



THE SOUTHERN SELECT SUPER CORPORATION

# ANNUAL REPORT 2015-16

FOURTH ANNUAL REPORT



Government  
of South Australia



# Vision statement

TO BE THE LEADING PROVIDER OF QUALITY SUPERANNUATION AND RELATED SERVICES IN SOUTH AUSTRALIA FOR LOW-INCOME EMPLOYEES.

# Key objectives

## ADEQUACY

- > Increase the number of members contributing for their retirement and encourage members to have an appropriate level of insurance.

## SERVICES AND COMMUNICATIONS

- > Meet member and stakeholder expectations of continually improving services, products and communication.

## SUSTAINABLE FUND

- > Ensure that strategies are implemented to maintain Super SA as a sustainable public sector fund.

# Values

- > Financial prudence to ensure security of members' entitlements.
- > Prudent management of the schemes.
- > To act honestly in all matters concerning the schemes.
- > Having a well-informed membership by providing accurate and effective communication.
- > Meeting members' expectations and delivering excellent customer services.
- > To provide a fair and equitable appeal mechanism for members.



Government  
of South Australia

SUPER SA  
**SELECT** 

**Mail**

GPO Box 48  
Adelaide SA 5001  
DX 56205

**In person**

151 Pirie Street  
Adelaide SA 5000

**T** (08) 8207 1968

**T** 1300 137 668 (for regional callers)

**F** (08) 8115 1296

**E** [supersa@sa.gov.au](mailto:supersa@sa.gov.au)

**W** [www.supersa.sa.gov.au](http://www.supersa.sa.gov.au)

26 September 2016

Hon. Tom Koutsantonis, MP

Minister for Finance  
8th Floor, State Administration Centre  
200 Victoria Square  
ADELAIDE SA 5000

Dear Minister

On behalf of the Southern Select Super Corporation, and in accordance with section 33 of the *Public Corporations Act 1993* and regulation 23 of the *Public Corporations (Southern Select Super Corporation) Regulations 2012*, I submit to you for presentation to Parliament the Annual Report for the year ended 30 June 2016.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Annette Hurley', with a large flourish at the end.

Annette Hurley  
PRESIDING MEMBER  
SOUTHERN SELECT SUPER CORPORATION



THE SOUTHERN SELECT SUPER CORPORATION

# ANNUAL REPORT 2015-16

## Contents...

Message from the Presiding Member	6
Message from the General Manager	8
Year in Review	12
Investment Review	13
The Southern Select Super Corporation	16
Additional Information	19
Corporate Governance	21
Appendix 1 – Financial Statements	23
Appendix 2 – Glossary	40
Appendix 3 – Service Providers	41

# Message from the Presiding Member

I am pleased to present the 4th Annual Report of the Southern Select Super Corporation Board for the year ending 30 June 2016.

2015-16 was another significant year in superannuation, with several proposed Federal legislative changes that aim to create a fairer outcome for Australians working towards their retirement, whether this is soon or in many years' time.

While Super SA Select is a relatively small scheme, it is part of a larger group of schemes administered by Super SA. For the sixth consecutive year Super SA was ranked in the top 300 superannuation funds in the world. It is placed at 245, amongst funds from North America, Europe, the UK and Japan, according to the latest Pension & Investments/ Willis Towers Watson Global 300 research. Super SA is one of only 16 Australian funds to be included in this listing. Sovereign and public sector funds, like Super SA, account for 67% of the total assets of the top 300 funds.

## Member services and communications

One of the Board's key aims is to ensure that Super SA strives to provide as many avenues as possible for members to learn about their superannuation and engage with Super SA staff and other financial professionals.

Demand on services continues. While Super SA experienced a small decrease in calls and front counter visits, correspondence remained steady compared to last year, and there was a 13% increase in access to information online via mobile and tablet devices. In addition there was a rise in member interviews during 2015-16. This was assisted by a re-structure in the interview process, allowing more one on one interviews to be conducted.

## Investments

The Super SA Select Board continues to have a strong partnership with the Funds SA Board. Each year the Boards meet to exchange information and keep each other abreast of the ongoing work within their respective offices, and we also support and encourage information exchange throughout the year between Super SA and Funds SA.

Funds SA has been Super SA's investment manager for over 20 years and has helped steer us through periods of volatility over that time.



Philip Jackson

“SuperRatings awarded the Super SA Select Scheme a Platinum rating, given only to the best value for money funds.”

Returns have again been positive, although significantly more muted than in recent years. The Balanced investment option (which is the default for Super SA Select) returned 3.3% and the Cash option returned 1.9%. As forecast last year, we do not expect strong investment returns over the short to medium term and encourage members to factor this into their retirement plans.

Both Boards have seen membership changes over the last 12 months, with valued members leaving and new members joining, bringing with them technical knowledge and enthusiasm to continue to strengthen the connection between Super SA and Funds SA.

## Awards

SuperRatings awarded the Super SA Select Scheme a Platinum rating, given only to the best value for money funds. These ratings are assessed on industry best practice in areas such as organisational strengths, investments, fees, insurance, administration and member services, and recognise Super SA as a high quality super fund.

## With thanks

On behalf of the Board, I thank all current and past Super SA staff and the executive team led by John Montague for their efforts.

I also take this opportunity to thank the members of the Board for their contribution during the year. I look forward to another year of growth and development for Super SA Select in 2016-17.

Philip Jackson

**Presiding Member, Southern Select Super Corporation**



 **SUPER SA**  
contributing to your future

PULL

Office Hours:  
Monday to Friday  
8:00am - 5:00pm  
Website: [www.supersa.gov.au](http://www.supersa.gov.au)

CBO

SUPER SA

SUPER SA

SUPER SA

AT&T

ITALCO

ALFA

ALFA

GENERAL



# Message from the General Manager

As we farewell another financial year, it is timely to reflect on our achievements over the last twelve months, and further reinforce our commitment to our members and investors.

It has been 90 years since the Public Service Superannuation Fund was established.

Over the past 12 months there have been a number of changes, including new Board appointees and a new reporting line into the Department of Treasury and Finance through the newly created position of Chief Operating Officer. At a national level the 2016 Federal Budget saw the announcement of several significant changes to the treatment of superannuation concessions.

## Federal Budget

Superannuation was a key part of this year's Budget, with proposed changes to the thresholds and taxation of superannuation contributions. The aim of these changes is to reduce the cost of super concessions upon government and ensure that they are more fairly targeted to achieve a sustainable outcome over the long term, and provide women, low income workers and people between 65 and 75 with more opportunity to save for their retirement.

Effective from Budget night (3 May 2016) a lifetime limit of \$500,000 was announced on how much you can contribute to super from your after-tax pay (non-concessional contributions). This limit is proposed to include all after-tax contributions made since 1 July 2007.

Effective from 1 July 2017 some other key changes proposed include:

- A reduction in the annual concessional cap (employee and salary sacrifice contributions) that applies to most super funds to \$25,000. Also, if members have less than \$500,000 in super, any unused amount of the \$25,000 concessional cap could be carried forward on a rolling five year basis, enabling catch up payments.
- Introduction of a tax of up to 15% on investment earnings on assets used to support a transition to retirement (including Early Access to Super - EATS) income stream.
- A reduction in the threshold for Division 293 tax from \$300,000 to \$250,000.



John Montague

“It has been 90 years since the Public Service Superannuation Fund was established.”

- The introduction of a cap of \$1.6 million on the total amount of super you can transfer into a retirement income account, such as an income stream, over a lifetime.

- The replacement of the Low Income Superannuation Contribution (LISC) by a Low Income Superannuation Tax Offset (LISTO).

These proposals have raised many questions, and we will work with the Commonwealth Treasury to further explain our situation and assist them in understanding the impacts for our members. The above are proposals only and legislation will need to be passed for them to become law.

Over the past year we have been working on operational initiatives aimed at improving the efficiency of transactions and enhancing the member experience, namely:

**Nomination of Beneficiaries:** the introduction of the Legal Personal Representative legislation will give members more control over who their superannuation benefit goes to when they die. The schemes impacted by this are Triple S, Flexible Rollover Product and Income Stream.

**Insurance:** continued work on an improved insurance offering that will provide more cover and flexibility for members and bring Super SA in line with the super industry.

**Recognition for member satisfaction:** Triple S ranked third out of a field of 25 superannuation funds from across Australia in the national Net Promoter Score survey. The survey measured members' level of satisfaction with their fund's services and expertise.



**Income Stream Calculator:** Improvements to our online Income Stream calculator, which allows members to see how their Super can be converted into a regular income when they reach Commonwealth Government preservation age. The calculator now allows members to add a Centrelink Age Pension, providing a more comprehensive review of their retirement goals.

### Funds SA Investment update

You will notice that this year's returns are lower than the last few years. This follows a period of strong investment performance and reflects economic events occurring both in Australia and overseas. This is an environment that is expected to continue in the medium term.

If investment returns are lower for longer it is important that this does not come as a surprise. If you are nearing retirement it is important that you take this into account in your retirement plans and take action where necessary to reduce any adverse consequences.

