Public Sector Superannuation Accumulation Plan (ABN 65 127 917 725)

Statement by the Trustee of the Public Sector Superannuation Accumulation Plan ('Plan')

The Board of Directors hereby states that in its opinion:

(a) the attached financial statements give a true and fair view of the matters required by Australian Accounting Standards, including AAS 25 *'Financial Reporting by Superannuation Plans'* ;

(b) the attached financial statements give a true and fair view of the financial position as at 30 June 2016, the operating result for the year ended 30 June 2016, and the cash flows for the year ended 30 June 2016;

(c) at the date of this statement there are reasonable grounds to believe that the Plan will be able to pay its debts as and when they fall due;

(d) the financial statements are in a form agreed by the Minister for Finance and the Trustee in accordance with sub-section 30(1)(d) of the *Governance of Australian Government Superannuation Schemes Act 2011* and have been prepared in accordance with Australian Accounting Standards and other mandatory professional reporting requirements;

(e) the financial statements have been prepared based on properly maintained financial records; and

(f) the operations of the Plan were conducted in accordance with the *Governance of Australian Government Superannuation Schemes Act 2011* , the *Superannuation Act 2005,* the Trust Deed establishing the Plan, the requirements of the *Superannuation Industry (Supervision) Act 1993* and Regulations, and the relevant requirements of the *Corporations Act 2001* and Regulations (to the extent applicable).

Signed this 27th day of September 2016 in accordance with a resolution of directors of Commonwealth Superannuation Corporation (ABN 48 882 817 243) as Trustee of the Plan:

Patricia Cross	Nadine Flood
Chairman	Director

Public Sector Superannuation Accumulation Plan
Operating Statement
For the Year Ended 30 June 2016

	Note	2016 $'000	2015 $'000
Net investment revenue			
Interest		**2 784**	3 394
Changes in net market values	5c	**161 812**	785 756
		164 596	789 150
Contribution revenue			
Member contributions	6a	**48 416**	28 820
Employer contributions	6a	**1 085 316**	986 722
Transfers from other funds	6a	**296 715**	227 453
Government co-contributions	6a	**186**	206
Low income superannuation contributions	6a	**3 412**	3 536
		1 434 045	1 246 737
Other revenue			
Insurance proceeds		**20 318**	22 026
Other revenue		**71**	220
		20 389	22 246
Total revenue		**1 619 030**	2 058 133
Expenses			
Insurance expense		**39 218**	36 571
Other administration expenses		**10 179**	188
Total expenses		**49 397**	36 759
Benefits accrued as a result of operations before income tax		**1 569 633**	2 021 374
Income tax expense	7a	**(161 040)**	(143 121)
Benefits accrued as a result of operations after income tax		**1 408 593**	1 878 253

The attached notes form part of these financial statements.

Public Sector Superannuation Accumulation Plan
Statement of Financial Position
As at 30 June 2016

	Note	2016 $'000	2015 $'000
Investments			
Pooled superannuation trust	4	**8 774 324**	7 780 748
Total investments		**8 774 324**	7 780 748
Other assets			
Cash and cash equivalents	8a	**201 204**	155 169
Sundry debtors	9	**458**	249
Deferred tax asset	7c	**474**	404
Total other assets		**202 136**	155 822
Total assets		**8 976 460**	7 936 570
Liabilities			
Benefits and pensions payable		**1 260**	912
Sundry payables	10	**6 680**	3 373
Current tax liabilities	7b	**160 702**	142 959
Total liabilities		**168 642**	147 244
Net assets available to pay benefits		**8 807 818**	7 789 326
Represented by:			
Liability for accrued benefits			
Allocated to members' accounts		**8 751 495**	7 760 286
Operational risk reserve	13a	**30 960**	19 309
Other funds not allocated to members' accounts	13b	**25 363**	9 731
Total liability for accrued benefits	12	**8 807 818**	7 789 326

The attached notes form part of these financial statements.

Public Sector Superannuation Accumulation Plan
Statement of Cash Flows
For the Year Ended 30 June 2016

	Note	2016 $'000	2015 $'000
Cash flows from operating activities			
Contributions received -			
Employer		**1 085 242**	986 886
Member		**48 416**	28 820
Transfers from other funds		**296 715**	227 453
Government co-contributions		**186**	206
Low income superannuation contributions		**3 412**	3 536
Interest received		**2 802**	3 473
Other revenue received		**71**	220
Insurance proceeds		**20 318**	22 026
Insurance expense paid		**(38 770)**	(36 650)
Other administration expenses paid		**(7 344)**	(63)
Benefits and pensions paid		**(389 753)**	(358 556)
Income tax paid		**(143 428)**	(140 678)
Net cash inflows from operating activities	8b	**877 867**	736 673
Cash flows from investing activities			
Proceeds from sales of units in pooled superannuation trust		**61 198**	68 411
Purchases of units in pooled superannuation trust		**(893 030)**	(811 192)
Net cash outflows from investing activities		**(831 832)**	(742 781)
Net increase / (decrease) in cash held		**46 035**	(6 108)
Cash at the beginning of the financial year		**155 169**	161 277
Cash at the end of the financial year	8a	**201 204**	155 169

The attached notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

1. DESCRIPTION OF THE PLAN

The Public Sector Superannuation Accumulation Plan ('Plan') is a defined contribution scheme constituted by Trust Deed dated 29 June 2005 under the *Superannuation Act 2005* and is domiciled in Australia. The Trustee of the Plan is the Commonwealth Superannuation Corporation (CSC) (ABN 48 882 817 243).

