
Total investments and derivative assets	<u>-</u>	<u>9,785,182,160</u>

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

3. Investments and derivatives (continued)

1 April 2021 **30 June 2020**
\$ **\$**

Amounts expected to be realised within the 12 months and after 12 months have been estimated based on past experience and current expectations.

Expected to be realised within 12 months	-	179,483,295
Expected to be realised after 12 months	-	9,605,698,865
	<u>-</u>	<u>9,785,182,160</u>

4. Member liabilities

(a) Defined contribution member liabilities

Defined contribution member account balances are determined by unit prices that are based on the underlying investment movements.

Defined contribution members bear the investment risk relating to the underlying assets and unit prices are used to measure the member liabilities. Unit prices are updated daily.

(b) Defined benefit member liabilities

Defined benefit member liabilities are measured as the amount of a portfolio of investments that would be needed as at the reporting date to yield future net cash inflows that would be sufficient to meet accrued benefits as at the date when they are expected to fall due. The amount of accrued benefits has been determined on the basis of the present value of the expected future payments which arise from membership of the Fund up to the measurement date. The figure reported has been determined by reference to the expected future salary levels and by application of a market-based, risk-adjusted discount rate and relevant actuarial assumptions. The valuation of the defined benefit member liabilities is performed by the Fund's appointed Actuary on an annual basis for each of its defined benefit sub funds. The Fund has three sub funds being Quadrant Defined Benefits Fund, Hobart City Council Defined Benefits Fund and Launceston City Council Defined Benefits Fund.

The actuarial value of the defined benefit member liability reflects an actuarial assessment of benefits accrued up to the date of calculation and payable to members on resignation, retirement, death and disablement. This assessment may result in an employer being required to make additional contributions to the sub fund. Each sub fund is quarantined from the others and the other assets of the Fund. In the event that the assets of a particular sub fund is not adequate to meet the member's liabilities and that there are insufficient employer contributions, the defined benefit member liabilities are limited to the assets of the particular sub fund.

The main assumptions used to determine the values of the accrued benefits for each of the Fund's sub funds were:

Future rate of investment return of investments forecasted for each defined benefit sub fund as follows:

- Quadrant Defined Benefits Fund 3.75% per annum (30 June 2020: 3.75%)
- Hobart City Council Defined Benefits Fund 4.75% per annum (30 June 2020: 4.75%)
- Launceston City Council Defined Benefits Fund 4.75% per annum (30 June 2020: 4.75%)

- Future rate of salary increase forecasted at 2.75% per annum (30 June 2020: 2.75%)

The Fund's Actuary considers the following movements in the main assumptions used to determine the values of the accrued benefits are reasonably possible for the 2020-21 reporting period:

- Future rate of investment return +/- 1% (30 June 2020: +/- 1%)
- Future rate of salary increase +/- 1% (30 June 2020: +/- 1%)

The amount of the vested benefits attributable to defined benefit members as at 1 April 2021 is nil (30 June 2020: \$142,521,237). All defined member liabilities were transferred to Spirit Super (formally MTAA Super) as part of the successor fund transfer, as a result the liability balances for 1 April 2021 are nil (30 June 2020 data has been reported for comparative requirements). The total defined benefit net asset balance transferred as part of the successor fund transfer was \$163,591,599.

The impact of the reasonably possible changes in these key assumptions are shown below:

Reasonable possible change in key assumptions

- Increase/ (decrease) in future rate of investment return +/- 1% and no change in future rate of salary increase
- Increase/ (decrease) in future rate of salary increase by +/- 1% and no change in future rate of investment returns
- Increase/ (decrease) in future rate of investment return +/- 1% and increase/ (decrease) in future rate of salary increase by +/- 1%

**Increase/(decrease) in
DB member liabilities
\$'000**

1 April 2021:	nil
30 June 2020:	143,863 / (147,065)
1 April 2021:	nil
30 June 2020:	147,076 / (143,823)
1 April 2021:	nil
30 June 2020:	290,939 / (290,888)

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

4. Member liabilities (continued)

(b) Defined benefit member liabilities (continued)

The following table may provide some assistance in summarising the financial condition of the sub-funds:

1 April 2021						
Sub-funds	Effective date of last actuarial review (valuation date)	Actuarial value of accrued benefits for defined benefit members at valuation date	Actuarial value of accrued benefits for defined contribution members at valuation date	Vested benefits for defined benefit members at valuation date	Net assets for defined benefit member at valuation date	Over funded
Quadrant	30/06/2020	-	-	-	-	-
Hobart City Council	30/06/2020	-	-	-	-	-
Launceston City Council	30/06/2020	-	-	-	-	-
Total		-	-	-	-	-

*In the Actuary's opinion all the sub funds at valuation date were in a satisfactory financial condition

30 June 2020						
Sub-funds	Effective date of last actuarial review (valuation date)	Actuarial value of accrued benefits for defined benefit members at valuation date	Actuarial value of accrued benefits for defined contribution members at valuation date	Vested benefits for defined benefit members at valuation date	Net assets for defined benefit member at valuation date	Over funded
Quadrant	30/06/2020	37,329,757	6,748,387	43,410,540	51,939,007	7,860,863
Hobart City Council	30/06/2020	37,094,922	3,635,232	38,507,514	42,781,188	2,051,034
Launceston City Council	30/06/2020	38,882,557	21,720,626	60,603,183	63,020,943	2,417,760
Total		113,307,236	32,104,245	142,521,237	157,741,138	12,329,657

*In the Actuary's opinion all the sub funds at valuation date were in a satisfactory financial condition

5. Funding arrangements

Employers provided contributions with respect of defined contribution members at a rate of 9.5% (2020: 9.5%) of the gross salaries of the employees. Members contributions were made in accordance with the requirements of the Trust Deed pursuant to applications contained in the product disclosure statements and supplements on issue by the Trustee during the year.

The funding policy adopted in respect of the Fund is directed at ensuring that benefits accruing to members and beneficiaries are fully funded as the benefits fall due. As such, in framing employer contribution rates for the defined benefit funds, the Actuary has considered long-term trends in such factors as Fund membership, salary growth and average market value of Fund assets.