We offer online calculators that assist members to determine what their risk tolerance is and in addition, we encourage members to seek professional financial advice on their financial planning needs. One cost effective way of doing this is to utilise the services of a qualified financial planner from Industry Fund Services (IFS).

### Community involvement

In 2016 Super SA was once again a proud sponsor of the Women in Super Mother's Day Classic walk/run in the Adelaide parklands. Growing from 3,000 participants in 1998, the Mother's Day Classic is now a national event celebrated by over 135,000 Australians across Australia. We continue to provide member education services across the State. Seminars are free and each one targets members at a different stage on their super journey. Our Member Education Team visited 983 workplaces over the financial year, with 193 in regional locations, engaging with over 22,458 individual members.

Super SA previously developed its own values for staff with underpinning behaviours. Since its inception the business has promoted these values through the delivery of regular training programs, social events, and staff recognition. A review of these values and their behaviours was conducted during the year, refining them to five succinct behaviours for each value to accurately reflect the office culture.

### In conclusion

In the coming year we will continue to focus on delivering improved services and products to support members during their working life and into retirement. I look forward to working with all of our stakeholders and would like to thank the members of Super SA Select for demonstrating confidence in our products, the Board for their

John Montague

**General Manager, Super SA**





## Year in Review

The value of total assets under management at 30 June 2016 was \$3.2 million.

The Southern Select Super Corporation (the Corporation or Trustee) is established under the Public Corporations (Southern Select Super Corporation) Regulations 2012. The Corporation is Trustee of Super SA Select, which is established and governed by a Trust Deed dated 18 December 2012.

Super SA Select is a taxed accumulation fund which is the type most commonly used across Australia.

Only SA public sector employees are eligible to join Super SA Select and it is run entirely to benefit members:

- It is not for profit, so fees are kept as low as possible.
- Security and integrity, not sales or shareholders, are the focus.

Super SA Select commenced on 1 January 2013 to give SA public sector workers, with an adjusted taxable income below an income determined by the Commonwealth, the option of accessing the Low Income Superannuation Contribution (LISC). This is a payment from the Commonwealth Government designed to help low income earners save for their retirement. This was not available under the other SA Government superannuation schemes.

### Relationships

#### Super SA

The Public Corporations (Southern Select Super Corporation) Regulations 2012 provide that the Corporation may, with the approval of the Minister responsible for a particular administrative unit of the Public Sector, make use of the staff or facilities of that administrative unit. The Super SA Office (Super SA), a branch of the Department of Treasury and Finance (DTF), provides administrative services to the Corporation. Super SA is the administrator of SA public sector schemes and products.

Super SA, on behalf of the Corporation, is responsible for the administration of Super SA Select, covering current and former SA public sector employees.

As the staff of Super SA are employees of DTF, details regarding employee numbers, gender, status and remuneration are covered in the 2015-16 Department of Treasury and Finance Annual Report.

### Funds SA

In accordance with the Public Corporations (Southern Select Super Corporation) Regulations 2012, the Southern Select Super Corporation is responsible for the investment and management of the fund and must prepare an investment policy statement, and set the risk/return objectives and asset allocation policies to be adopted. In fulfilling these duties, the Corporation consults with the Superannuation Funds Management Corporation of South Australia (Funds SA). Funds SA implements the Corporation's investment policy statement and strategies as agent.

Funds SA prepares an annual Performance Plan, which outlines planned initiatives and proposed strategies for managing the Super SA Select fund for the forthcoming year and a service level agreement details the operational aspects of the relationship.

### Membership

As at 30 June 2016, Super SA Select had 136 members.

### Assets Under Management

The Corporation offers members two investment options being Cash and Balanced (default option). To meet the investment objectives and asset allocations set for the fund, the Corporation invests in the Funds SA Balanced and Funds SA Cash (taxable) funds.

Contributions to Super SA Select are passed to Funds SA, which creates multi-sector funds by placing money with specialist best-of-breed investment managers available internationally through a 'manage the managers' approach.

The value of total assets under management at 30 June 2016 was \$3.2 million.

# Investment Review

## Investment option performance for the Balanced option in 2015-16.

### Investment option performance 2015-16

The Balanced investment option (default) returned 3.3% for the year ending 30 June 2016 while the Cash investment option returned 1.9% over the same period. Over three years, the Balanced option has returned 7.6%. Longer-term historical performance is not yet available as Super SA Select only commenced on 1 January 2013.

Investment return for Super SA Select (%)	
Investment option	Return for year ended 30 June 2016 <sup>1</sup>
Balanced	3.3
Cash	1.9

<sup>1</sup> Net of fees and tax.

### Investment markets 2015-16

The strong performance of fixed interest and unlisted assets (such as property, private equity and infrastructure) provided diversity and made a positive contribution to the Balanced option return, while the returns from international shares detracted from performance. The returns from cash continued to be low over the year as central banks globally maintained official cash rates at historically low levels.

Investment markets 2015-16	
Australian Cash	2.2%
Australian Government Fixed Income	7.9%
Australian listed Property	24.6%
Australian Equities	0.9%
Global Equities	-2.7%

### Investment Strategy

As a result of Funds SA's 2015 strategy review, Super SA Select's strategic asset allocations changed on 1 January 2016.

Super SA Select strategic asset allocations: Cash and Balanced options		
	Cash %	Balanced %
Cash	100	2
Fixed Interest		11
Inflation Linked Securities		9
Diversified Strategies Income		16
Property		12
Australian Equities		23
International Equities		19
Diversified Strategies Growth		8

This time last year it was highlighted that there was a likelihood of an extended period of lower returns. Indeed the returns for the 2015-16 financial year illustrate this point. Super SA is working with Funds SA to determine how to effectively manage the investment portfolio in the current economic environment.

For many years it has been a strategic objective to build portfolios using asset classes that can be expected to perform in different, yet complementary, ways in various economic and financial market environments. This has resulted in a highly diversified investment portfolio, thereby providing a more stable return profile for members.

# Organisational Structure



# Staff Values

Super SA staff values and associated behaviours. Written by staff, for staff.



## respect

Communicate respectfully with everyone, preferably face to face.



## selflessness

"Go the extra mile" when responding to inquiries from members and colleagues.



## transparency

Behave in a fair, consistent and open manner.



## optimism

Focus on the positives I can influence and not the things outside of my control.



## leadership

Look for solutions when I encounter a problem, and support the implementation of that solution.



## satisfaction

I will focus on providing a high level of internal and external customer service.

## The Southern Select Super Corporation

---



### **Mr Philip Jackson – Presiding Member**

**Appointed by the Minister for Finance until 30 November 2018.**

Mr Jackson is a lawyer, and before leaving the public sector in 2005 he worked in the Crown Solicitor's Office for 25 years.

#### **Disclosure of Interests**

- Presiding Member, South Australian Superannuation Board
- Principal, Philip Jackson Barrister and Solicitor



### **Ms Virginia Deegan**

**Appointed by the Minister for Finance until 30 November 2018.**

Director, Infrastructure, University of Adelaide

Fellow at CPA Australia (FCPA)

#### **Disclosure of Interests**

- Member, Central Adelaide Local Health Network Advisory Council
- Member, South Australian Superannuation Board

# The Southern Select Super Corporation

## Disclosure of Interest – Deputies

### Liz Hlipala

- Deputy Member, South Australian Superannuation Board

### Role and Composition

The Southern Select Super Corporation (the Corporation) is established under the Public Corporations (Southern Select Super Corporation) Regulations 2012. Southern Select Super Corporation is Trustee of Super SA Select which is established and governed by a Trust Deed and Rules.

The Corporation as Trustee is responsible to the Minister for all aspects of the administration of the Public Corporations (Southern Select Super Corporation) Regulations 2012, including the formulation of strategies for the management and investment of Super SA Select.

The Corporation Board consists of five members, one of whom is Presiding Member. Until 30 November 2015 all members were appointed by the Minister. From 1 December 2015 the Presiding Member and two members are appointed by the Governor on the nomination of the Minister and two members are elected by the members of Super SA Select. On 1 December 2015 Mr Philip Jackson was reappointed as Presiding Member, and Ms Virginia Deegan as a Board member by the Governor for a three year term ending on 30 November 2018. Mr Don Farrell was also appointed on 1 December 2015 by the Governor for a three year term. Mr Farrell subsequently resigned from the Corporation Board on 30 May 2016. As at 30 June 2016 there was one position nominated by the Minister and appointed by the Governor vacant and the two member-elected positions were vacant.

During 2015-16 the Board of the Corporation consisted of:

Mr Philip Jackson – Presiding Member – 1/7/15 – 30/6/16

Ms Virginia Deegan, Member – 1/7/15 – 30/6/16

Ms Deborah Black, Member – 1/7/15 – 30/11/15

Dr Bill Griggs, Member – 1/7/15 – 30/11/15

Ms Jan McMahon, Member – 1/7/15 – 30/11/15

Mr Don Farrell, Member, 1/12/15 – 30/5/16

As at 30 June 2016, there was one deputy member appointed by the Governor until 30 November 2018, Ms Liz Hlipala, who is deputy to Ms Virginia Deegan. Other deputy members during 2015-16 were:

Mr Aaron Chia, deputy to Dr Bill Griggs – 1/7/15 – 30/11/15

Mr John Wright, deputy to Ms Deborah Black 1/7/15 – 30/11/15 and Mr Don Farrell 1/12/15 – 30/5/16

Ms Leah York, deputy to Ms Jan McMahon 1/7/15 – 30/11/15

All members and deputy members serve in a part-time capacity.