The administration of member records, contributions receipts and benefit payments was conducted on behalf of the Trustee by ComSuper until 4 December 2014. ComSuper contracted Pillar Administration ('Pillar') to perform these duties. On 4 December 2014 the PSSap scheme administration contract was novated from ComSuper to CSC.

The principal place of business and registered office of the Plan is Level 8, 121 Marcus Clarke Street, Canberra ACT 2601.

Following the passage of the *Governance of Australian Government Superannuation Schemes Legislation Amendment Bill 2015* , scheme administration costs for the Plan are being paid for by members from 1 July 2015. Prior to this date, administration expenses were met by government appropriation and a share of administrative fees paid by employing agencies.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial report of the Plan is a general purpose financial report which has been prepared in accordance with Accounting Standards and Interpretations, the *Superannuation Industry (Supervision) Act 1993* and provisions of the Trust Deed. Accounting Standards include Australian Accounting Standards and International Financial Reporting Standards ('IFRS') to the extent that they are not inconsistent with AAS 25 *'Financial Reporting by Superannuation Plans'* . For the purposes of preparing financial statements, the Plan is a not-for-profit entity.

The form of these financial statements has been agreed by the Minister for Finance and the Trustee in accordance with sub-section 30(1)(d) of the *Governance of Australian Government Superannuation Schemes Act 2011* .

The financial statements of the Plan were authorised for issue by the Directors on 27 September 2016.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

2. BASIS OF PREPARATION (continued)

(a) Statement of compliance (continued)

Australian Accounting Standards require disclosure of Australian Accounting Standards that have not been applied for Standards that have been issued but are not yet effective. The Trustee expects to adopt the Standards disclosed below upon their application date to the extent that they are not inconsistent with AAS 25 *'Financial Reporting by Superannuation Plans'* (noting however that AASB 1056 *'Superannuation Entities'* replaces AAS 25 *'Financial Reporting by Superannuation Plans').*

AASB 1056 '*Superannuation Entities'*

AASB 1056 *'Superannuation Entities'* was issued on 5 June 2014. It replaces AAS 25 *'Financial Reporting by Superannuation Plans'* with effect for annual reporting periods beginning on or after 1 July 2016 but can be applied earlier. The Trustee has elected not to early adopt AASB 1056 *'Superannuation Entities'* .

The key impacts on the financial statements of the Plan includes:

- the preparation of five primary financial statements (rather than the current three), being:
    - Statement of Financial Position;
    - Income Statement;
    - Statement of Changes in Equity/Reserves;
    - Statement of Cash Flows; and
    - Statement of Changes in Member Benefits.
- additional disclosures on disaggregated information.

AASB 1056 requires the measurement approach of ‘fair value through profit or loss’ for all assets and liabilities, except for specific exemptions including member benefits, tax assets and liabilities and employer sponsor receivables. The investments of the Plan are currently already measured at redemption price at the close of business on the last business day of the reporting period and therefore this change in measurement approach will have no impact on the valuation of the Plan's investments.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

2. BASIS OF PREPARATION (continued)

(a) Statement of compliance (continued)

Other Standards in issue but not effective

In addition to AASB 1056 *'Superannuation Entities'* , the following Standards were in issue but not yet effective at the date of authorisation of the financial report. It is anticipated that the adoption of the Standards disclosed below will not have a material financial impact on the financial report of the Plan:

Standard / Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers', **AASB 2014-5** 'Amendments to Australian Accounting Standards arising from AASB 15', and **AASB 2015-8** 'Amendments to Australian Accounting Standards - Effective Date of AASB 15'	1 January 2018	30 June 2019
AASB 2014-10 'Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'	1 January 2016	30 June 2017
AASB 2015-1 'Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2015-5 'Amendments to Australian Accounting Standards - Investment Entities: Applying the Consolidation Exemption'	1 January 2016	30 June 2017

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

2. BASIS OF PREPARATION (continued)

(a) Statement of compliance (continued)

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

Standard / Interpretation	Effective for annual reporting periods
AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	beginning on or after 1 July 2015

(b) Functional and presentation currency

The financial statements are presented in Australian dollars, which is the functional currency of the Plan.

Amounts in these financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

(c) Use of judgements and estimates

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

3. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2016 and the comparative information presented in these financial statements for the year ended 30 June 2015.

(a) Assets

Assets are included in the Statement of Financial Position at net market value as at reporting date and movements in the net market value of assets are recognised in the Operating Statement in the periods in which they occur. Net market value of investments includes a deduction for selling costs which would be expected to be incurred if the investments were sold.

Financial assets (being investments in a pooled superannuation trust, cash at bank and sundry debtors) are recognised on the date the Plan becomes a party to the contractual provisions of the asset. Financial assets are recognised using trade date accounting. From this date, any gains and losses from changes in net market value are recorded.

Net market value means the amount which could be expected to be received from the disposal of an asset in an orderly market after deducting costs expected to be incurred in realising the proceeds of such a disposal. As selling costs are generally immaterial, net market value approximates fair value unless otherwise stated.

Net market values have been determined as follows:

(i) Units in a pooled superannuation trust are valued at the redemption price at close of business on the last business day of the reporting period as notified by the manager of the trust, reflecting the net market value of the underlying investments.