The employers contributing to the defined benefit funds contribute at the rates recommended by the Actuary. The contribution rates are:

Categories	% of salary
Quadrant Defined Benefits Fund	
Employer contributions	0*
Member contributions	6.0
Hobart City Council Defined Benefits Fund	
Employer contributions	6.0-9.5**
Member contributions	6.0
Launceston City Council Defined Benefits Fund	
Employer contributions	11.0-14.5***
Member contributions	6.0

*Quadrant Defined Benefits Fund on the Actuary's recommendation went on a contribution holiday from 1 July 2018 to 30 June 2021.

**Hobart City Council's contribution rate is 9.5%. TasWater's contribution rate is 6.0%.

***Launceston City Council's contribution rate is 11.0%. TasWater's contribution rate is 14.5%.

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

6. Reserves

Operational risk financial requirements reserve (ORFR reserve)

The ORFR reserve is operated in accordance with an operational risk financial requirement reserve policy. The ORFR provides funds to address losses arising from operational risks that may affect Tasplan's business operations. The ORFR is the target amount of financial resources that Tasplan determines is necessary to respond to these losses. Tasplan has determined that the target amount for this reserve should be 0.25% of the total asset value of the Fund, with a tolerance range of +/- 0.10%.

Unallocated reserve

This reserve holds the unallocated investment revenue and net amount from the fund operations for the current and prior financial years that is yet to be allocated to members accounts or another reserve. Investment earnings are allocated to members accounts via the unit pricing process as soon as the valuation information is available. However due to the time lag in receiving certain valuations, there will always be a timing difference between the valuations used for allocation to member accounts and that reflected in the financial statements. The difference is the investment earnings not yet allocated and can be positive or negative.

Strategic development reserve

The strategic development reserve is designed to fund initiatives to ensure that Tasplan is able to continually develop in line with the needs of members. These reserves are managed in accordance with the Tasplan Reserving Policy and are separately identifiable from member accounts, provisions and the other reserves. There is no minimum or target level requirement for this reserve.

Administration reserve

This reserve provides funds to pay for the operating expenses required to manage and meet unforeseen contingencies of a complying industry fund that has an employer sponsor, public offer and pension divisions. This reserve includes the balance that is required to be maintained under the RSE licence plus accumulation of annual surpluses. The target range for this reserve is 0.30% to 0.75% of Tasplan's net assets. The final balance of this reserve is set by the Trustee having regard for prevailing market conditions, any identified fund manager issues, other reserve balances held and statutory requirements.

	2021 \$	2020 \$
Reserves		
- Operational Risk Financial Requirements Reserve (ORFR Reserve)		
Balance at beginning of year	26,762,288	22,977,455
Amount transferred (to)/from Unallocated Reserve	(28)	3,600,000
Investment earnings	28,754	184,833
Successor fund transfer	(26,791,014)	-
Balance at end of year	<u>-</u>	<u>26,762,288</u>
- Unallocated Reserve		
The amount not yet allocated comprises:		
Balance at beginning of year	58,704,174	75,320,728
Amount transferred from Strategic Reserve	10,670,781	1,797,058
Fees allocated to members	18,841,899	24,345,370
General and income tax expenses	(123,226,233)	(580,691)
Net investment earnings	1,152,587,468	54,965,881
Amounts allocated to members	(1,051,315,038)	(91,544,172)
Amount transferred from/(to) ORFR Reserve	28	(3,600,000)
Amount transferred from/(to) Administration Reserve	103,174	(2,000,000)
Successor fund transfer	(66,366,253)	-
Balance at end of year	<u>-</u>	<u>58,704,174</u>
- Administration Reserve		
Balance at beginning of year	30,952,221	40,244,032
Amount transferred (to)/from Unallocated Reserve	(103,174)	2,000,000
Investment earnings	3,686	281,189
Amount transferred to Strategic Reserve	-	(11,573,000)
Successor fund transfer	(30,852,733)	-
Balance at end of year	<u>-</u>	<u>30,952,221</u>
- Strategic Reserve		
Balance at beginning of year	10,659,982	873,387
Amount transferred from Administration Reserve	-	11,573,000
Investment earnings	10,811	10,653
Amount transferred to Unallocated Reserve	(10,670,781)	(1,797,058)
Successor fund transfer	(12)	-
Balance at end of year	<u>-</u>	<u>10,659,982</u>
Total Reserves	<u>-</u>	<u>127,078,665</u>

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

7. Changes in fair value of investments and derivatives

	2021	2020
	\$	\$
Investments and Derivatives held at balance date:		
Australian Equities	326,772,326	(163,310,244)
International Equities	375,829,238	80,179,231
Other Investments	51,181,294	(35,459,758)
Other Interest Bearing Securities	(97,609,389)	29,931,596
Property	41,589,787	(32,526,460)
	<u>697,763,256</u>	<u>(121,185,635)</u>
Investments realised during the year:		
Australian Equities	72,587,268	(52,035,133)
International Equities	(54,629,927)	60,729,576
Other Investments	59,519,562	24,583,148
Other Interest Bearing Securities	42,540,429	(10,404,046)
Property	13,927,905	(24,854,806)
	<u>133,945,237</u>	<u>(1,981,261)</u>
Foreign Exchange Gains/(Losses)	137,972,537	(51,380,169)
	<u>969,681,030</u>	<u>(174,547,065)</u>

8. Auditors remuneration

Amounts received or due and receivable:

External

Audit of the financial statements of the entity and other regulatory audit services - WLF Accounting & Advisory