With effect from 9 September 2016, Ms Annette Hurley was appointed by the Governor to the position of Presiding Member of the Board for a term expiring on 30 November 2018, to replace Mr Philip Jackson, who resigned as Presiding Member on 8 September 2016.

On 8 September 2016, Mr Richard Dennis was appointed by the Governor on the Minister for Finance's nomination to fill the vacancy on the Board for a term ending on 30 November 2018.

On 8 September 2016 Ms Jan McMahon and Mr Bill Griggs were appointed by the Governor on the nomination of the Minister for Finance's nomination to fill the vacancies for the member elected vacancies on the Board for terms ending on 30 November 2018.

The Corporation Board meets monthly and, if the need arises, the Corporation seeks advice from senior office staff and external advisers. In addition to its regular meetings, the Corporation sets aside a planning day each year to discuss issues and trends in superannuation and provide Super SA with strategic directions for the coming year.

### Audit, Risk and Finance Committee

The Corporation Board is able to establish committees with committee membership extending to non-members. The Corporation Board convenes an Audit, Risk and Finance Committee as a subcommittee to fulfil its administrative responsibilities. The Audit, Risk and Finance Committee assists the Corporation through oversight of:

- compliance with accounting and financial management controls
- financial reporting
- compliance with legislation
- adequacy of internal controls
- adequacy of process for the prevention and detection of fraud

- implementation of budgets
- risk management
- compliance with anti-money laundering and counter-terrorism financing legislation.

The Audit, Risk and Finance Committee membership is as follows:

- Ms Virginia Deegan, Convenor
- Mr Philip Jackson, Committee Member
- Mr John Wright, Committee Member.

Board Members	Board meetings			Audit, Risk and Finance Committee	
	Eligible to attend	Attended	Deputy Attended	Eligible to attend	Attended
Philip Jackson <sup>1</sup>	11	11		4	4
Virginia Deegan	11	9	1	4	4
Bill Griggs	6	5	0		
Jan McMahon	6	5	1		
Deborah Black	6	5	1		
Don Farrell	5	5			
Committee Members					
John Wright				4	4

<sup>1</sup>The Presiding Member does not have a Deputy.

### Board meeting attendance

The Board met 11 times during the year. Under regulation 9 (3) of the Public Corporations (Southern Select Super Corporation) Regulations 2012, three members constitute a quorum of the Board.

### Remuneration

During 2015-16 only Ms Deborah Black was eligible for remuneration.

### Board education and training

Corporation Board members can attend a variety of national conferences and education seminars.

During the 2015-16 financial year Members of the Corporation Board attended the Association of Superannuation Funds of Australia (ASFA) Conference, November 2015 and the Conference of Major Superannuation Funds (CMSF) Conference, March 2016. The Presiding Member attended various forums for fund chairs organised by the Australian Institute of Superannuation Trustees (AIST).

# Additional Information

The Director of Audits responsible for superannuation from the Auditor-General's Department is invited to attend each meeting as an observer. The General Manager; the Director, Policy and Governance; the Manager, Governance, Board and Corporate Support; the Manager, Audit and Risk; and the Manager, Financial Services act as advisers to the Committee.

Meetings are held at least quarterly and all Corporation Board members are welcome to attend.

## Southern Select Super Corporation Charter

### 1. Preliminary

This charter has been prepared by the Minister for Finance and the Treasurer in accordance with regulation 15 of the Public Corporations (Southern Select Super Corporation) Regulations 2012.

### 2. Interpretation

Expressions used in this Charter have the same meanings as in the Public Corporations Act 1993 and the Public Corporations (Southern Select Super Corporation) Regulations 2012, which are referred to herein as the Act and the Regulations, respectively.

In this Charter, Southern Select Super Corporation is referred to as the subsidiary and the Minister for Finance is referred to as the Minister.

### 3. Nature and scope of operations

The functions of the subsidiary are described in Regulation 13 and are limited to the following:

- To act as the trustee of the Super SA Select Fund.
- To administer the trust deed and rules of the SuperSA Select Fund.
- To receive payments from, or on behalf of, members of the SuperSA Select Fund.
- To maintain accounts for members of the Super SA Select Fund.
- To pay amounts received from or on behalf of members of the SuperSA Select Fund into a fund to be maintained by the Board and to make payments from the fund as required under the trust deed or rules of the Super SA Select Fund or under an Act of the State of the Commonwealth (including under Part VIII B of the *Family Law Act 1975* of the Commonwealth).
- To formulate strategies for the investment and management of the fund.
- To ensure that members of the Super SA Select Fund receive benefits and other payments to which they are entitled under the fund.

- To carry out other functions conferred on the subsidiary by the Minister.
- To do anything necessary for the purposes of a function referred to in a preceding paragraph.

### 3.1 Investment activities

- The subsidiary is responsible for the management and investment of the SuperSA Select Fund and must prepare an investment policy statement, set the risk/return objectives and asset allocation policies with respect to the management and investment of the Fund.
- The Superannuation Funds Management Corporation of South Australia (Funds SA) implements the subsidiary's investment policy statement and strategies as agent for the subsidiary.
- The subsidiary will review the policy statement at least annually to ensure the continued suitability of the investment policy.
- The subsidiary's general investment objectives for the fund's assets are as follows:
  - » To invest the assets of the fund as permitted by the *Public Corporations Act 1993* (and accompanying regulations) and the trust deed whilst acting in a fiduciary capacity.
  - » To have regard to the overall circumstances of the fund when making decisions on the risk/return objectives and asset allocation policies to be adopted with respect to the management and investment of the Fund.
  - » To ensure that there are sufficient assets to meet benefit payments as they fall due.
- Permitted investments include units of the Funds SA Cash and Balanced (taxed) funds, but the Board at its discretion may invest in other Funds SA investment options.

### 3.2 Operations and transactions outside the state

In undertaking the functions specified in Regulation 13 of the Regulations, the subsidiary may undertake activities or transactions outside the State consisting of any activities and transactions relating to the investment policies of the subsidiary adopted pursuant to clause 3.1 of this Charter.

### 4. Subsidiaries, associated and allied organisations

The subsidiary must not form a subsidiary company or acquire or enter into any arrangement under which it will hold relevant interests in shares in a company such that the company becomes a subsidiary of the subsidiary unless it has the prior written approval of the Treasurer.

## **5. Financial management, financial standards and reporting**

### **5.1 Report on operations**

The subsidiary must, within four months after the end of each financial year, deliver a report to the Minister on the operation of Southern Select Super during that financial year. The report must include a copy of any financial statements prepared by the board in relation to receipts of members' contributions and employer contributions, and relating to payments to, or on behalf of, or in relation to, members.

### **5.2 Annual report**

The subsidiary must, within three months after the end of each financial year, deliver to the Minister a report on the financial operations of the subsidiary during that financial year.

### **5.3 Form and content of accounts and financial statements**

The subsidiary will:

- Prepare financial statements based on Australian Accounting Standards, specific instructions from the Treasurer and generally accepted accounting principles and practices.
- Maintain separate accounts and records.

### **5.4 Accounting and internal auditing systems and practices**

The subsidiary will:

- Establish and maintain financial and accounting processes, practices and systems in accordance with appropriate standards of practice.
- Establish and maintain effective internal auditing of its operations in accordance with appropriate standards of practice.
- Establish an audit committee to review annual financial statements to ensure that they present a true and fair view of the state of affairs of the subsidiary, to liaise with the external auditor and to review the adequacy of the accounting, internal auditing, reporting and other financial management systems and practices of the subsidiary on a regular basis.

### **5.5 Acquisition or disposal of capital**

Other than contributions received from or on behalf of members of Super SA Select for payment into the fund, the subsidiary will not hold any capital.

### **5.6 Borrowing or lending of money**

The subsidiary must not lend or advance money, securities or property to any person without the approval of the Treasurer.

The subsidiary must not undertake commercial borrowings without the prior written approval of the Treasurer.

## **6. Operating environment**

The subsidiary has been established to deliver a taxed superannuation fund to South Australian Government and Statutory Authority employees. The State Superannuation Office, a branch of the Department of Treasury and Finance, will provide superannuation administration services to the subsidiary, subject to a Service Level Agreement (SLA) commencing on 14 December 2012 for a period of five years. The SLA may be renewed for further periods by agreement between the parties.

### **6.1 Compliance with government policies**

The subsidiary will comply with all relevant government policies unless specifically exempted.

### **6.2 Compliance with the Public Finance and Audit Act**

The subsidiary will be subject to all the requirements of the Public Finance and Audit Act.

The subsidiary will be subject to all Treasurer's Instructions unless specifically exempted.