(ii) Sundry debtors are recognised at the amounts receivable. All amounts are unsecured and are subject to normal credit terms.

(b) Cash and Cash Equivalents

Cash and cash equivalents includes cash at bank used to transact contributions, transfers to and from other funds, benefit payments and tax liabilities.

(c) Foreign Currency Transactions

The Plan does not undertake transactions denominated in foreign currencies.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

3. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES (continued)

(d) Payables

Payables (being benefits payable and sundry payables) are recognised at their nominal value which is equivalent to net market value.

Benefits payable
Benefits payable to a member are recognised where a valid withdrawal notice has been received from the employer sponsor, and approved by the Plan administrator ('Pillar'), but payment has not been made by reporting date.

Sundry payables
Sundry payables represent liabilities for goods and services provided to the Plan during the financial period and which are unpaid at reporting date. All amounts are unsecured. Creditors are subject to normal credit terms.

(e) Operational risk reserve

The purpose of the operational risk reserve (ORR) is to provide adequate financial resources to address losses arising from an operational risk event. The ORR is operated in accordance with an ORR policy. The level of the reserve is determined by the Trustee Directors and reviewed annually, based on an assessment of the risks faced by the Fund. The transferred assets underlying the ORR are held in separate cash options of the ARIA Investments Trust and income earned on these assets is recognised in the reserve.

(f) Derivatives

The Plan does not enter into derivative financial instruments.

(g) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Specific revenues are recognised as follows:

Investment revenue
Interest revenue is recognised on an accrual basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

3. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES (continued)

(g) Revenue (continued)

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

Contribution revenue
Employer and member contributions, transfers from other funds and superannuation co-contributions and low income superannuation contributions from the Commonwealth Government are recognised on a cash basis.

Other revenue
Insurance claim amounts on a group life policy and compensation payments from the administrator are recognised on a cash basis.

(h) Expenses

Expenses are recognised on an accruals basis and, if not paid at reporting date, are reflected in the Operating Statement as an accrual or payable depending upon whether or not the expense has been billed.

(i) Insurance Premiums

Death and total & permanent disability insurance premiums are charged to member accounts on a monthly basis and then remitted to the life insurer in arrears.

(j) Income Tax

Income tax on benefits accrued as a result of operations for the year comprises current and deferred tax. Income tax is recognised in the Operating Statement except to the extent that it relates to items recognised directly in members' funds. As the Plan invests in the ARIA Investments Trust ('AIT'), which is a pooled superannuation trust, tax on this investment revenue is paid by the AIT.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

3. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES (continued)

(j) Income Tax (continued)

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

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

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

Current and deferred tax for the period
Current and deferred tax for the period is recognised as an expense or benefit in the Operating Statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

3. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES (continued)

(k) Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount of goods and services tax ('GST') recoverable from the Australian Taxation Office ('ATO') as a reduced input tax credit. Where the amount of GST incurred is not recoverable from the ATO, it is recognised as part of the cost of acquisition of an asset or as part of an expense item.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as an asset or liability in the Statement of Financial Position.

4. INVESTMENTS

	2016	2015
	$'000	$'000
Pooled superannuation trust - ARIA Investments Trust	**8 774 324**	7 780 748
	8 774 324	7 780 748

5. CHANGES IN NET MARKET VALUE OF INVESTMENTS

		2016	2015
		$'000	$'000
(a)	**Investments held at 30 June:**		
	Pooled superannuation trust - ARIA Investments Trust	**161 271**	775 091
(b)	**Investments realised during the year:**		
	Pooled superannuation trust - ARIA Investments Trust	**541**	10 665
(c)	**Total changes in net market values of investments**	**161 812**	785 756

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

6. FUNDING ARRANGEMENTS

(a) Contributions

Employer Contributions
Employers contribute at least 15.4% (2015: 15.4%) of employee's superannuation salary to the Plan, subject to superannuation law. Employers may also make salary sacrifice contributions (before tax) to the Plan on behalf of members.

Member Contributions
Members may make voluntary contributions to the Plan in the form of personal contributions (after tax).

Transferring superannuation from other funds
Money invested in other superannuation funds can be rolled over to the Plan.

Spouse Contributions
Additional contributions can be made by a spouse on behalf of a member of the Plan.

Government Co-Contributions
For the financial years ended 30 June 2016 and 30 June 2015, the Commonwealth Government contributed $0.50 for every $1.00 of eligible personal after-tax member contributions paid to the Scheme up to a maximum of $500 per member.

Low income superannuation contributions
The low income super contribution (LISC) is a Commonwealth Government superannuation payment of up to $500 for the financial years 2012-13 to 2016-17. LISC payments are recognised as revenue when received.

(b) Benefits paid

Where a member meets a condition of release and a valid application is received, the benefit is paid to the beneficiary from the Plan.

Where members invest in a standard or transition retirement income stream (pension) via the Commonwealth Superannuation Corporation retirement income product (CSCri), regular income payments are made to the member from the Plan. Standard retirement income stream members also have access to ad hoc withdrawals.

Benefits paid by the Plan during the year are as follows:

	2016 $'000	2015 $'000
Lump sum benefits paid and payable	**380 955**	353 025
Pensions paid and payable	**9 146**	4 954
Total	**390 101**	357 979

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

6. FUNDING ARRANGEMENTS (continued)

(c) Costs of Managing, Investing and Administering the Plan

Costs of and incidental to the management of the Plan and the investment of its money are charged against the assets of ARIA Investments Trust ('AIT') that are referable to the Plan. Transactions in respect of these costs have been brought to account in the financial statements of AIT.