108,000 127,262

108,000 127,262

Internal

Various audit services - KPMG

76,191 175,838

Audit of investments - Ernst & Young

- 43,262

76,191 219,100

184,191 346,362

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

9. Income tax	1 April 2021	30 June 2020
	\$	\$
Major components of income tax expense for the years ended 1 April 2021 and 30 June 2020 are:		
(a) Recognised in the income statement		
<i>Current income tax</i>		
Current income tax charge	23,234,461	7,953,450
Adjustments in respect of current income tax of previous years	1,969,793	1,267,042
<i>Deferred income tax</i>		
Relating to origination and reversal of temporary differences	73,096,044	(38,017,506)
Adjustments in respect of current income tax of previous years	(1,953,864)	(222,754)
Income tax (benefit)/expense reported in income statement	<u>96,346,434</u>	<u>(29,019,768)</u>
(b) A reconciliation between income tax expense and the accounting profit before income tax multiplied by the applicable tax rate is as follows:		
Benefits accrued before income tax	1,002,132,419	25,842,097
At the complying superannuation fund tax rate of 15%	150,319,863	3,876,315
Adjustments in respect of current income tax of previous years	15,929	1,044,288
Non-assessable investment income	3,586,373	(5,007,770)
Realised and unrealised gains/losses per CGT	(68,495,275)	3,973,079
Net imputation and other credits	(18,069,015)	(26,762,568)
Successor fund transfer	18,601,431	-
Other	10,387,128	(6,143,112)
Income tax expense	<u>96,346,434</u>	<u>(29,019,768)</u>
Income tax expense reported in income statement	<u>96,346,434</u>	<u>(29,019,768)</u>
(c) Deferred tax assets and liabilities		
Deferred income tax at 30 June relates to the following:		
<i>Deferred tax liabilities</i>		
Investment income receivable	-	6,042,473
Unrealised gains in investments subject to CGT	-	78,636,053
Gross deferred income tax liabilities	<u>-</u>	<u>84,678,526</u>
<i>Deferred tax assets</i>		
Employee entitlements	-	653,892
Accrued group life payable	-	310,943
Accrued audit fees payable	-	10,055
Depreciation	-	35,932
Member concessional contributions	-	522,140
Blackhole expenses	-	312,282
	<u>-</u>	<u>1,845,244</u>
(d) Recognised in the statement of changes in member benefits		
Contributions and transfers in recognised in the statement of changes in member benefits	580,403,360	912,818,194
At the complying superannuation fund tax rate of 15%	87,060,504	136,922,729
Non assessable contributions	(27,038,599)	(54,366,875)
No-TFN contributions tax	(9,678)	(2,247)
Total	<u>60,012,227</u>	<u>82,553,607</u>

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

10. Statement of cash flows

a) Reconciliation of cash flows from operating activities

	1 April 2021	30 June 2020
	\$	\$
Benefits accrued after income tax	(139,408,323)	(22,317,639)
Cash flows in operating profit attributable to non operating activities		
Distributions	(193,303,477)	(239,026,546)
Investment interest income	(15,312,726)	(28,302,748)
Other investment income	(3,123,455)	(4,154,385)
Changes in net market values	(969,681,030)	174,547,065
Proceeds on disposal of fixed assets	(658)	(157,943)
Investment expenses	10,129,253	13,654,137
Successor fund transfer	331,086,353	-
Non cash flows in operating profit		
Depreciation of fixed assets	683,665	1,321,856
Disposal of fixed assets	724	51,799
Changes in provision for employee benefits	(4,359,277)	781,216
Changes in operating assets and liabilities		
Decrease in Accrued Interest	18,139	7,340
Decrease/(Increase) in GST receivable	815,568	(441,531)
Decrease/(Increase) in Sundry Debtors	450,427	(390,130)
Decrease/(Increase) in Lease Assets	11,629,726	(11,629,726)
Decrease in Group Life Insurance Premiums Payable	(2,072,956)	(863,329)
Decrease in Operating Expenses Payable	(11,917,093)	(670,469)
Decrease in Sundry Creditors	(88,536)	(21,483)
(Decrease)/Increase in Lease Liabilities	(13,206,956)	11,846,907
Decrease in Direct Investment Expenses Payable	(4,629,215)	(232,625)
Decrease in Group Life Claims Payable	(461,372)	(671,558)
Decrease/(Increase) in Deferred Tax Assets	1,845,244	(185,897)
(Decrease)/Increase in Income Tax Payable	(8,280,165)	60,581,851
Decrease in Deferred Tax Liability	(84,678,526)	(38,054,362)
Allocation to member's accounts	1,045,194,308	77,179,504
Proceeds from group life policies received	12,257,354	24,718,276
Group life insurance premiums paid	(19,587,574)	(22,990,605)
Net cash flows from operating activities	<u>(56,000,578)</u>	<u>(5,421,025)</u>

b) Cash and cash equivalents

Cash at bank - Commonwealth Bank account	-	82,515,535
Investment transaction deposit account	-	1,948,372
ANZ interest bearing account	-	-
National Australia Bank interest bearing account	-	38,207,418
Closing cash balance	<u>-</u>	<u>122,671,325</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Cash and short term deposits are made for varying periods of between one day and one month depending on the immediate cash requirements of the Fund, and earn interest at the respective short term deposit rates.

c) Non cash investing activities

During the year, distributions of \$193,303,477 (30 June 2020: \$239,026,546) were received which were reinvested by way of acquiring units in unit trusts on normal commercial terms and conditions.

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

11. Related parties

(a) Trustee and key management personnel

The Trustee of the Fund is Tasplan Pty Ltd, the directors of which were for the period ending 1 April 2021:

Chair

Edwards, Naomi
 Donohue, Patricia (ceased 31 March 2021)
 Lynch, Tom (ceased 31 March 2021)
 Mazengarb, John
 Munday, Jessica (ceased 31 March 2021)
 Parr, Susan (ceased 31 March 2021)
 Walsh, Stephen (ceased 31 March 2021)

In addition to the Trustee and directors, the following individuals were key management personnel during the period ended 1 April 2021.

Davy, Wayne (Chief Executive Officer) (ceased 31 March 2021)
 Connor, Nicholas (Chief Operations Officer) (ceased 5 February 2021)
 *Crawford, Kathleen (Chief Operations Officer) (appointed 17 February 2021)
 *Barry, Ross (Chief Investment Officer) (appointed 1 November 2020)
 Stuart, David (Acting Chief Investment Officer) (ceased 31 October 2020)
 *Lyons, Ningning (Chief Financial Officer)
 Welch, Keryn (Executive Manager Strategy) (ceased 20 November 2020)
 Hanigan, Gregory (Chief Risk Officer) (ceased 12 January 2021)
 *Judd, Robyn (Executive Manager People & Culture)

* These individuals transferred from Tasplan on the date of the successor fund transfer, being 1 April 2021

The RSE licence was granted on 5 January 2006 (licence no L0000680).

(b) Compensation of key management personnel

Directors and key management personnel compensation are paid by the Fund on behalf of the Trustee Company. No other payments are made in connection with the management of the Fund.