### **Date of operation**

The Charter was reviewed at the end of 2014-15 and continued unchanged for 2015-16 and will be reviewed before the end of each subsequent financial year.

# Corporate Governance

## Changes to Acts and Regulation

During 2015–16, there have been no amendments to the Trust Deed that is administered by the Corporation. There have been amendments during 2015–16 to the legislation that established the Corporation, the Public Corporations (Southern Select Super Corporation) Regulations 2012 as follows:

### Public Corporations (Southern Select Super Corporation) Variation Regulations 2016 (No 52 of 2016)

These regulations:

- Addressed several technical difficulties with the election of members to the board of the Southern Select Super Corporation (as trustee for Super SA Select), including default appointments in the event of the failure of elections for any reason.
- Clarified that Super SA Board members are not precluded from being members of the Board of the Southern Select Super Corporation.

Regulation made on: 16 June 2016

Date of operation: 16 June 2016

### Approvals and Exemptions

In establishing Super SA Select, the South Australian Superannuation Board agreed to provide funding of up to \$500 000 from its Capital and Development Reserve account to the Minister for Finance.

The terms of the loan are set out in Schedule 2 of the Public Corporation (Southern Select Super Corporation) Regulations 2012 and the tri-partite Funding Deed between the Super SA Board, the Minister for Finance and the Southern Select Super Corporation. Approval of the deed was obtained on 26 June 2013.

The repayment of the loan by the Corporation from Super SA Select, together with interest, is in accordance with Schedule 2 of the Public Corporations (Southern Select Super Corporation) Regulations 2012.

A Service Level Agreement has been established between the Corporation and the Department of Treasury and Finance (DTF) for the provision of State Superannuation Office staff and facilities to administer Super SA Select.

### Risk Management

During 2015–16 the Corporation continued its integrated audit, risk and compliance function that included compliance testing, incident management, a Financial Management Compliance Program and a Risk Management Strategy and Plan.

Internal Audit projects completed during 2015–16 for Super SA Select included Fraud Risk Management, Privacy, and Core Financial Services Reviews.

## Fraud

The Corporation is responsible for the internal control framework, but also acknowledges that no cost-effective internal control system will preclude all errors and irregularities. Regular information is provided to the Corporation from internal and external audit, through the Audit, Risk and Finance Committee as well as from the General Manager and the Board Secretary. To the best of the Corporation's knowledge there have been no instances of fraud in 2015–16.

### Anti-Money Laundering and Counter-Terrorism Financing (AML & CTF)

Under the *Commonwealth Anti-Money Laundering and Counter-Terrorism Financing Act 2006*, the Corporation is a reporting entity and is subject to the requirements of the Act. The Corporation's Audit, Risk and Finance Committee maintains oversight of Super SA's progress in meeting its obligations under the AML & CTF legislation.

### Heads of Government Agreement

The South Australian and Commonwealth Governments have entered into a Heads of Government Agreement to enable certain public sector schemes to be exempt from the Commonwealth's *Superannuation Industry (Supervision) (SIS) Act 1993*. The exempt schemes are deemed to be complying superannuation funds in terms of the SIS Act and for superannuation guarantee purposes under the *Superannuation Guarantee (Administration) Act 1992* and for income tax purposes under the *Income Tax Assessment Act 1936*.

Super SA Select, established under a Trust Deed dated 18 December 2012, is an exempt public sector scheme in terms of Commonwealth legislation.

In terms of the agreement, the South Australian Government has made a commitment to ensure that the exempt SA public sector schemes conform to the principles of the Commonwealth's retirement income policy objectives. The Trustee has embraced this commitment, ensuring that its members are well informed. The Trustee endeavours to ensure that all communications are in accordance with the *Financial Services Reform Act 2001*.

### Major Commonwealth initiatives

The Corporation continues to monitor the progress of Commonwealth legislation affecting superannuation. Changes to Super SA Select are considered whenever new Commonwealth legislation is enacted. Commonwealth initiatives during 2015–16 were dominated by the 2016-17 Budget Announcements impacting superannuation.

### Complaints, Appeals and Freedom of Information

The Corporation, as Trustee, aims to resolve all matters through its internal enquiry and complaints processes via Super SA.

Super SA has a dedicated complaints function to centralise all complaints, appeals and Freedom of Information (FOI) requests.

The complaints process is designed in accordance with best practice measures and industry standards and is an accessible, visible and robust process to manage written member complaints. Members can write or email the Complaints Officer directly or complete the Member Complaint Form (available on the website) which assists members in defining their complaint and the resolution expected from the Trustee. During 2015-16 there were no written complaints received and no appeals to the Corporation.

There were no applications received for access to information under the FOI Act during 2015-16.

### Policy Documents

The Corporation continued its policy review program during 2015-2016 with the following policies being updated:

- Administration Fees
- Variation to Members Contribution Rate
- Collection of Contributions from Agencies
- Assessing Total and Permanent Disablement and Terminal Illness Claims
- Members' Email Address Protocol
- Complaints Process
- Appeals Process
- Release of Member Information including FOI
- Cooling-Off Period
- Fraud and Theft
- Dissolution of Marriage Fees
- Member Contributions
- Risk Management.

During 2015-16 the following two new policies were approved by the Corporation:

- Conflict of Interest
- Access to Board Papers.

During 2015-16 no policies were revoked by the Corporation.

### Policy Documents

The policy documents as at 30 June 2016 are:

- Administration Fees
- Variation to Members Contribution Rate

- Collection of Contributions from Agencies
- investment Choice
- Death Benefit of \$15,000 or less
- Assessing Total and Permanent Disablement and Terminal Illness Claims
- Members' Email Address Protocol
- Complaints Process
- Appeals Process
- Release of Member Information Including FOI
- Cooling-Off Period
- Fraud and Theft
- Dissolution of Marriage Fees
- Member Contributions
- Risk Management
- Financial Management and Compliance Framework
- Trustee Training
- Unit Pricing
- Conflict of Interest
- Access to Board Papers.

Any person wishing to inspect these policies should contact Member Services on (08) 8207 1968.

The Product Disclosure Statement undergoes continual review to ensure the information is current at all times.

### Whistleblowers Act

There were no occasions in the 2015-16 year on which public interest information was disclosed to a responsible officer of the agency under the *Whistleblowers Protection Act 1993*.

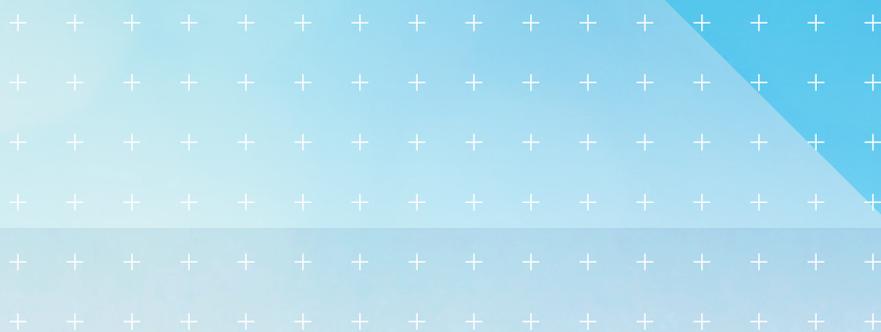
### Unclaimed Monies

The Corporation is required under the *Superannuation (Unclaimed Money and Lost Members) Act 1999* (Cwth Act) to report and pay unclaimed money entitlements to the ATO twice per year in accordance with the Commonwealth legislation.

Unclaimed superannuation entitlements are defined as such once the following conditions have been met:

- the member is over the age of 65
- the member has been categorised as 'lost' for more than five years and the provider has not been able to contact the member again after making reasonable efforts
- the fund has not received a contribution for the member in more than two years

There were no payments that were required to be made during 2015-16.



## Appendix 1 Financial Statements

## INDEPENDENT AUDITOR'S REPORT



**Government of South Australia**  
 Auditor-General's Department

Level 9  
 State Administration Centre  
 200 Victoria Square  
 Adelaide SA 5000  
 DX 56208  
 Victoria Square  
 Tel +618 8226 9640  
 Fax +618 8226 9688  
 ABN 53 327 061 410  
 audgensa@audit.sa.gov.au  
 www.audit.sa.gov.au

### To the Presiding Member Southern Select Super Corporation

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the accompanying financial report of Super SA Select for the financial year ended 30 June 2016. The financial report comprises:

- an Operating Statement for the year ended 30 June 2016
- a Statement of Financial Position as at 30 June 2016
- a Statement of Cash Flows for the year ended 30 June 2016
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Presiding Member of the Southern Select Super Corporation, General Manager, State Superannuation Office and the Manager, Financial Services, State Superannuation Office.

### The members of the Southern Select Super Corporation Board's responsibility for the financial report

The members of the Southern Select Super Corporation Board are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the members of the Southern Select Super Corporation Board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the members of the Southern Select Super Corporation Board, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My report refers only to the financial statements described above and does not provide assurance over the integrity of publication of the financial report on the State Superannuation Office's (Super SA) website nor does it provide an opinion on any other information which may have been hyperlinked to/from these statements.