Expenses met by the AIT and referable to the Plan are as follows:

	2016 $'000	2015 $'000
Investment		
Investment manager fees	**8 216**	9 207
Custodian fees	**1 176**	1 130
Investment consultant and other service provider fees	**992**	863
Other investment expenses	**611**	515
Total direct investment expenses	**10 995**	11 715
Regulatory fees	**1 029**	1 021
Other operating expenses	**5 409**	5 786
Total costs	**17 433**	18 522

From 1 July 2015, following the passage of the *Governance of Australian Government Superannuation Schemes Legislation Amendment Bill 2015* , scheme administration costs for PSSap are being paid for by members and are disclosed as ‘other administration expenses’ in the Operating Statement.

Prior to this date the costs of member administration were met by CSC (and ComSuper prior to the novation of the Pillar Administration scheme administration contract from ComSuper to CSC on 4 December 2014). These expenses were met by administrative fees paid by employing agencies. Transactions in respect of the receipt of these fees from employing agencies and the costs of administration were brought to account in the financial statements of the Trustee and ComSuper in the prior year.

Sponsoring employers contributed the following to Plan administration costs:

	2016 $'000	2015 $'000
Trustee costs	**-**	5 446
ComSuper costs	**-**	7 977
Total	**-**	13 423

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

7. INCOME TAX

(a) Income tax recognised in Operating Statement

	2016 $'000	2015 $'000
Tax expense comprises:		
Current tax expense	**160 702**	143 115
Deferred tax expense / (income) relating to the origination and reversal of temporary differences	**(70)**	-
Adjustments recognised in current year in relation to current tax of prior year	**407**	6
Total tax expense	**161 040**	143 121

The prima facie income tax expense on benefits accrued as a result of operations before income tax reconciles to the income tax expense in the financial statements as follows:

	2016 $'000	2015 $'000
Benefits accrued as a result of operations before income tax	**1 569 633**	2 021 374
Income tax expense calculated at 15%	**235 445**	303 206
Add / (less) permanent differences - items not assessable or deductible		
Insurance proceeds	**(3 048)**	(3 304)
Investment revenue already taxed	**(24 272)**	(117 863)
Member contributions, government co-contributions, low income superannuation contributions and transfers from other superannuation funds	**(46 737)**	(38 108)
Death benefit increase (Anti-Detriment)	**(774)**	(617)
No-TFN Tax and Offset	**19**	(199)
Under / (over) provision for income tax in previous year	**407**	6
Total tax expense	**161 040**	143 121

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

7. INCOME TAX (continued)

	2016 $'000	2015 $'000
(b) Current tax balances		
Current tax payables:		
Provision for current year income tax	**160 702**	142 959
	160 702	142 959
(c) Deferred tax balances		
Deferred tax asset:		
Temporary differences	**474**	404
	474	404

Taxable and deductible temporary differences arise from the following:

2016	**Opening balance $'000**	**Charged to income $'000**	**Closing balance $'000**
Gross deferred tax assets / (liabilities):			
Interest receivable	**(35)**	**2**	**(33)**
Insurance premiums payable	**439**	**68**	**507**
	404	**70**	**474**

2015	Opening balance $'000	Charged to income $'000	Closing balance $'000
Gross deferred tax assets / (liabilities):			
Interest receivable	(47)	12	(35)
Insurance premiums payable	451	(12)	439
	404	-	404

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

8. CASH FLOW INFORMATION

	2016	2015
	$'000	$'000

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash represents cash at bank. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash at bank	**201 204**	155 169

(b) Reconciliation of Benefits Accrued as a Result of Operations after Income Tax to Net Cash Inflows from Operating Activities

Benefits accrued as a result of operations after income tax	**1 408 593**	1 878 253
Less:		
Lump sum benefits paid and payable	**(380 955)**	(353 025)
Pensions paid and payable	**(9 146)**	(4 954)
Increase in net market value of investments	**(161 812)**	(785 756)
Add back:		
(Increase)/decrease in interest receivable	**18**	79
(Increase)/decrease in GST receivable	**(159)**	(14)
(Increase)/decrease in deferred tax asset	**(70)**	-
Increase/(decrease) in benefits and pensions payable	**348**	(577)
Increase/(decrease) in sundry payables	**3 307**	352
Increase/(decrease) in current tax liabilities	**17 743**	2 315
Net cash inflows from operating activities	**877 867**	736 673

9. SUNDRY DEBTORS

	2016	2015
	$'000	$'000
Receivable from the ARIA Investments Trust	**68**	-
Interest receivable	**217**	235
GST receivable	**173**	14
	458	249

No sundry debtors are past due or impaired (2015: Nil).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

10. SUNDRY PAYABLES

	2016 $'000	2015 $'000
Insurance premiums payable	**3 376**	2 928
Employer contributions refundable	**102**	176
Other payables	**3 202**	269
	6 680	3 373

11. AUDITOR'S REMUNERATION

	2016 $	2015 $

Amounts paid or payable to the Australian National Audit Office for audit services:

	2016 $	2015 $
Financial statements	**49 000**	49 000
Regulatory returns and compliance	**45 000**	45 000
Total	**94 000**	94 000

The audits were provided by the Australian National Audit Office. The audit fees will be charged against the assets of the ARIA Investments Trust that are referable to the Plan.