	1 April 2021	30 June 2020
	\$	\$
Short term benefits	3,363,422	3,403,289
Post employment benefits	-	-
Other long term benefits	10,296	24,513
Termination benefits	1,381,509	-
	<u>4,755,227</u>	<u>3,427,802</u>

Transactions between directors and the superannuation fund were transacted under normal terms and conditions with expenses incurred by the directors on the Fund's behalf fully reimbursed.

(c) Related party transactions

Trustee

Tasplan Pty Ltd invoiced Tasplan Super the amount (inclusive of GST) of \$1,619,897 (30 June 2020: \$838,465) during the 2021 year for expenses incurred on behalf of the trustee company.

Key management personnel

Certain directors and key management personnel were members of the Fund. Their membership terms and conditions are the same as those available to other members of the Fund.

The following directors and key management personnel were members of the Fund.

Connor, Nicholas	Lyons, Ningning
Crawford, Kathleen	Parr, Susan
Davy, Wayne	Stuart, David
Hanigan, Gregory	Walsh, Stephen
Judd, Robyn	Welch, Keryn

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

11. Related parties (continued)

(c) Related party transactions (continued)

Other related party transactions

The Fund's related parties include:

Quadrant First Pty Ltd

Subsidiary company that provides financial services

Quadrant First Pty Ltd

During the year, the Fund charged Quadrant First Pty Ltd (QFPL) \$95,523 of service fees for administration and other services provided to QFPL. At 1 April 2021, \$0 was receivable from QFPL. The Fund paid QFPL \$246,667 for the provision of financial planning services including the provision of authorisations to employees of the Fund. At 1 April 2021 \$0 was payable to QFPL. The shares in QFPL were sold to MTAA Superannuation Fund (Secretariat Co. Pty Limited on the 31 March 2021).

Tasplan Superannuation Fund holds 100% of the units in QT Investment Management Trust (unit trust). During the year, the Fund received \$3,552,642 in income distributions. QT Investment Management Trust was transferred to Spirit Super (formally MTAA Super) as part of the successor fund transfer.

Tasplan Superannuation Fund held 100% of the units in Tasplan Property Trust (unit trust) until the entity was wound up as at 30 November 2020. During the year, the Fund received \$1,137 in income distributions.

Tasplan Superannuation Fund has not consolidated these controlled entities in accordance with the investment entity exemption under AASB10 Consolidated Financial Statements. All controlled entities have a principal place of business in Hobart (Tasmania). There are no material restrictions or commitments relating to these controlled entities.

12. Insurance

The Fund provides income protection, death and disability benefits to members. These benefits are greater than the members' vested benefit. The Trustee has taken out insurance to cover the part of the benefit in excess of the vested benefit.

13. Segment information

The Fund operates solely in one reportable business segment, being the provision of benefits to members. The Fund also operates from one reportable geographic segment, being Australia, from where its activities are managed. Revenue is derived from interest, distributions, other investment income, gains on the sale of investments, unrealised changes in the value of investments and contributions revenue.

14. Liabilities

The Fund has made significant effort to settle all known liabilities prior to the successor fund transfer date of 1 April 2021. However some liabilities were not known or could not be settled at the time of SFT, and as a result will be settled by Spirit Super (formally MTAA).

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

15. Financial risk management

(a) Strategy in using financial instruments

The Fund's principal financial instruments, comprised of individual mandates and units in managed trusts which invest in equity securities, fixed interest securities, property, infrastructure, private equity, hedge funds, cash and short term deposits. The main purpose of these financial instruments was to generate a return on investment.

The Fund also had various other financial instruments such as sundry receivables and payables, which arose directly from its operations.

Investment managers may have used derivatives where the Trustee deems this appropriate and where it is documented in the investment mandate with the individual manager. The investment managers provide the Trustee with detailed risk management statements which outline their approach to derivatives and confirm their approach is applicable to the investments they manage.

The Trustee monitored investment managers to confirm that the use of derivatives accords with the overall investment strategy of Tasplan and is consistent with the performance objectives of each portfolio and sub-fund.

The Trustee may, when it deemed it appropriate, used its custodian to enter into forward exchange contracts to reduce or remove any foreign currency exposures which are not already hedged by its international investment managers or the currency hedging manager.

The main risks arising from the Fund's financial instruments were interest rate risk, credit risk, market price risk and foreign currency risk. The Trustee reviews and agrees policies for managing each of these risks and they are summarised below. The Fund also monitored the market price risk arising from all financial instruments.

The Fund's accounting policies in relation to derivatives are set out in note 2.

On 1 April 2021, Tasplan Superannuation Fund and MTAA Super merged, all of the Fund's assets and liabilities were successor fund transferred out to Spirit Super (formally MTAA Super) resulting in the data in note 15's tables reported as nil as at 1 April 2021.

(b) Market price risk

Market price risk represents the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments in the market.

Market risk is minimised through ensuring that all investment activities are undertaken in accordance with established mandate limits and investment strategies.

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in raising funds to meet commitments associated with financial instruments.

To control liquidity, the majority of the Fund's assets were invested in financial instruments, which under normal market conditions are readily convertible to cash. These investments included listed equities, cash and fixed interest investments. The Fund's investment options (excluding Property) were all highly liquid with most investment options (excluding Property) able to be liquidated within 30 days under a steady state and stressed market conditions. The Fund's property investment option was illiquid in nature. In addition, the Fund maintained sufficient cash and cash equivalents to meet normal operating requirements.

The Fund's significant financial liabilities were benefits payable to members. In addition to vested superannuation benefits, these would be considered on demand, which payments comprise the entire defined contribution component and the vested portion of the defined benefit component.

The Fund managed its obligation to pay the defined contribution component on an expected maturity basis based on management's estimates and actuarial assumptions of when such funds will be drawn down by members. The Fund considered it highly unlikely that all defined contribution members would request to roll-over their superannuation fund account at the same time. Furthermore, in relation to the vested defined benefit component, the Fund had adequate resources readily convertible to cash to satisfactorily meet these obligations when called upon.