### **Opinion**

In my opinion, the financial report gives a true and fair view of the financial position of Super SA Select as at 30 June 2016, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.



Andrew Richardson  
**Auditor-General**  
20 September 2016

### Super SA Select

#### Operating Statement for the year ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
<b>INVESTMENT AND OTHER REVENUE:</b>			
Investment Revenue		113	193
Other Revenue		3	3
<b>CONTRIBUTION REVENUE:</b>			
Contributions by Employers		410	382
Contributions by Members		103	193
Rollovers from Other Schemes		134	130
Government Contributions		41	46
<b>Total Contribution Revenue</b>		<b>688</b>	<b>751</b>
<b>Total Revenue</b>		<b>804</b>	<b>947</b>
<b>EXPENSES:</b>			
Direct Investment Expenses	3	15	12
Administration Expenses	4	10	59
Interest Expense	18	9	12
<b>Total Expenses</b>		<b>34</b>	<b>83</b>
<b>INCOME TAX EXPENSE</b>	16(a),(b)	<b>63</b>	<b>69</b>
<b>BENEFITS ACCRUED AS A RESULT OF OPERATIONS</b>		<b>707</b>	<b>795</b>

*The Operating Statement should be read in conjunction with the accompanying notes*

#### Statement of Financial Position as at 30 June 2016

	Note	2016 \$'000	2015 \$'000
<b>INVESTMENTS:</b>			
Inflation Linked Securities B		254	252
Property B		348	222
Australian Equities B		650	557
International Equities B		551	506
Long Term Fixed Interest		250	189
Short Term Fixed Interest		64	56
Diversified Strategies - Growth B		210	161
Diversified Strategies - Income		490	376
Cash		395	378
		<b>3 212</b>	<b>2 697</b>
<b>OTHER ASSETS:</b>			
Cash and Cash Equivalents	5	512	87
Contributions Receivable	6	7	18
Receivables	8	2	-
		<b>521</b>	<b>105</b>
<b>Total Assets</b>		<b>3 733</b>	<b>2 802</b>
<b>CURRENT LIABILITIES:</b>			
Benefits Payable	7	40	37
Payables	12	412	10
Current Tax Liabilities	16(c)	39	11
		<b>491</b>	<b>58</b>
<b>NON-CURRENT LIABILITIES:</b>			
Deferred Tax Liabilities	16(d)	16	17
Loan Payable	18	533	524
		<b>549</b>	<b>541</b>
<b>Total Liabilities</b>		<b>1 040</b>	<b>599</b>
<b>NET ASSETS AVAILABLE TO PAY BENEFITS</b>	9	<b>2 693</b>	<b>2 203</b>
<b>REPRESENTED BY:</b>			
<b>LIABILITY FOR ACCRUED BENEFITS:</b>			
Allocated to Members' Accounts	10,13	3 045	2 555
Not Allocated to Members' Accounts	11	(352)	(352)
		<b>2 693</b>	<b>2 203</b>

*The Statement of Financial Position should be read in conjunction with the accompanying notes*

## Super SA Select

## Statement of Cash Flows for the year ended 30 June 2016

	Note	Inflows (Outflows) \$'000	2016 Inflows (Outflows) \$'000	2015 Inflows (Outflows) \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Contributions Received:				
Contributions by Employers		431		395
Contributions by Members		106		190
Rollovers from Other Schemes		537		130
Government Contributions		41		46
			1 115	761
GST Recovered from the ATO			(1)	4
Bank Interest Received			3	3
			2	7
Benefits Paid:				
Resignation/Retirement		(210)		(181)
Death		(3)		-
			(213)	(181)
Administration Expenses Paid			(11)	(62)
Income Tax Expense			(36)	(59)
Insurance Premiums Paid			(14)	(16)
<b>Net Cash provided by Operating Activities</b>	15		<b>843</b>	<b>450</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Receipts from Funds SA			642	409
Payments to Funds SA			(1 060)	(925)
<b>Net Cash (Used In) Investing Activities</b>			<b>(418)</b>	<b>(516)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD</b>			<b>425</b>	<b>(66)</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JULY</b>			<b>87</b>	<b>153</b>
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	5		<b>512</b>	<b>87</b>

## Super SA Select

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 1. Objectives and Funding

##### (a) **Super SA Select**

In 2012, the Commonwealth passed the *Tax Laws Amendment (Stronger, Fairer, Simpler and Other Measures) Act 2012*, which introduced a new superannuation benefit for low income earners. This measure provides a superannuation benefit for low income earners of up to \$500 annually for individuals on adjusted taxable incomes of up to \$37,000.

The low income tax benefit is only available to members of taxed superannuation schemes. The Southern State Superannuation Scheme (The Triple S Scheme), regulated by the *Southern State Superannuation Act 2009*, is not a taxed superannuation fund and therefore members of the Triple S Scheme are not eligible for the low income tax benefit.

Under the Super SA Select Deed (the Deed) the Minister for Finance established Super SA Select (the Fund), a taxed accumulation superannuation fund.

The Fund is an indefinitely continuing superannuation fund that is maintained for the purpose of providing retirement and other benefits to members.

The Fund consists of all cash, investments, earnings and other property held from time to time by or on account of the Trustee upon the trusts of this Deed.

The Trustee may determine that beneficial interests in the Fund will be represented by units and that earnings of the Fund will be allocated by way of movements in the value of the units.

An employer is required to pay contributions to the Treasurer under section 21 of the Act. The employer contributes 9.50 (2015 – 9.50) percent of salary where the member has elected to contribute less than 4.5 percent of salary. Where the member has elected to contribute 4.5 percent or more of salary, the employer must contribute at a rate of 10 percent.

##### (b) **Southern Select Super Corporation**

The Southern Select Super Corporation (the Trustee) was established on 1 December 2012 as a subsidiary of the Minister for Finance, pursuant to the *Public Corporations (Southern Select Super Corporation) Regulations 2012* (the Regulations), and was established under section 24 of the *Public Corporations Act 1993* to act as Trustee of the Fund.

A board of directors was established as the governing body of the Trustee. From 1 December 2015 the Board consists of five members, a Presiding Member appointed by the Governor, two members appointed on election by the members of Super SA Select and two members appointed by the Governor on the Minister's nomination. As there were no nominations received at the election held in June 2015, the two member-elected positions were vacant as at 30 June 2016. The regulations have recently been amended to allow the Governor to appoint a person nominated by the Minister to a vacant position if an election fails. Appointments to these two vacant positions are currently in progress.

The Trustee has complete management and control of all proceedings and matters in connection with the Fund and may do all that it considers necessary, desirable or expedient for the proper administration, maintenance and preservation of the Fund and in the exercise of the powers and the performance of the duties of the Trustee.

In accordance with regulation 14 of the Regulations, the Trustee is responsible for the investment and management of the Fund. The Trustee must prepare an investment policy statement for the purposes of the Fund and must, in connection with the statement, set the risk/return objectives and asset allocation policies to be adopted with respect to the management and investment of the Fund.

In setting the risk/return objectives and asset allocation policies to be adopted, the Trustee must consult with the Superannuation Funds Management Corporation of South Australia (Funds SA).

##### (c) **Superannuation Funds Management Corporation of South Australia**

The Investment Manager of the Fund is Funds SA and in accordance with regulation 14 of the Regulations implements the investment policy statement and strategies as agent for the Trustee. Funds SA is a SA Government Entity established under the *Superannuation Funds Management Corporation of South Australia Act 1995*. The Fund is not Crown property and therefore operates in a taxed environment.

For further information on investment activities, reference should be made to the annual report of Funds SA. The financial report of Funds SA discloses the investment assets, liabilities, income and expenses relating to the investment activities of Funds SA.

##### (d) **Funding Arrangements**

The Trustee receives payments from, or on behalf of, members of the Fund and maintains accounts for each member in accordance with the Deed. All amounts received from, or on behalf of, members of the Fund are to be paid into a fund maintained by the Trustee. Payments are to be made from the fund as required under the Deed or rules of the Fund or under an Act of the State or the Commonwealth.

## Super SA Select

### 2. Summary of Significant Accounting Policies

#### (a) **Basis of Accounting**

This financial report is a general purpose financial report. The accounts have been prepared in accordance with relevant Australian Accounting Standards, Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*, except as provided below.

AAS 25 "Financial Reporting by Superannuation Plans" is the principal standard applied in preparing this financial report. Other accounting standards are also applied where necessary except to the extent that they differ from AAS 25.

This financial report has been prepared on an accrual basis where this can be reliably measured. This is in accordance with the historical cost convention, except for the valuation of investments, which are measured at net market value.

This financial report is presented in Australian currency and all amounts have been rounded to the nearest thousand dollars (\$'000).

#### New Accounting Standard

On 5 June 2014, the Australian Accounting Standards Board (AASB) approved the new Accounting Standard AASB 1056 "Superannuation Entities" for adoption on 1 July 2016. The Standard replaces AAS 25 "Financial Reporting by Superannuation Plans" and comprehensively reforms the General Purpose Financial Reporting requirements applicable to superannuation entities.