Deloitte Touche Tohmatsu are contracted by the ANAO to provide audit services on its behalf. Fees for those services are included above.

No other services were provided by the Australian National Audit Office or Deloitte Touche Tohmatsu to the Plan during the reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

12. LIABILITY FOR ACCRUED BENEFITS

The liability for accrued benefits is the Plan's present obligation to pay benefits to members and beneficiaries and has been calculated as the difference between the total assets and total liabilities as at year-end.

	2016 $'000	2015 $'000
Liability for accrued benefits at beginning of the year	**7 789 326**	6 269 052
Add:		
Benefits accrued as a result of operations after income tax	**1 408 593**	1 878 253
Less:		
Lump sum benefits paid and payable	**(380 955)**	(353 025)
Pensions paid and payable	**(9 146)**	(4 954)
Net change	**1 018 492**	1 520 274
Liability for accrued benefits at the end of the year	**8 807 818**	7 789 326

13. FUNDS NOT ALLOCATED TO MEMBER ACCOUNTS

	2016 $'000	2015 $'000
(a) Operational Risk Reserve		
Opening balance	**19 309**	6 280
Transfers to reserve	**11 240**	12 745
Earnings on reserve	**411**	284
Closing balance	**30 960**	19 309

(b) Other Funds Not Allocated to Members' Accounts

Employer contributions (net of contributions tax) and member transfers received prior to year-end but not allocated at balance date	**17 870**	4 576
Valuation differences between unit pricing and financial statements	**7 491**	(182)
Bank interest	**2 129**	4 534
Other	**(2 127)**	803
	25 363	9 731

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

14. GUARANTEED BENEFITS

No guarantees have been made in respect of any part of the liability for accrued benefits.

15. VESTED BENEFITS

Vested benefits are benefits which are not conditional upon continued membership of the Plan (or any factor other than resignation from the Plan) and include benefits which members were entitled to receive had they terminated their Plan membership as at the balance date.

The vested benefits amount is made up of:

	2016 $'000	2015 $'000
Members' account balances at 30 June	**8 751 495**	7 760 286
Employer contributions (net of contributions tax) and member transfers received prior to year-end but not allocated at balance date	**17 870**	4 576
Vested benefits	**8 769 365**	7 764 862
Net assets available to pay benefits	**8 807 818**	7 789 326

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS

(a) Financial instruments management

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The investments of the Plan (other than cash held for managing contribution receipts, insurance expenses, benefit payments and tax payments) comprise units in the ARIA Investments Trust ('AIT'). AIT is a pooled superannuation trust which is also governed by the Trustee. This type of investment has been determined by the Trustee to be appropriate for the Plan and is in accordance with the Plan's published investment strategy. The Trustee applies strategies to manage risk relating to the investment activities of the AIT. The investments of AIT are managed on behalf of the Trustee by specialist sector fund managers who are required to invest the assets in accordance with contractual investment mandates.

(b) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset and financial liability are disclosed in Note 3 to the financial statements.

(c) Capital risk management

The RSE licence of the Trustee of the Plan requires the Trustee to maintain a balance of at least $100 000 at all times in an administration reserve account in the AIT. This is required to be maintained in cash or cash equivalents. The Trustee of the Plan was in compliance with this requirement throughout the year.

(d) Categories of financial instruments

The financial assets and liabilities of the Plan are recognised at net market value as at the reporting date. Net market value approximates fair value less costs of realisation of investments. The cost of realisation of investments is minimal and therefore net market value, which is the carrying value, approximates fair value. Changes in net market value are recognised in the Operating Statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS (continued)

(e) Financial risk management objectives

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

The Trustee ensures that there is an effective risk management control framework in place for the Plan. Consistent with regulatory requirements, the Trustee has developed, implemented and maintains a Risk Management Framework to identify the policies, procedures, processes and controls that comprise its risk management and control systems for the Plan and for the Plan's investments through the AIT. The overall investment strategy of the Plan is set out in the Trustee's approved investment policies which address the investment strategy and objectives and risk mitigation strategies including risk mitigation relating to the use of derivatives.

The Trustee's internal investment team monitors and manages the financial risks relating to the Plan's investments. Derivative Risk Statements set out the strict parameters for the Trustee's investment managers authorised to use derivatives. In essence, derivatives cannot be used to raise the level of risk above the level it would otherwise have been, and derivatives cannot be used to leverage the investments.

The Plan's investments are managed on behalf of the Trustee by specialist external investment managers who invest their respective fund allocation in accordance with the terms of a written investment mandate or disclosure document. The Trustee has determined that the appointment of these managers is appropriate for the Plan and is in accordance with its investment strategy.

(f) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Plan. In its capacity as trustee of AIT, the Trustee has adopted a policy of spreading the aggregate value of transactions across approved creditworthy counterparties as a means of mitigating the risk of financial loss. The Plan's exposure to its counterparties are continuously monitored by the Trustee.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS (continued)

(f) Credit risk (continued)

The largest exposure to a single counterparty is to cash held by the investment master custodian Northern Trust. Credit risk relating to the master custodian is mitigated through contract indemnity provisions. Other than the master custodian, no individual exposure within AIT exceeded 5% of net assets of that trust at 30 June 2016 or 30 June 2015.

