

# **The Tidswell Master Superannuation Plan**

**ANNUAL FINANCIAL STATEMENTS  
for the year ended 30 June 2020**

The Tidswell Master Superannuation Plan

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**Statement of Financial Position as at 30 June 2020**

	Note	30 June 2020 \$'000	30 June 2019 \$'000
<b>Assets</b>			
Cash and cash equivalents	11	51,204	27,647
Investment income receivable		1,163	6,804
Other receivables		4,042	3,021
Due from brokers – receivables for securities sold		281	1,227
Investments	4	627,193	639,717
Deferred tax assets	9	2,587	141
<b>Total assets</b>		<b>686,470</b>	<b>678,557</b>
<b>Liabilities</b>			
Other payables		2,087	1,657
Benefits payable		2,220	574
Current income tax payable		4,934	3,359
Deferred tax liabilities	9	5,423	5,025
<b>Total liabilities</b>		<b>14,664</b>	<b>10,615</b>
<b>Net assets available to pay benefits</b>		<b>671,806</b>	<b>667,942</b>
Allocated to members		661,974	661,078
<b>Net assets</b>		<b>9,832</b>	<b>6,864</b>
<b>Equity</b>			
Reserves	9	10,078	3,329
Unallocated surplus / (deficit)	9	(246)	3,429
Unallocated deposits		-	106
<b>Total equity (deficit)</b>		<b>9,832</b>	<b>6,864</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

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**Income Statement for the year ended 30 June 2020**

	Note	30 June 2020 \$'000	30 June 2019 \$'000
<b>Superannuation activities</b>			
Interest revenue		361	430
Dividends revenue		74	132
Rent revenue		-	110
Distribution revenue		25,761	30,462
Net changes in fair value of financial instruments	5	9,054	23,178
Other Income		51	15
<b>Total Net Income</b>		<b>35,301</b>	<b>54,327</b>
Investment expenses		(193)	(202)
General expenses	10	(10,119)	(13,159)
		<b>(10,312)</b>	<b>(13,361)</b>
<b>Results from superannuation activities before income tax expense</b>		<b>24,989</b>	<b>40,966</b>
Income tax (expense) / benefit	9	1,280	(1,069)
<b>Results from superannuation activities after income tax expense</b>		<b>26,269</b>	<b>39,897</b>
Net benefit allocated to defined contribution members		(28,864)	(37,879)
<b>Operating result after income tax</b>		<b>(2,595)</b>	<b>2,018</b>

*The above Income Statement should be read in conjunction with the accompanying notes.*

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**Statement of changes in member benefits for the year ended 30 June 2020**

	Note	Defined Contribution member benefits \$'000
<b>Balance at 1 July 2018</b>		666,969
Employer contributions		44,720
Member contributions		2,876
Transfers from other superannuation funds		64,224
Income tax on contributions		(7,257)
<b>Net after tax contributions</b>		<b>104,563</b>
Benefits to members or beneficiaries		(22,988)
Transfer to other superannuation plans		(123,836)
Insurance premiums charged to members		(3,667)
Death and disability insurance entitlements paid to members or beneficiaries		2,157
Reserve transfers to (from) members		1
Net benefits allocated comprising:		
Net investment income	47,569	
Net administration fees	(9,690)	37,879
<b>Balance at 30 June 2019</b>	6	<b>661,078</b>
		<b>Defined Contribution member benefits</b>
		<b>\$'000</b>
<b>Balance at 1 July 2019</b>		<b>661,078</b>
Employer contributions		52,826
Member contributions		3,054
Transfers from other superannuation funds		180,868
Income tax on contributions		(9,857)
<b>Net after tax contributions</b>		<b>226,891</b>
Benefits to members or beneficiaries		(59,811)
Transfer to other superannuation plans		(183,372)
Insurance premiums charged to members		(12,626)
Death and disability insurance entitlements paid to members or beneficiaries		641
Reserve transfers to (from) members		309
Net benefits allocated comprising:		
Net investment income	38,115	
Net administration fees	(9,251)	28,864
<b>Balance at 30 June 2020</b>	6	<b>661,974</b>

*The above statement of changes in member benefits should be read in conjunction with the accompanying notes.*

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**Statement of changes in equity for the year ended 30 June 2020**

	ORFR Reserve	Admin. Reserve	Investment Reserve	Insurance Billing Reserve	Total Reserve	Unallocated Surplus (Deficit)	Unallocated Deposits	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2018</b>	<b>443</b>	<b>2,185</b>	<b>233</b>		<b>2,861</b>	<b>1,876</b>	<b>6</b>	<b>4,743</b>
Transfers to DC member accounts	2	(147)	1	-	(144)	-	100	(44)
Operating result	9	648	(45)	-	612	1,553	-	2,165
<b>Balance at 30 June 2019</b>	<b>454</b>	<b>2,686</b>	<b>189</b>	<b>-</b>	<b>3,329</b>	<b>3,429</b>	<b>106</b>	<b>6,864</b>
Transfers to DC member accounts	(436)	(295)	(84)	-	(815)	-	(106)	(921)
Operating result	1	1,110	4	6,449	7,564	(3,675)	-	3,889
<b>Balance at 30 June 2020</b>	<b>19</b>	<b>3,501</b>	<b>109</b>	<b>6,449</b>	<b>10,078</b>	<b>(246)</b>	<b>-</b>	<b>9,832</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes, in particular note 8 regarding reserves.*