Key changes resulting from the adoption of AASB1056 include:

- Preparation of additional financial statements including a statement of changes in member benefits and statement of changes in equity;
- Broadly applying presentation principles and requirements of applicable Australian Accounting Standards as opposed to the requirements of AAS 25 that overrode certain requirements. This includes measuring assets and liabilities (previously measured at net market value) to fair value. Changes in fair value are to be reported in the income statement.

#### (b) **Investments**

The basis for the valuation of investments is provided below. Investments are measured at net market value as provided by Funds SA.

##### (i) Inflation Linked Securities B

The Inflation Linked Securities B portfolio invests in discretely managed portfolios both of which are invested and managed by external managers. Discretely managed portfolios have been valued by the custodian appointed to hold the assets using market prices applicable at balance date.

Internally managed inflation linked securities, the returns of which are linked to movements in either the Consumer Price Index or Average Weekly Earnings, have been valued using the discounted cash flow method. The valuation as at balance date was performed by an independent valuer.

##### (ii) Property B

Property B portfolio comprises two sub-sectors:

#### *Listed Property Trusts*

These investments comprise arrangements whereby professional fund managers are appointed under an investment management agreement to manage and invest in listed property securities and real estate investment trusts. Investments in this sub-sector are in pooled funds and have been valued in accordance with the valuations supplied by the managers.

#### *Unlisted property vehicles*

The unlisted property vehicles portfolio is invested and managed by external managers. Investments in this sub-sector have been valued in accordance with the valuations supplied by the managers.

##### (iii) Australian Equities B

The Australian Equities B portfolio comprises investments in listed Australian equities, and is invested and managed by external managers. Discretely managed portfolios have been valued by the custodian appointed to hold the assets using market prices applicable at balance date. Investments in pooled listed Australian equities funds have been valued in accordance with the valuations supplied by the managers.

##### (iv) International Equities B

The International Equities B portfolio comprises investments in equities listed on international share markets, and is invested and managed by external managers. Discretely managed portfolios have been valued by the custodian appointed to hold the assets using market prices applicable at the balance date. Investments in pooled international vehicles have been valued in accordance with the valuations supplied by the managers. Currency conversions have been made at the spot market mid-rates applicable at balance date where applicable.

## Super SA Select

### Summary of Significant Accounting Policies (continued)

#### (v) Short Term and Long Term Fixed Interest

The Short Term and Long Term Fixed Interest portfolios have exposure to domestic and global debt instruments and is managed by external managers. The custodian appointed to hold the assets has valued the portfolio using market prices applicable at balance date.

#### (vi) Diversified Strategies Growth B

The Diversified Strategies Growth B portfolio comprises investments in Australian and international private equity funds and Australian and international pooled funds, which are invested and managed by external managers. The valuation of private equity investments is based on the most recent valuation performed by the fund managers plus or minus cash flows between the last valuation date and the reporting date. Both Australian and international private equity valuations are generally in accordance with the International Private Equity and Venture Capital Valuation Guidelines (December 2012). Investments in the pooled funds have been valued in accordance with the valuations supplied by the managers. Currency conversions have been made at the spot market mid-rates applicable at balance date where applicable.

#### (vii) Diversified Strategies Income

Diversified Strategies Income portfolio comprises investments in discretely managed investments and Australian and international pooled funds, and is invested and managed by external managers. Discretely managed portfolios have been valued by the custodian appointed to hold the assets using market prices applicable at the balance date. Investments in the pooled funds have been valued in accordance with the valuations supplied by the managers. Currency conversions have been made at the spot market mid-rates applicable at balance date where applicable.

#### (viii) Cash

The Cash portfolio is externally managed. The investments are held in a cash management fund. Cash balances are supplied by the relevant financial institution and have been valued on the basis of principal plus accrued interest.

### (c) **Income Tax**

The Fund commenced on 1 December 2012 and is subject to a concessional tax treatment at the rate of 15 percent.

#### Current tax

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

#### Deferred tax

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

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

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

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

### (d) **Operation of Investment Portfolio**

Funds SA operates a multi-layered notional unitisation structure to facilitate the administration of different investment strategies applying to the various public sector superannuation funds. For the year ending 30 June 2016, Funds SA managed two separate investment options pertaining to the Fund distinguished by differing strategic asset allocations, namely:

- Balanced
- Cash

During the financial year the above investment options were available to investors in the Fund. Reference should be made to Funds SA's Annual Report for the strategic asset allocations applying to each of the two investment options discussed in the preceding paragraphs.

## Super SA Select

### Summary of Significant Accounting Policies (continued)

- (e) **Revenue**  
Superannuation contributions and other revenue are recognised to the extent that it is probable that the flow of economic benefits to the scheme will occur and can be reliably measured.

Investment revenue represents the change in market value due to the movement in the value of funds invested with Funds SA.

- (f) **Expenses**  
Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Scheme will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

- (g) **Cash and cash equivalents**  
Cash and cash equivalents in the Statement of Financial Position include cash at bank and on hand and in other short-term, highly liquid investments with maturities of three months or less that are readily converted to cash and which are subject to insignificant risk of changes in value.

Cash is measured at nominal value.

- (h) **Receivables and Payables**  
Contributions receivable are contributions relating to the 2015-16 financial year received by the Fund after 30 June 2016.

Other receivables are carried at nominal amounts which approximate fair value.

Other payables are recognised when the Fund is obligated to make future payments for services received and are carried at the amount payable on demand.

Benefits payable comprises the entitlements of members who ceased employment and had provided the Fund with appropriate notification, but where the benefits had not been paid on or prior to year end.

Loan payable is recognised at cost and is interest bearing. The interest is determined by the Treasurer. The terms of the loan were agreed by the Minister for Finance at the time the loan was provided.

- (i) **Goods and Services Tax**  
Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the ATO. In these circumstances, the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of the expense.

Private ruling issued by the Australian Taxation Office in October 2015 specifies the rate at which GST can be recovered through reduced input tax credits.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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

### 3. Direct Investment Expenses

Direct investment expenses comprise fees paid to Funds SA. Funds SA advises the amount applicable to the Fund based on the Fund's investment. In 2015-16 the small increase in direct investment expenses was largely attributable to increased funds under management driven by investor inflows and modest investment market performance (costs are applied on a percentage basis of funds under management). For the year ended 30 June 2016 the amount for Direct Investment Expenses was \$15 thousand (2015 \$12 thousand).

### 4. Administration Expenses

	2016	2015
	\$'000	\$'000
Administration Expenses (i)	1	50
Other Expenses (ii)	9	9
	10	59

- (i) Administration expenses incurred by the Trustee in administering the Fund are met in the first instance from the Department of Treasury and Finance Operating Account. The Department of Treasury and Finance seeks reimbursement from the Trustee monthly. The charge for the year ended 30 June 2016, based on actual costs of administering the Fund, amounted to \$1,235 (2015 \$50,204) including GST.

### Super SA Select

#### Administration Expenses (continued)

Section 7 of the Deed provides for an administrative charge to be debited each year to the Members' account. The purpose of this charge is to provide for existing and future costs of administering the Scheme. The amount of the charge is determined by the Trustee. For the year ended 30 June 2016, the charge was \$1.35 per week per member for all members, active and non-active. The charge for a member with an aggregate balance of \$1,000 or less is the lesser of investment earnings or \$1.35 per week, with a minimum annual administration fee of \$10. This charge is included on member annual statements. For the year ended 30 June 2016 the amount charged to Members' accounts was \$9,646 (2015 \$10,094).

- (ii) Other expenses include Auditor's remuneration. Amounts paid or due and payable to the Auditor-General's Department (a SA Government Entity) for the audit of the Fund for the reporting period totalled \$8,500 (2015 \$8,300). No other services were provided by the Auditor-General's Department.

#### 5. Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and deposits with the Department of Treasury and Finance. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related item in the Statement of Financial Position as follows:

	2016 \$'000	2015 \$'000
Cash and Cash Equivalents per Statement of Financial Position	512	87
Cash and Cash Equivalents per Statement of Cash Flows	512	87

#### 6. Contributions Receivable

	2016 \$'000	2015 \$'000
Contributions Receivable from Members	2	5
Contributions Receivable from Employers	5	13
	7	18

#### 7. Benefits Payable

	2016 \$'000	2015 \$'000
Benefits Payable	40	37
	40	37

#### 8. Receivables

	2016 \$'000	2015 \$'000
GST recoup from ATO	2	-
	2	-

#### 9. Net Assets Available to Pay Benefits

	2016 \$'000	2015 \$'000
Net Assets Available to Pay Benefits at 1 July	2 203	1 626
<i>Add:</i> Contributions by Members	103	193
Contributions by Employers	410	382
Rollovers from Other Schemes	134	130
Government Contributions	41	46
Investment Revenue	113	193
Other Revenue	3	3
	804	947
<i>Less:</i> Benefits Paid and Payable	217	218
Direct Investment Expenses	15	12
Administration Expenses	10	59
Interest Expense	9	12
Income Tax Expense	63	69
	314	370
<b>Net Assets Available to Pay Benefits at 30 June</b>	<b>2 693</b>	<b>2 203</b>

### Super SA Select

**10. Allocated to Members' Accounts**

The value of funds which have been formally allocated to investor accounts equals the Vested Benefits as per Note 14. The formal allocation of earnings to investors' accounts has been determined for the 2015-16 financial year.