The credit risk on the Plan's directly held cash and cash equivalents and interest receivable is limited because the counterparty is the Reserve Bank of Australia.

The table below shows the maximum exposure of financial assets to credit risk at the reporting date:

	2016	2015
	$'000	$'000
Investments		
Pooled Superannuation Trust - ARIA Investments Trust	**8 774 324**	7 780 748
Other financial assets		
Cash and cash equivalents	**201 204**	155 169
Sundry debtors	**285**	235
Total financial assets	**8 975 813**	7 936 152

There has been no change to the Plan's exposure to credit risk or the manner in which it manages and measures that risk during the reporting period.

(g) Liquidity risk

Liquidity risk is the risk that the Plan will encounter difficulty in either realising assets or otherwise raising sufficient funds to meet its financial liabilities and/or member benefit payments or tax liabilities.

The Trustee's approach to managing liquidity is to ensure that the Plan will always have sufficient liquidity to meet its liabilities and member withdrawals. The Plan allows members to withdraw benefits, and it is therefore exposed to the liquidity risk of meeting member withdrawals at any time. The Plan has a high level of net inward cash flows through new contributions which provide capacity to manage liquidity risk. The Trustee undertakes forecasting and scenario testing of the cashflow requirements of the Plan to ensure timely access to sufficient cash and holds actively-traded, highly-liquid investments to meet anticipated funding requirements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS (continued)

(g) Liquidity risk (continued)

As a further risk mitigation strategy, it is the Trustee's policy that the target asset allocation to illiquid assets is limited to around 25% of the investments of the AIT (with a plus or minus 10 percentage point rebalancing range around that target). Regular scenario testing is performed to confirm the validity of the strategy.

The following tables summarise the maturity profile of the Plan's financial liabilities. Vested benefits have been included in the less than three months column, as this is the amount that members could call upon as at reporting date. This is the earliest date on which the Plan can be required to pay members' vested benefits. However, members may not necessarily call upon amounts vested to them during this time. The tables have been drawn up based on the contractual undiscounted cash flows of financial liabilities based on the earliest date on which the Plan can be required to pay. The tables include both interest and principal cash flows.

Financial Liabilities maturity profile:

	Less than 3 months $'000	**3 months to 1 year $'000**	**1-5 years $'000**	**Over 5 years $'000**	**Total $'000**
30 June 2016					
Benefits and pensions payable	**1 260**	**-**	**-**	**-**	**1 260**
Sundry payables	**6 680**	**-**	**-**	**-**	**6 680**
Vested benefits	**8 769 365**	**-**	**-**	**-**	**8 769 365**
Total financial liabilities	**8 777 305**	**-**	**-**	**-**	**8 777 305**
30 June 2015					
Benefits and pensions payable	912	-	-	-	912
Sundry payables	3 373	-	-	-	3 373
Vested benefits	7 764 862	-	-	-	7 764 862
Total financial liabilities	7 769 147	-	-	-	7 769 147

There has been no change to the Plan's exposure to liquidity risk or the management and measurement of that risk during the reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS (continued)

(h) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other market price risk. The policies and procedures put in place to mitigate the exposure to market risk are detailed in the Trustee's investment policies and the Risk Management Framework.

There has been no change to the Plan's exposure to market risk or the manner in which it manages and measures the risk since the 2015 reporting period.

Foreign currency risk
Foreign currency risk is the risk that the net market value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Plan does not undertake any transactions in foreign currency and is therefore not directly exposed to foreign currency risk. However, the Plan is indirectly exposed to foreign currency risk from the international assets held in the AIT, and it is managed in accordance with the Trustee's approved investment strategy. The AIT enters into forward foreign exchange contracts to hedge into Australian dollars some of the currency exposure arising from its investments denominated in developed markets foreign currencies. These contracts neutralise some of the gains and losses from currency fluctuation. A small part of the investments of AIT, relating to emerging markets, may remain unhedged due to lack of suitable currency instruments for hedging.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS (continued)

(h) Market risk (continued)

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Plan is directly exposed to interest rate risk on cash and cash equivalents held with the Reserve Bank of Australia to meet benefits, taxation and insurance payments. All holdings at 30 June 2016 and 30 June 2015 had a maturity profile of less than one month.

The Plan is indirectly exposed to interest rate risk through its investments in AIT. The Trustee manages interest rate risk through its investment strategy including diversification of asset allocation and the use of a diversity of specialist investment sector managers.

The following table illustrates the Plan's sensitivity to a 0.3% p.a. (2015: 0.4%) increase or decrease in interest rates, based on cash balances directly held at reporting date. This represents an assessment of the reasonably possible change in interest rates as at that date. Had interest rates been lower or higher by 0.3% (2015: 0.4%) at reporting date, and all other variables were held constant, the financial result would have improved/(deteriorated) as demonstrated:

	Carrying amount $'000	Interest rate risk $' 000			
		Benefits accrued	Net assets available to pay benefits	Benefits accrued	Net assets available to pay benefits
2016		-0.3%		+0.3%	
Cash and cash equivalents	201 204	(604)	(604)	604	604
2015		-0.4%		+0.4%	
Cash and cash equivalents	155 169	(621)	(621)	621	621

In the Trustee's opinion, the sensitivity analysis at reporting date approximates the direct interest rate exposures of the Plan during the financial year.