The following are the contracted maturities of financial liabilities:

1 April 2021	Carrying \$	Contractual \$	Less than 1 Month \$	1-3 Months \$
Accounts Payable	-	-	-	-
Benefits Payable	-	-	-	-
PAYG Payable	-	-	-	-
Vested Benefits	-	-	-	-
	-	-	-	-

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

15. Financial risk management (continued)

(c) Liquidity risk (continued)

30 June 2020	Carrying Amount \$	Contractual Cash Flows \$	Less than 1 Month \$	1-3 Months \$
Accounts Payable	3,278,269	3,278,269	3,278,269	-
Benefits Payable	5,321,030	5,321,030	5,321,030	-
PAYG Payable	49,960	49,960	-	49,960
Vested Benefits	9,649,725,565	9,649,725,565	9,649,725,565	-
	9,658,374,824	9,658,374,824	9,658,324,864	49,960

(d) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Fund was exposed to the price risk relating to changes in the net market value of the respective investment options held by the Fund, namely unit trusts, equity prices, fixed interest and discount securities as well as infrastructure and direct property valuations. Any changes in the net market value of these investments are due to movements in the price of the underlying assets that the fund invests in and the volatility of those assets.

The Trustee, through Mercer as the appointed Asset Consultant, moderated this risk through diversification and the careful selection of investment managers who trade in securities and other financial instruments within specified limits. The Fund's overall market positions were monitored on a monthly basis by the Trustee. In addition, the Board reviewed each investment manager in detail each quarter to ensure that performance is within expectations and ranges of the specific mandate.

The asset allocation ranges for each investment sector were determined by the Trustee in consultation with Mercer. These ranges were set to ensure the appropriate overall fund risk/return ratio is maintained and to ensure satisfactory diversification across sectors. Investments in each sector were spread over more than one security manager. In this way the Fund was not overly exposed to one manager, or underlying economic event. This approach is designed to produce a moderate out performance over time. The asset allocation of the Investment Options were monitored monthly and rebalanced to the target on a regular basis.

Sensitivity analysis for price movements

The volatility of expected returns for the purpose of this analysis has been based on historical analysis and input from Mercer in collaboration with the Trustee. The following table represents the returns that would be considered reasonably possible based on the underlying asset classes as at 1 April 2021 and 30 June 2020.

	Carrying Amount	Movement in underlying sectors	Increase in benefits accrued as a result of operations	Decrease in members liabilities for accrued benefits
1 April 2021	\$'000	%	\$'000	\$'000
Asset Class				
Absolute Return	-	0.00%	-	-
Alternative Debt	-	0.00%	-	-
Australian Shares	-	0.00%	-	-
Australian Shares SRI	-	0.00%	-	-
Cash	-	0.00%	-	-
Credit	-	0.00%	-	-
Domestic Fixed Income	-	0.00%	-	-
Emerging Market Debt	-	0.00%	-	-
Emerging Market Share	-	0.00%	-	-
Global Listed Property	-	0.00%	-	-
Global Sovereign Bond	-	0.00%	-	-
Infrastructure	-	0.00%	-	-
International Shares SRI	-	0.00%	-	-
Listed Property	-	0.00%	-	-
Low Volatility Equities Unhedged	-	0.00%	-	-
Opportunistic Property & Private Equity	-	0.00%	-	-
Overseas Shares Hedged	-	0.00%	-	-
Overseas Shares Unhedged	-	0.00%	-	-
Overseas Pooled	-	0.00%	-	-
SRI	-	0.00%	-	-
Unlisted Direct Property	-	0.00%	-	-
Total Investments	-		-	-

15. Financial risk management (continued)

(d) Other price risk (continued)

	Carrying Amount	Movement in underlying sectors	Increase in benefits accrued as a result of operations	Decrease in members liabilities for accrued benefits
30 June 2020	\$'000	%	\$'000	\$'000
Asset Class				
Absolute Return	384,812	7.50%	28,861	(28,861)
Alternative Debt	336,325	18.73%	62,994	(62,994)
Australian Shares	1,957,994	18.00%	352,439	(352,439)
Australian Shares SRI	18,935	18.00%	3,408	(3,408)
Cash	1,436,420	0.00%	-	-
Credit	300,321	0.00%	-	-
Domestic Fixed Income	422,537	0.00%	-	-
Emerging Market Debt	146,380	11.60%	16,980	(16,980)
Emerging Market Share	233,337	23.10%	53,901	(53,901)
Global Listed Property	-	0.00%	-	-
Global Sovereign Bond	427,221	0.00%	-	-
Infrastructure	806,682	11.00%	88,735	(88,735)
International Shares SRI	25,406	16.90%	4,294	(4,294)
Listed Property	245,551	14.80%	36,342	(36,342)
Low Volatility Equities Unhedged	549,133	16.90%	92,803	(92,803)
Opportunistic Property & Private Equity	143,389	2.30%	3,298	(3,298)
Overseas Shares Hedged	1,318	17.60%	232	(232)
Overseas Shares Unhedged	-	16.90%	-	-
Overseas Pooled	1,612,373	17.07%	275,310	(275,310)
SRI	-	0.00%	-	-
Unlisted Direct Property	859,719	11.00%	94,569	(94,569)
Total Investments	9,907,853		1,114,166	(1,114,166)

(e) Interest rate risk

Interest rate risk represents the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Fund's exposure to market risk for changes in interest rates relate primarily to investments held in discount securities and interest bearing securities.

The Fund's policy was to invest in fixed interest as a diversifying strategy as well as moderate the volatility of the expected returns of the Fund.

The risks within the fixed interest Investments laid in the duration and credit limits held by the investment managers. Managers were subject to strict guidelines with regard to both parameters and they were monitored regularly by the Trustee in conjunction with Mercer.

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

15. Financial risk management (continued)

(e) Interest rate risk (continued)

The following table sets out the carrying amount, by maturity, of the Fund's financial instruments that are exposed to interest rate risk.