**11. Not Allocated to Members' Accounts**

All accumulation schemes carry a proportion of amounts yet to be allocated. This unallocated amount arises because the financial report of the Fund is prepared on an accrual basis while monies are allocated to members on a cash basis.

**12. Payables**

	2016	2015
	\$'000	\$'000
Audit Fees	9	9
Transfer Rollover Received to other Scheme	403	1
	412	10

**13. Liability for Accrued Benefits**

The liability for accrued benefits is the obligation to pay benefits to beneficiaries, calculated as the balance of accounts plus the amounts not allocated to accounts.

	2016	2015
	\$'000	\$'000
Liability for accrued benefits at 1 July	2 555	1 951
Add: Increase in Accrued Benefits	707	822
Less: Benefits Paid and Payable	217	218
<b>Liability for Accrued Benefits at 30 June</b>	<b>3 045</b>	<b>2 555</b>

**14. Vested Benefits**

Vested Benefits are benefits which are not conditional upon continued membership of the Fund, or any other factor. Vested Benefits include benefits which investors are entitled to receive had they terminated their membership as at the reporting date.

	2016	2015
	\$'000	\$'000
Vested Benefits	3 045	2 555

**15. Reconciliation of Benefits Accrued as a result of Operations to Net Cash provided by Operating Activities**

	2016	2015
	\$'000	\$'000
Operating Result	707	795
Investment Revenue	(113)	(193)
Direct Investment Expense	15	12
Benefits Paid and Payable	(217)	(218)
Decrease/(Increase) in Contributions Receivable	11	(6)
(Increase) in Receivables	(2)	-
Increase in Benefits Payable	3	37
Increase in Payables	403	1
Increase/(Decrease) in Current Tax Liabilities	28	-
(Decrease)/Increase in Deferred Tax Liabilities	(1)	10
Increase in Interest on Loan Payable	9	12
<b>Net Cash provided by Operating Activities</b>	<b>843</b>	<b>450</b>

### Super SA Select

#### 16. Income Tax

	2016 \$'000	2015 \$'000
<b>(a) Major Components of Tax Expense</b>		
Current income tax		
Current tax charge	66	58
Adjustment to current tax for prior periods	(2)	1
Deferred income tax		
Relating to the originating and reversal of temporary differences	(1)	10
	<u>63</u>	<u>69</u>
<b>Income Tax Expense</b>		
<b>(b) Income Tax Expense</b>		
Total revenue less expenses before tax	770	864
Tax applicable at the rate of 15% (2015:15%)	115	130
Tax effect of income (losses) that are not assessable/or deductible in determining taxable income		
Investment revenue	2	(6)
Member contributions	(22)	(35)
Transfers in	(20)	(15)
Tax effect of other adjustments		
Imputation and foreign tax credits	(10)	(4)
Over provision prior period	(2)	(1)
	<u>63</u>	<u>69</u>
<b>Income Tax Expense</b>		
<b>(c) Current Tax Liabilities</b>		
Current years income tax provision	39	11
	<u>39</u>	<u>11</u>
<b>(d) Deferred Tax Liabilities</b>		
The amount of deferred tax Liabilities recognised in the Statement of Financial Position at reporting date is made up as follows:		
Accrued expenses	(1)	(1)
Contributions receivable	1	2
Unrealised capital gains carried forward (discounted)	16	16
	<u>16</u>	<u>17</u>

#### 17. Benefit Entitlements

Benefit entitlements are specified by the Regulations, the Deed and the Super SA Select Business Rules.

#### 18. Loan from South Australian Superannuation Board

At the 8 June 2012 Board meeting, the South Australian Superannuation Board (the Board) agreed to provide funding of \$500,000 from its Capital and Development Reserve account for the purpose of establishing the Fund.

The terms of the loan are set out in Schedule 2 of the Regulations and the tri-partite Funding Deed between the Board, the Minister for Finance and the Trustee. The Funding Deed was executed on 28 June 2013 with a drawdown date of 5 July 2013.

The repayment of the loan by the Trustee from the Fund, together with interest, will be in accordance with Schedule 2 of the Regulations. If at the end of the financial year the Fund has a net surplus, the interest payable for that year must be paid on or before 31 July of the following financial year. If the Fund does not have a net surplus at the end of the financial year, the interest payable for that year will be capitalised into the principal amount owing. At the end of 2015-16 the Fund did not have a net surplus, therefore the amount of interest capitalised into the principal amount for 2015-16 was \$9,000 (2015 \$12,000).

Principal repayments are required when administration fees charged to members for the financial year exceed the cost of the administration of the Fund (other than investment management charges). For 2015-16 there was no principal repayment required (refer to Note 4).

#### 19. Financial Instruments

The Fund's investments are managed by Funds SA predominantly by the appointment of investment managers as determined by the Funds SA Board. Each investment manager is required to invest the assets in accordance with the terms of a written mandate. The Funds SA Board has determined that the appointment of these managers is appropriate for the Fund and is in accordance with the Fund's investment strategy. The Funds SA Board obtains regular reports from each manager on the nature of the investments made on its behalf and the associated risks.

The allocation of assets between the various types of financial instruments is determined by the Funds SA Board. Divergence from target asset allocations and the composition of the portfolio is monitored by the Funds SA Board on a regular basis.

The Fund's investing activities expose it to the following risks from its use of financial instruments:

- market risk
- credit risk
- liquidity risk

## Super SA Select

### Financial Instruments (Continued)

The nature and extent of the financial instruments employed by the Fund are discussed below. This note presents information about the Fund's exposure to each of the above risks, the Fund's objectives, policies and processes for measuring and managing risk.

The Funds SA Board has overall responsibility for the establishment and oversight of the Fund's investment risk management framework.

The Fund's investment risk management policies are established to identify and analyse the risks faced by the Fund, including those risks managed by the Fund's investment managers, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Board receives regular reports from Funds SA concerning compliance with the Fund's investment objectives.

#### a) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

##### I. Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Fund's currency risk is managed by Funds SA who has invested in assets denominated in foreign currencies. Funds SA strategic policy for the management of its foreign currency exposure is as follows:

- Foreign currency exposures in the diversified strategies (growth), diversified strategies (income) and fixed interest asset sectors are fully hedged to Australian dollars.
- Foreign currency exposures over the developed markets component of the international equities asset class are 50 percent hedged to Australian dollars.

For the purpose of managing foreign currency risk, within defined constraints, the exposure to foreign currency can be varied from the strategic policy stated above, by Funds SA

##### II. Interest rate risk

Interest rate risk is the risk that a movement in interest rates will cause the value of fixed interest securities to deviate from expectations.

Funds SA manages interest rate risk through:

- Ensuring asset allocations of different investment products are consistent with the time horizon of each.
- The use of specialist external investment managers to manage Funds SA's cash and fixed income portfolios.
- The Scheme's receivables and payables are non-interest bearing. The carrying amounts of these assets approximate to fair value.

##### III. Other market price risk

Other market price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

As the Fund's financial instruments are valued at net market value (fair value) with changes in net market value recognised in the Operating Statement, all changes in market conditions will directly affect investment revenue.

Funds SA manages the risk of financial market volatility through the adherence to two principles:

- Ensuring a diversity of exposures to different financial markets and sub markets.
- Ensuring asset allocations for different investment products are consistent with the time horizon of each.

##### IV. Sensitivity analysis

The Trustee has decided to adopt Funds SA's forecast risk/return profile as a reasonable measure of the sensitivity of the expected returns in each investment option in the year ahead. The following tables show the standard deviation around expected nominal returns for each investment option.

2016

Investment Option	Sensitivity variable	Expected Nominal Return	Nominal Standard Deviation
Balanced	Nominal standard deviation	6.5%	8.0%
Cash	Nominal standard deviation	2.5%	1.3%

### Super SA Select

#### Financial Instruments (Continued)

2015

Investment Option	Sensitivity variable	Expected Nominal Return	Nominal Standard Deviation
Balanced	Nominal standard deviation	6.3%	7.9%
Cash	Nominal standard deviation	2.5%	1.1%

Standard deviation is a useful historical measure of the variability of returns earned by an investment portfolio. The standard deviations shown above represent the range at which actual future returns are expected to occur either side of the nominal return approximately two thirds of the time.

Actual movements in returns may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the underlying trusts invest. As a result, historic variations in rates of return are not a definitive indicator of future variations in rates of return.

#### b) Credit Risk

Credit risk is the risk that a counter party to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund.

The net market value of financial assets, included in the Statement of Financial Position represents the Fund's maximum exposure to credit risk in relation to those assets. The Fund does not have any significant exposure to any individual counter party or industry. The credit risk is monitored by Funds SA through ongoing reviews of the investment managers.