Other price risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all similar financial instruments traded in the market.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS (continued)

(h) Market risk (continued)

Other price risk (continued)

The Plan's investment in AIT is exposed to market price risk in respect of the latter's holdings of equity securities and unit trusts. As the investment in AIT is carried at net market value with changes in net market value recognised in the Operating Statement, all changes in market conditions will directly affect the Plan's net investment income. In its capacity as trustee of AIT, the Trustee manages the market price risk arising from these investments by diversifying the portfolio in accordance with its investment strategy.

The following table illustrates the Plan's sensitivity to a reasonably possible change in the value of its investment in AIT, based on risk exposures at reporting date. The volatility factors represent the average annual historical volatility in the investment option unit prices. For the Cash Option and the investments backing the operational risk reserve a factor of 0.3% (2015: 0.4%) has been applied representing a reasonably possible change in interest rates as a proxy for price risk of the option. Had the unit price been higher or lower by the volatility factor at the reporting date, and all other variables were held constant, the financial result would have improved/ (deteriorated) as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS (continued)

(h) Market risk (continued)

Other price risk (continued)

Financial Assets ARIA Investments Trust:	**Change in price**	**Carrying amount $'000**	**Price risk $' 000**			
			Benefits accrued	**Net assets available to pay benefits**	**Benefits accrued**	**Net assets available to pay benefits**
2016						
Balanced	-/+5.0%	49 926	(2 496)	(2 496)	2 496	2 496
Aggressive	-/+7.0%	510 418	(35 729)	(35 729)	35 729	35 729
Cash	-/+0.3%	132 513	(398)	(398)	398	398
Income Focused	-/+2.0%	158 478	(3 170)	(3 170)	3 170	3 170
MySuper Balanced	-/+5.0%	7 697 307	(384 865)	(384 865)	384 865	384 865
CSCri Cash	-/+0.3%	14 573	(44)	(44)	44	44
CSCri Aggressive	-/+7.0%	13 131	(919)	(919)	919	919
CSCri Balanced	-/+5.4%	78 408	(4 234)	(4 234)	4 234	4 234
CSCri Income Focused	-/+2.3%	88 678	(2 040)	(2 040)	2 040	2 040
Operational risk reserve option	-/+0.3%	20 937	(63)	(63)	63	63
Operational risk reserve (AIT)[1]	-/+0.3%	9 955	(30)	(30)	30	30
Total		8 774 324	(433 988)	(433 988)	433 988	433 988

[1] In accordance with the Australian Prudential Regulatory Authority *Prudential Practice Guide SPG 114 – Operational Risk Financial Requirement (SPG 114)* a separate option for the Operational Risk Reserve has been created to reflect that the scheme invests through a Pooled Superannuation Trust.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS (continued)

(h) Market risk (continued)

Other price risk (continued)

Financial Assets ARIA Investments Trust:	Change in price	Carrying amount $'000	Price risk $' 000			
			Benefits accrued	Net assets available to pay benefits	Benefits accrued	Net assets available to pay benefits
2015						
Balanced	-/+4.8%	26 346	(1 265)	(1 265)	1 265	1 265
Aggressive	-/+10.0%	407 832	(40 783)	(40 783)	40 783	40 783
Cash	-/+0.4%	95 075	(380)	(380)	380	380
Income Focused	-/+2.9%	115 925	(3 362)	(3 362)	3 362	3 362
MySuper Balanced	-/+6.5%	7 004 957	(455 322)	(455 322)	455 322	455 322
CSCri Cash	-/+0.4%	7 304	(29)	(29)	29	29
CSCri Aggressive	-/+11.0%	9 877	(1 086)	(1 086)	1 086	1 086
CSCri Balanced	-/+7.1%	46 488	(3 301)	(3 301)	3 301	3 301
CSCri Income Focused	-/+3.3%	47 635	(1 572)	(1 572)	1 572	1 572
Operational risk reserve options	-/+0.4%	19 309	(77)	(77)	77	77
Total		7 780 748	(507 177)	(507 177)	507 177	507 177

In the Trustee's opinion, the sensitivity analysis at reporting date is representative of the other market price exposures during the financial year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

16. FINANCIAL INSTRUMENTS (continued)

(i) Fair value measurements

The Plan's financial instruments are included in the Statement of Financial Position at net market value that approximates fair value. The net market value is determined per accounting policies in Note 3(a).

Net market value measurements recognised in the Statement of Financial Position
The following table provides an analysis of the Plan's financial instruments whereby the assets and liabilities are each grouped into one of three categories based on the degree to which their method of valuation is observable.

Level 1: net market value measurements are those derived from quoted prices in active markets.

Level 2: net market value measurements are those derived from inputs (other than quoted prices included within Level 1) that are observable such as prices or derived from prices.

Level 3: net market value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2016				
Financial Assets				
Pooled superannuation trust	**-**	**8 774 324**	**-**	**8 774 324**
2015				
Financial Assets				
Pooled superannuation trust	-	7 780 748	-	7 780 748

There were no transfers between Level 1 and 2 in the period.

Units in the pooled superannuation trust are valued daily based on the latest listed and unlisted market prices and values of the underlying investments, less any tax and expenses.

Reconciliation of Level 3 net market value measurements
There were no Level 3 financial assets or liabilities for the period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

17 RELATED PARTIES

(a) Trustee

Commonwealth Superannuation Corporation (CSC) was the Trustee throughout the reporting period. No fees were charged by CSC for acting as Trustee of the Plan during the reporting period.