1 April 2021	Floating Interest Rate \$'000	Fixed Interest Rate - Time to Maturity			Non Interest Bearing \$'000	Total \$'000
		1 Year or Less \$'000	1 - 5 Years \$'000	Over 5 Years \$'000		
Asset Class						
Absolute Return	-	-	-	-	-	-
Alternative Debt	-	-	-	-	-	-
Australian Shares	-	-	-	-	-	-
Australian Shares SRI	-	-	-	-	-	-
Cash	-	-	-	-	-	-
Credit	-	-	-	-	-	-
Domestic Fixed Income	-	-	-	-	-	-
Emerging Market Debt	-	-	-	-	-	-
Emerging Market Share	-	-	-	-	-	-
Global Listed Property	-	-	-	-	-	-
Global Sovereign Bond	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-
International Shares SRI	-	-	-	-	-	-
Listed Property	-	-	-	-	-	-
Low Volatility Equities Unhedged	-	-	-	-	-	-
Opportunistic Property & Private Equity	-	-	-	-	-	-
Overseas Shares Hedged	-	-	-	-	-	-
Overseas Shares Unhedged	-	-	-	-	-	-
Overseas Pooled	-	-	-	-	-	-
SRI	-	-	-	-	-	-
Unlisted Direct Property	-	-	-	-	-	-
Total Investments	-	-	-	-	-	-

30 June 2020	Floating Interest Rate \$'000	Fixed Interest Rate - Time to Maturity			Non Interest Bearing \$'000	Total \$'000
		1 Year or Less \$'000	1 - 5 Years \$'000	Over 5 Years \$'000		
Asset Class						
Absolute Return	-	-	-	-	384,812	384,812
Alternative Debt	-	-	-	-	336,325	336,325
Australian Shares	53,626	(11,136)	-	-	1,915,504	1,957,994
Australian Shares SRI	-	-	-	-	18,935	18,935
Cash	123,238	1,031,467	-	-	281,715	1,436,420
Credit	21,275	(830)	72,732	208,152	(1,008)	300,321
Domestic Fixed Income	-	-	-	-	422,537	422,537
Emerging Market Debt	-	-	-	-	146,380	146,380
Emerging Market Share	-	-	-	-	233,337	233,337
Global Listed Property	-	-	-	-	-	-
Global Sovereign Bond	48,242	6,683	13,382	83,476	275,438	427,221
Infrastructure	-	-	-	-	806,682	806,682
International Shares SRI	-	-	-	-	25,406	25,406
Listed Property	7,470	-	-	-	238,081	245,551
Low Volatility Equities Unhedged	6,863	-	-	-	542,270	549,133
Opportunistic Property & Private Equity	1,015	-	-	-	142,374	143,389
Overseas Shares Hedged	-	-	-	-	1,318	1,318
Overseas Shares Unhedged	-	-	-	-	-	-
Overseas Pooled	32,119	230	-	-	1,580,024	1,612,373
SRI	-	-	-	-	-	-
Unlisted Direct Property	-	-	-	-	859,719	859,719
Total Investments	293,848	1,026,414	86,114	291,628	8,209,849	9,907,853

15. Financial risk management (continued)

(e) Interest rate risk (continued)

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until maturity of the instrument.

The other financial instruments of the Fund that are not included in the above tables are non-interest bearing and therefore not subject to interest rate risk.

The following table demonstrates the sensitivity of the Fund's income statement, to a reasonably possible change in interest rates. The sensitivity for cash has been estimated using a 0.25% change in interest rates. The change in net assets for diversified fixed interest has been determined by taking the product of the weighted change in the interest rate, the duration, and the net market value for each investment, whereby the investment change and duration for each investment has been based on the average duration and standard deviation of the index used by each investment.

1 April 2021 Currency	Interest Bearing Instruments	Change in Interest Rate Increase / Decrease	Sensitivity on Interest Income and Changes on Net Assets Increase / Decrease
AUD	Cash	+/- 0.25%	+/- \$0
AUD	Diversified Fixed Interest	+/- 2.27%	+/- \$0

30 June 2020 Currency	Interest Bearing Instruments	Change in Basis Points Increase / Decrease	Sensitivity on Interest Income and Changes on Net Assets Increase / Decrease
AUD	Cash	+/- 0.25%	+/- \$35,910,500
AUD	Diversified Fixed Interest	+/- 2.27%	+/- \$1,983,578,197

(f) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund has exposure to foreign currency risk implicit in the value of portfolio securities denominated in a foreign currency.

For listed equity exposures, the level of foreign currency exposure was managed via allocations between hedged and unhedged funds. In addition, there were unhedged foreign currency exposures in the Private Equity, Emerging Market Local Currency Debt, and Infrastructure asset classes. The Fund relied on fund managers to hedge into Australian dollars those foreign currency exposures in hedged equity, bond and credit investments, and a range of diverse assets within the Absolute Return portfolios.

The level of foreign currency exposure of the Fund was adjusted utilising advice provided by the Asset Consultant through their Dynamic Asset Allocation service.

The Trustee set the level of exposure to foreign currencies for each investment strategy of the Fund. The Fund's currency risk was managed through currency hedge arrangements for each foreign domiciled investment. International assets held through pooled trusts were hedged within the trust. The Fund directly hedges currency exposures that are not managed by an external investment vehicle.

For the financial year to the 1 April 2021, the currency risk directly managed by the Fund consists of three parts:

The Fund hedged 100% (2020: 100%) of its foreign currency exposure in structured credit denominated in foreign currency held within the alternative debt asset class.

The Fund hedged 100% (2020: 100%) of its foreign currency exposure in absolute return denominated in foreign currency.

The Fund hedged 21% (2020: 19%) of the foreign currency exposure of the international equities investment class, effectively managing the risk back to 79% (2020: 81%) of international equity.

The direct hedging program was conducted by a specialist currency manager.

The majority of the Fund's unhedged currency exposure were contained within the international equities asset class. Currency exposures held in other asset classes are hedged either by investment managers or by the specialist currency hedging manager.

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

15. Financial risk management (continued)

(f) Foreign currency risk (continued)

The Fund's total net exposure to fluctuations in foreign currency exchange rates at the balance date was as follows:

1 April 2021	USD	EURO	Yen	AUD	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross investment amount	-	-	-	-	-	-
Foreign exchange contracts*	-	-	-	-	-	-
	-	-	-	-	-	-

30 June 2020	USD	EURO	Yen	AUD	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross investment amount	2,533,714	399,717	135,883	7,805,128	665,250	11,539,692
Foreign exchange contracts*	(1,118,229)	(160,085)	(71,327)	(70,613)	(211,585)	(1,631,839)
	1,415,485	239,632	64,556	7,734,515	453,665	9,907,853

* Notional exposure value

Sensitivity analysis

The table below indicates the currencies to which the Fund had significant exposure at 1 April 2021 on its monetary assets and liabilities and forecast cash flows. The analysis calculates the effect of a reasonably possible movement of the currency rate against the Australian Dollar on the Income Statement, with all other variables held constant.