The Fund does not have any assets which are past due or impaired and there is no concentration of credit risk.

#### c) Liquidity Risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its payment of benefits to members and liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund's liquidity position is monitored on a daily basis. The Fund's cash and liquidity policy is to have sufficient cash balances to meet anticipated weekly benefit payments, expenses and investing activities.

Funds SA manages liquidity risk as follows:

- By giving careful consideration to the expected net cash redemption requirements of Funds SA's clients. The allocation to cash in the strategic asset allocation of each investment product is set at a level sufficient to manage expected cash redemptions.
- A large proportion of each investment product is invested in highly liquid investments such as actively traded equities, unit trusts or securities with short-term maturities.

The following tables summarise the expected maturity profile of the Fund's financial liabilities based on the earliest date on which the Fund can be required to pay. The amounts in the table are the contractual undiscounted cash flows.

30 June 2016	Less than 3 Months \$'000	Total Contractual Cash Flows \$'000	Carrying Amount Liabilities \$'000
Benefits Payable	40	40	40
Payables	403	403	403
Vested Benefits (see below)	3 086	3 086	3 086
<b>Total</b>	<b>3 529</b>	<b>3 529</b>	<b>3 529</b>

30 June 2015	Less than 3 Months \$'000	Total Contractual Cash Flows \$'000	Carrying Amount Liabilities \$'000
Benefits Payable	37	37	37
Payables	1	1	1
Vested Benefits (see below)	2 555	2 555	2 555
<b>Total</b>	<b>2 593</b>	<b>2 593</b>	<b>2 593</b>

## Super SA Select

### **Financial Instruments (Continued)**

Payable amounts disclosed here exclude amounts relating to statutory payables (e.g. Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees).

Vested benefits have been included in the less than 3 months column, as this is the amount that members could call upon as at balance date. This is the earliest date on which the Fund can be required to pay members vested benefits, however, members may not necessarily call upon amounts vested to them during this time.

#### **d) Fair Value**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

<b>Financial assets at fair value through profit or loss</b>	<b>Level 2</b>
<i>Level 1 and level 3 are not relevant to the Fund</i>	<b>\$'000</b>
<b>30 June 2016</b>	
Unlisted managed investment schemes	3 212
Funds SA	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>
	3 212
<b>30 June 2015</b>	
Unlisted managed investment schemes	2 697
Funds SA	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>
	2 697

#### **e) Derivative Financial Instruments**

Derivatives can be defined as financial contracts whose value depends on, or is derived from, assets, liabilities, reference rates or indices. Funds SA uses derivatives to manage portfolio risk and to facilitate the implementation of investment strategies efficiently and cost effectively. Funds SA uses a variety of derivative instruments, such as over the counter swap agreements, forward rate agreements, futures and options.

Derivatives are an authorised investment within certain mandates managed by Funds SA's external investment managers for the purposes described above.

## **20. Remuneration of Board and Committee Members**

### **a) Board and Committee Members**

The following are members of the Trustee Board who served during the course of the 2015-16 financial year, along with the period served.

#### **The Trustee Board**

Philip Jackson (Presiding Member)  
 Bill Griggs (1 July 2015 - 30 November 2015)  
 Virginia Deegan  
 Jan McMahon (1 July 2015 - 30 November 2015)  
 Deborah Black (1 July 2015 - 30 November 2015)  
 Donald Edward Farrell (1 December 2015 - 27 May 2016)  
 Aaron Chia (Deputy Member 1 July 2015 - 30 November 2015)  
 Liz Hlipala  
 Leah York (Deputy Member - 1 July 2015 - 30 November 2015)  
 John Wright (Deputy Member - Appointment ceased 27/05/16 upon the resignation of Donald Edward Farrell )

#### **The Trustee Board Audit, Risk and Finance Committee**

Virginia Deegan (Convenor of Meetings)  
 Philip Jackson (Presiding Member)  
 John Wright

### **b) Remuneration of Board Members**

Deborah Black received remuneration during the period 23 July 2015 to 30 November 2015 inclusive (\$3,000).

## **21. Events after the reporting period**

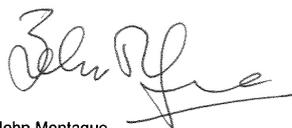
There were no significant events after the reporting period.

**Super SA Select  
Certification of the Financial Report**

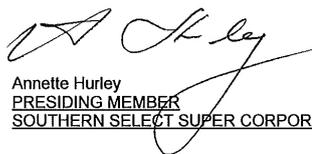
We certify that the attached general purpose financial report for Super SA Select:

- complies with any relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- is in accordance with the accounts and records of the Fund; and
- presents a true and fair view of the financial position of the Fund as at 30 June 2016 and the results of its operation and cash flows for the reporting period.

We certify that the internal controls employed by the Fund for the financial year over its financial reporting and its preparation of the general purpose financial report have been effective throughout the reporting period.



John Montague  
GENERAL MANAGER  
STATE SUPERANNUATION OFFICE



Annette Hurley  
PRESIDING MEMBER  
SOUTHERN SELECT SUPER CORPORATION



Mark Carpinelli  
MANAGER FINANCIAL SERVICES  
STATE SUPERANNUATION OFFICE

Date ..... 19 / Sep / 2016

This page has been intentionally left blank.

## Appendix 2 – Glossary

### Accumulation fund

A superannuation fund in which member entitlements are made up of a combination of: employer contributions (includes salary sacrifice); member contributions; rollovers received; Co-Contributions, Low Income Superannuation Contribution (LISC); less fees and charges; plus investment returns.

### Administration fee

The fee deducted from each member's account to cover the cost of administering the fund.

### After-tax contributions

Contributions made into a member's account from their net, or after-tax, salary.

### Co-Contributions

Amounts a member has received from the Commonwealth Government as part of the Co-Contributions scheme.

### Contributory

Members who elect to contribute to their super by making before-tax (salary sacrifice) or after-tax contributions to their account.

*See After-tax contributions and Salary sacrificing.*

### Entitlements

The amount of money in the superannuation fund to which the member is entitled. This includes insurance payments where eligible.

### Investment choice

Members are able to choose either the "Balanced" or "Cash" investment option that suits their investment profile. Members who don't choose an investment option will be invested in the default "Balanced" option.

### Low Income Superannuation Contribution (LISC)

The Low Income Superannuation Contribution (LISC) is a Commonwealth Government super contribution paid into super accounts to help low income earners save for their retirement. It was introduced in July 2012.

To be eligible for LISC your adjusted taxable income needs to be \$37 000 or less per year.

The amount of LISC that you receive is 15% of the concessional contributions your employer makes to a taxed super fund.

The maximum amount you can receive for a financial year is \$500 and the minimum is \$20.

### Non-contributory

The member does not make before-tax (salary sacrifice) or after-tax contributions, contributions are received only from the employer (superannuation guarantee).

### Rolling in

Your super contributions invested with other funds can be transferred to Super SA Select.

### Salary sacrificing

Personal before-tax salary contributions made from a member's salary before Pay As You Go (PAYG) tax is deducted. These amounts are classified by the Tax Office as employer payments and therefore reduce annual salary for taxation purposes.

### Superannuation Guarantee (SG)

The Superannuation Guarantee (SG) is the minimum level of super contribution that must be provided to members by their employer and was 9.5% for 2015-16.

### Trust Deed

A document that sets out the rules for the establishment and operation of a scheme, including: the appointment and operation of Trustees; who can be admitted to the scheme; receiving and investing contributions; and how benefits are paid to members.

### Unit price

Units represent a share of the underlying investments in an investment option. An account balance is calculated by the number of units held by the prevailing unit price.

A change in the unit price reflects changes in the value of the underlying investments.

## Appendix 3 – Service Providers

---

### **Administration**

Super SA  
Level 3, 151 Pirie Street  
Adelaide SA 5000

### **Investment manager**

Funds SA  
Level 3, 63 Pirie Street  
Adelaide SA 5000

### **Financial advice to members**

Industry Fund Services  
Suite 1, Level 5  
26 Flinders Street  
Adelaide SA 5000

### **Legal and contractual guidance**

Crown Solicitor  
Level 9, 45 Pirie Street  
Adelaide SA 5000

### **Auditor**

Auditor-General  
Level 9, State Administration Centre  
200 Victoria Square  
Adelaide SA 5000

### **Taxation and accounting**

Ernst & Young  
121 King William Street  
Adelaide SA 5000

### **Internal audit and compliance**

Deloitte  
11 Waymouth Street  
Adelaide SA 5000

If you require further information  
please contact Super SA:

**Website:** [www.supersa.sa.gov.au](http://www.supersa.sa.gov.au)

**Email:** [supersa@sa.gov.au](mailto:supersa@sa.gov.au)

**Member Services:**

Ground Floor  
151 Pirie Street (enter from Pulteney Street)  
Adelaide SA 5000

**Postal address:**

GPO Box 48 Adelaide SA 5001

**Telephone:**

(08) 8207 1968  
1300 137 668 (for regional callers)

**Fax:** (08) 8115 1296

**ABN:** 98513958004