(b) Key Management Personnel

The Directors of CSC throughout the year ended 30 June 2016 were:

Tony Cole	Winsome Hall
Patricia Cross (Chairman)	John McCullagh (term ended 30 June 2016)
Christopher Ellison	Peggy O'Neal
Peter Feltham (term ended 30 June 2016)	Margaret Staib
Nadine Flood	Michael Vertigan (term ended 30 June 2016)
Lyn Gearing (term ended 12 September 2016)	

The following Directors were appointed subsequent to year-end:

Ariane Barker (appointed 13 September 2016)
Garry Hounsell (appointed 1 July 2016)
Anthony Needham (appointed 1 July 2016)
Sunil Kemppi (appointed 1 July 2016)

In addition to the Directors listed above, the following executives of the Trustee had authority and responsibility for planning, directing and controlling the activities of the Plan throughout the year ended 30 June 2016:

Paul Abraham	General Manager, Investment Operations (Commenced 21 March 2016)
Helen Ayres	Corporate Secretary (Resigned 30 June 2016)
Peter Carrigy-Ryan	Chief Executive Officer
Philip George	General Manager, Scheme Administration (Commenced 1 July 2015)
Richard Hill	General Manager, Information Technology (Commenced 28 September 2015)
Leonie McCracken	General Manager, Operations (Resigned 18 March 2016)
Bronwyn McNaughton	General Counsel
Christine Pearce	General Manager, Member & Employer Services
Sarah Rodgers	General Manager, People & Culture (Resigned 3 August 2016)
Alison Tarditi	Chief Investment Officer
Andy Young	General Manager, Finance & Risk

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

17 RELATED PARTIES (continued)

(c) Key Management Personnel Compensation

The aggregate compensation of the key management personnel in relation to the Plan is set out below:

	2016	2015
	$	$
Short-term employee benefits	**464 674**	367 900
Post-employment benefits	**51 085**	42 398
Other long-term benefits	**36 833**	28 096
	552 592	438 394

Aggregate compensation in relation to the Plan is a pro-rata apportionment of the overall compensation paid by the Trustee, based on the net assets of the entities under its trusteeship or actual control.

The compensation of key management personnel (including Directors) related to investment management is charged against the assets of the ARIA Investments Trust that are referable to the Plan.

The Plan has not made, guaranteed or secured, directly or indirectly, any loans to key management personnel or their personally-related entities at any time during the year.

(d) Investing entities

Throughout the year ended 30 June 2016, the Plan's only investment consisted of units in AIT, which was established to provide a cost-effective means of gaining exposure to a broad range of listed and unlisted securities across various asset classes.

The other investors in AIT throughout the year were the Public Sector Superannuation Scheme, the Commonwealth Superannuation Scheme and the Military Superannuation and Benefits Scheme. All investing transactions are conducted under normal industry terms and conditions.

The Trustee of the Plan, Commonwealth Superannuation Corporation, is the trustee of the following regulated superannuation schemes: Commonwealth Superannuation Scheme, the Public Sector Superannuation Scheme, the Public Sector Superannuation Accumulation Plan and the Military Superannuation and Benefits Scheme.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

17. RELATED PARTIES (continued)

(d) Investments (continued)

The Trustee pays costs of and incidental to the management of the Plan and the investment of its money from the assets of the ARIA Investments Trust that are referable to the Plan (Note 6(c)). No fees were charged for acting as Trustee during the year ended 30 June 2016 (2015: $nil).

The Plan held the following investments in related parties at 30 June:

	Net Market Value of Investment	Net Market Value of Investment	Share of Net Income after tax	Share of Net Income after tax
	2016	2015	**2016**	2015
	$'000	$'000	**$'000**	$'000
ARIA Investments Trust	**8 774 324**	7 780 748	**161 812**	785 756
	8 774 324	7 780 748	**161 812**	785 756

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2016

18. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Plan had no capital commitments at 30 June 2016 (2015: $nil).

The Plan had the following commitments for other expenditure as at 30 June 2016 :

	2016	2015
	$'000	$'000
BY TYPE		
Commitments receivable		
Net GST recoverable on commitments[1]	**2 667**	3 057
	2 667	3 057
Commitments payable		
Administration expenses[2]	**(39 109)**	(44 830)
	(39 109)	(44 830)
Net commitments by type	**(36 442)**	(41 774)
BY MATURITY		
One year or less	**(9 596)**	(8 071)
From one to three years	**(18 026)**	(17 514)
Over three years	**(8 820)**	(16 189)
Total commitments	**(36 442)**	(41 774)

[1] Commitments payable are GST inclusive.
[2] Administration expenses are estimates of project commitments and operational activities, including the outsourcing of administration of the Plan. These expenses will be met through the collection of member administration fees received from members through the redemption of member benefits held by the Plan. Actual expenses will depend on future member numbers.

In the normal course of business, requests are made by members and former members for the review of decisions relating to benefit entitlements of the Plan (including insurance benefits) which could result in additional benefits becoming payable in the future. Each request is considered on its merits prior to any benefit becoming payable. In the opinion of the Trustee, these requests do not represent a material liability on the Plan.

There were no other contingent liabilities or contingent assets as at the reporting date (2015: $nil).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2016

19. SUBSEQUENT EVENTS

No matters have arisen since 30 June 2016 that have materially affected, or may materially affect, the operations of the Plan, the results of those operations, or the financial position of the Plan in future financial years.