Currency	1 April 2021			
	Increase in currency rate	Effect on Net Assets/ Investment Returns \$'000	Decrease in currency rate	Effect on Net Assets/ Investment Returns \$'000
USD	10.80%	-	10.80%	-
EUR	8.80%	-	8.80%	-
YEN	13.60%	-	13.60%	-
AUD	0.00%	-	0.00%	-
OTHER	10.00%	-	10.00%	-

Currency	30 June 2020			
	Increase in currency rate	Effect on Net Assets/ Investment Returns \$'000	Decrease in currency rate	Effect on Net Assets/ Investment Returns \$'000
USD	10.80%	(152,872)	10.80%	152,872
EUR	8.80%	(21,088)	8.80%	21,088
YEN	13.60%	(8,780)	13.60%	8,780
AUD	0.00%	-	0.00%	-
OTHER	10.00%	(45,367)	10.00%	45,367

(g) Credit risk

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss.

With respect to credit risk arising from the financial assets of the Fund, other than derivatives, the Fund's exposure to credit risk arose from default of the counterparty, with a maximum exposure equal to the carrying amount of these investments.

In relation to derivative financial instruments, whether recognised or unrecognised, credit risk arose from the potential failure of counterparties to meet their obligations under the contract or arrangement. The risk associated with these contracts was minimised by undertaking transactions with counterparties on recognised exchanges, and ensuring that transactions were undertaken with a large number of counterparties. There was no significant concentrations of credit risk within the Fund.

Securities lending

Under securities lending arrangements the legal title to certain assets of the Fund were transferred to other entities notwithstanding the fact that the risks and benefits of ownership of the assets remained with the Fund. The risks and rewards of ownership to which the Fund remains exposed are currency risk, interest rate risk, credit risk and price risk. As the Fund retains the risks and benefits of ownership, assets that have been loaned have not been derecognised.

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

15. Financial risk management (continued)

(g) Credit risk (continued)

The Fund participated in securities lending programs through agency arrangements with its custodian.

The financial assets transferred to other entities under securities lending arrangements include Australian and International equities and fixed interest securities. The fair value of financial assets on loan at reporting date was nil (2020: \$289,306,442).

The Fund's custodian, as lending agent, was responsible for collateral management.

(h) Fair values

The Fund's financial assets and liabilities adopted in the statement of financial position are carried at their fair value. Refer to note 2 for the methods and assumptions adopted in determining the fair values of investments and derivatives.

All financial instruments that are measured at fair value in the Statement of Financial Position must now be classified into a three-level fair value hierarchy.

Descriptions of the various hierarchy levels are set out below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. These inputs are readily available in the market and are normally obtainable from multiple sources.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable in a market for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). These inputs must be observable for substantially the full term of the financial instrument.

Level 3 - Valuation techniques for which any significant input is not based on observable market data. This includes any instrument that is not categorised in Level 1 or Level 2.

Fair value hierarchy

Year ended 1 April 2021

Types of assets/liabilities

Asset class

Absolute Return
 Alternative Debt
 Australian Shares
 Australian Shares SRI
 Cash
 Credit
 Domestic Fixed Income
 Emerging Market Debt
 Emerging Market Share
 Global Listed Property
 Global Sovereign Bond
 Infrastructure
 International Shares SRI
 Listed Property
 Low Volatility Equities Unhedged
 Opportunistic Property & Private Equity
 Overseas Shares Hedged
 Overseas Shares Unhedged
 Overseas Pooled
 SRI
 Unlisted Direct Property
Total investments

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Absolute Return	-	-	-	-
Alternative Debt	-	-	-	-
Australian Shares	-	-	-	-
Australian Shares SRI	-	-	-	-
Cash	-	-	-	-
Credit	-	-	-	-
Domestic Fixed Income	-	-	-	-
Emerging Market Debt	-	-	-	-
Emerging Market Share	-	-	-	-
Global Listed Property	-	-	-	-
Global Sovereign Bond	-	-	-	-
Infrastructure	-	-	-	-
International Shares SRI	-	-	-	-
Listed Property	-	-	-	-
Low Volatility Equities Unhedged	-	-	-	-
Opportunistic Property & Private Equity	-	-	-	-
Overseas Shares Hedged	-	-	-	-
Overseas Shares Unhedged	-	-	-	-
Overseas Pooled	-	-	-	-
SRI	-	-	-	-
Unlisted Direct Property	-	-	-	-
Total investments	-	-	-	-

Tasplan Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2020

15. Financial risk management (continued)

(h) Fair values (continued)

Level 3 reconciliations

Year ended 1 April 2021

	Pooled dev fund	Unlisted equities	Unlisted mgd scheme	Total
	\$'000	\$'000	\$'000	\$'000
Opening balance	-	-	147,219	147,219
Purchases/sales	-	-	-	-
Gains/(losses) recognised in profit or loss	-	-	-	-
Successor fund transfer out	-	-	(147,219)	(147,219)
Closing balance	-	-	-	-

Fair value hierarchy

Year ended 30 June 2020

Types of assets/liabilities

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Asset class				
Absolute Return	-	384,812	-	384,812
Alternative Debt	-	205,522	130,803	336,325
Australian Shares	1,957,954	40	-	1,957,994
Australian Shares SRI	-	18,935	-	18,935
Cash	1,149,054	287,366	-	1,436,420
Credit	7,686	292,635	-	300,321
Domestic Fixed Income	1	422,536	-	422,537
Emerging Market Debt	-	146,380	-	146,380
Emerging Market Share	-	233,337	-	233,337
Global Sovereign Bond	16,596	410,625	-	427,221
Infrastructure	-	806,682	-	806,682
International Shares SRI	15,481	9,925	-	25,406
Listed Property	244,590	961	-	245,551
Low Volatility Equities Unhedged	549,133	-	-	549,133
Opportunistic Property and Private Equity	1,015	125,958	16,416	143,389
Overseas Shares Hedged	-	1,318	-	1,318
Overseas Pooled	1,612,640	(267)	-	1,612,373
Unlisted Direct Property	5,261	854,458	-	859,719
Total investments	5,559,411	4,201,223	147,219	9,907,853

Level 3 reconciliations

Year ended 30 June 2020

	Pooled dev fund	Unlisted equities	Unlisted mgd scheme	Total
	\$'000	\$'000	\$'000	\$'000
Opening balance	-	-	150,661	150,661
Transfers into/out of level 3	-	-	-	-
Purchases/sales	-	-	1,867	1,867
Gains/(losses) recognised in profit or loss	-	-	(5,309)	(5,309)
Closing balance	-	-	147,219	147,219

(i) Valuation process for Level 3 valuations

Valuations were the responsibility of the board of directors of the Trustee.

The valuation of unlisted unit trusts and asset back securities were performed on a half yearly basis by the valuation department of the investment manager and reviewed by Tasplan's investment team. The valuation of unlisted direct investments was completed internally on monthly basis by the Finance department and reviewed by Tasplan's investments team.

The valuations were also subject to quality assurance procedures performed by Tasplan's investment team either on a monthly or six monthly basis depending on timing on investment valuations. Tasplan's internal investment team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to relevant documents and market information. In addition, the accuracy of the computation is tested. The latest valuation was also compared with the valuations in the preceding periods as well as with the valuations of the two preceding annual periods.

Tasplan Superannuation Fund
Notes to the financial statements
For the period ended 1 April 2021

15. Financial risk management (continued)

(i) Valuation process for Level 3 valuations (continued)

Description	\$'000*	Valuation Technique	Significant unobservable inputs	Range (weighted average)	Sensitivity used**	Effect on fair value \$'000
Unlisted managed schemes	2021: Nil	Fund manager valuation	Number of stages completed/ level of settlements/ cost to build	2021: 50% (50%)	50%	2021: -/(-)
Unlisted managed schemes	2021: Nil	Internal valuation based on outstanding principal	Net market value	2021: 0% (0%)	0%	2021: -/(-)
Unlisted managed schemes	2020: 16,416	Fund manager valuation	Number of stages completed/ level of settlements/ cost to build	2020: 50% (50%)	50%	2020: 8,208/(8,208)
Unlisted managed schemes	2020: 130,803	Internal valuation based on outstanding principal	Net market value	2020: 0% (0%)	0%	2020: -/(-)

* The fair value of the asset would increase/decrease if the discount rate decreases/increases. The fair value of the asset would increase/decrease if the other inputs increase/decrease.

** The sensitivity analysis refers to a percentage amount added or deducted from the significant unobservable input and the effect this has on the fair value.

16. Subsequent events

There have been no matters or circumstances not otherwise dealt with in the financial report that have significantly affected or may significantly affect the Fund.

17. Commitments and Contingencies

The Trustee has no commitments or contingencies post balance date due to the Successor Fund Transfer effective 1 April 2021.

18. COVID-19

Due to the COVID-19 global pandemic the Australian Government allowed individuals temporary early access to their superannuation. This temporary early release allowed members impacted by COVID-19 restrictions to access up to \$10,000 of their superannuation balance prior to 30 June 2020 and access to a further \$10,000 in the 2020-21 financial year. Approximately 13,900 members accessed this temporary early release in the current financial year. The Fund was able to make these payments to members in a timely manner with 95% of payments made within one business day. Given COVID-19 and the early release payments, additional focus has been given to liquidity modelling and monitoring, cash flow projections and stress testing with regular updates provided to the Investment Committee, Audit Risk and Compliance committee and the full Board.

Tasplan Superannuation Fund

Statement by Trustee

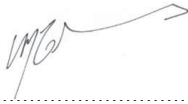
In accordance with a resolution of the Board of Directors of the trustee company, we declare that in the opinion of the directors of Tasplan Pty Ltd:

- (a) The accompanying financial statements of the Tasplan Superannuation Fund are properly drawn up so as to present fairly the Statement of Financial Position of the Fund as at 1 April 2021 and the results of its operations and cash flows for the year ended 1 April 2021 in accordance with Australian Accounting Standards, the Trust Deed and other mandatory professional reporting requirements;
- (b) The accompanying Income Statement and Statement of Changes in Member Benefits are drawn up so as to present fairly the benefits accrued as a result of operations for the year then ended;
- (c) The Fund has been conducted in accordance with its constituent Trust Deed and the requirements of the Superannuation Industry (Supervision) Act 1993 the Corporations Act 2001 during the year; and
- (d) There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors of Tasplan Pty Ltd (A.B.N. 13 009 563 062).

Dated 21 June 2021.

Hobart, Tasmania



.....
Director
Naomi Edwards



.....
Director
John Mazengarb

Auditor's Independence Declaration to the Trustees of Tasplan Superannuation Fund

As lead auditor for the audit of Tasplan Superannuation Fund for the financial period ended 1 April 2021, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'Nick Carter'.

NICK CARTER

Partner

Wise Lord & Ferguson

Date: 21 June 2021

Independent Auditor's report approved form for an RSE that is a reporting entity

Tasplan Superannuation Fund – ABN 14 602 032 302

Report by the RSE Auditor to the trustee

Opinion

We have audited the financial statements of Tasplan Superannuation Fund for the period 1 July 2020 to 1 April 2021 comprising the statement of financial position, income statement, statement of changes in member benefits, statement of changes in reserves and statement of cash flows.

In our opinion, the financial statements present fairly, in all material respects, in accordance with Australian Accounting Standards the financial position of Tasplan Superannuation Fund as at 1 April 2021 and the results of its operations, cash flows, changes in reserves and changes in members' benefits for the period 1 July 2020 to 1 April 2021.

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

Emphasis of Matter

We draw attention to Note 2(a) of the financial report, which describes the successor fund transfer (SFT) completed on 1 April 2021. Following the SFT, Tasplan Superannuation Fund has ceased operations and the trustee has not prepared the financial report using the going concern basis of accounting. Our opinion is not modified in respect of this matter.

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 to 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 audit 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 these financial statements.

As part of an audit in accordance with the Australian Auditing Standards, we exercised professional judgment 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 controls 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 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.



NICK CARTER

Partner

Wise Lord & Ferguson

Date: 21 June 2021