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**Statement of Cash Flows**

	Note	30 June 2020 \$'000	30 June 2019 \$'000
<b>Cash flows from operating activities</b>			
Interest income received		360	430
Dividend income received		76	137
Distribution income received		8,661	3,255
Other income received		143	375
Investment expenses paid		(128)	(206)
General expenses paid		(10,955)	(14,425)
Income taxes paid		(873)	(325)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>12</b>	<b>(2,716)</b>	<b>(10,759)</b>
<b>Cash flows from investing activities</b>			
Sales of financial instruments		209,849	137,859
Purchases of financial instruments		(166,600)	(82,000)
<b>Net cash inflow / (outflow) from investing activities</b>		<b>43,249</b>	<b>55,859</b>
<b>Cash flows from financing activities</b>			
Employer contributions received		52,826	44,721
Member contributions received		3,037	2,860
Transfers from (to) other superannuation entities		(591)	(59,041)
Benefits payments to members or beneficiaries		(59,811)	(22,967)
Tax paid on contributions		(6,915)	(6,194)
Unallocated deposits		(47)	108
Death and disability proceeds received from insurer		641	2,156
Insurance premium paid		(6,058)	(3,689)
<b>Net cash inflow / (outflow) from financing activities</b>		<b>(16,918)</b>	<b>(42,046)</b>
<b>Net increase in cash and cash equivalents</b>		<b>23,615</b>	<b>3,054</b>
Cash and cash equivalents at the beginning of the financial year		27,647	24,674
Effects of foreign currency exchange rate changes on cash and cash equivalents		(58)	(81)
<b>Cash and cash equivalents at end of year</b>		<b>51,204</b>	<b>27,647</b>

The above statement of cash flows should be read in conjunction with the accompanying notes.

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## Notes to the Financial Statements

### 1. GENERAL INFORMATION

The Tidswell Master Superannuation Plan (the Fund) is a superannuation fund constituted by a trust deed dated 17 June 1988 as amended. The purpose of the Fund is to provide retirement benefits to its members. For the purposes of the financial statements the Fund is a for profit entity.

The Fund consists of 8 current divisions which are as follows:

- Tidswell Superannuation Fund (Division 1)
- Australian Expatriate Superannuation Plan (AESF)
- mobiSuper
- Spaceship Superannuation
- Student Super Professional Super (SSPS)
- Superestate
- PPS Mutual Professionals (PPSM)
- NEOS No. 2

Executive Choice division was Successor Fund Transferred to another APRA regulated fund on 30 August 2019.

Each division is governed by its own Product Disclosure Statement.

The Fund is a complying superannuation plan.

The Fund is managed by Tidswell Financial Services Ltd (the Trustee) which is incorporated in Australia. The registered office of the Trustee is Level 9, 287 Collins Street, Melbourne VIC 3000. Both the Trustee and the Fund are domiciled in Australia and registered with the Australian Prudential Regulation Authority (APRA).

Certes CT Pty Ltd ACN 106 424 088 (former Sargon CT Pty Ltd) acts as the Custodian for the following divisions:

- Tidswell Superannuation Fund Australian
- Expatriate Superannuation Plan (AESF)
- mobiSuper
- Spaceship Superannuation
- Student Super Professional Super (SSPS)

Sandhurst Trustees Ltd ACN 004 030 737 acts as the Custodian for Superestate.

These financial statements cover the Fund as a consolidated entity. The financial statements of the Fund were authorised for issue by the directors of the Trustee on 30 September 2020. The directors of the Trustee have the power to amend and re- issue these financial statements.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless covered in other notes to the financial statements, the principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

#### **Basis of Preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, the Superannuation Industry (Supervision) Act 1993 and Regulations ("SIS") and the provisions of the Trust Deed.



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The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated. Assets and liabilities are presented in descending order of liquidity

- Less than; and
- More than 12 months after the end of the reporting period.

**(a) Measurement of assets**

i. Classification

The Fund's investments are classified at fair value through the Income Statement.

Financial instruments designated at fair value through Income Statement upon initial recognition. These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange traded debt and equity instruments, exchange traded derivative instruments and listed and unlisted trusts. These investments are managed and their performance is evaluated on a fair value basis in accordance with the Fund's investment strategy.

Fair value is determined by independent valuation of real estate properties as mandated by the Trust Deed.

ii. Recognition / derecognition

Financial assets and financial liabilities are recognised on the date the Fund becomes party to the contractual agreement (trade date) and changes in the fair value of the financial assets or financial liabilities are recognised from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all of the risks and rewards of ownership.

iii. Measurement

At initial recognition, the Fund measures a financial asset or liability at fair value. Transaction costs are expensed in the Income Statement.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through Income Statement are measured at fair value. Gains and losses are presented in the Income Statement in the period in which they arise as net changes in fair value of financial instruments.

For further details on how the fair values of financial instruments are determined refer to note 4.

**(b) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from investing activities, as movements in the fair value of these securities represent the Fund's main income generating activity.

**(c) Revenue recognition**

Income from cash and cash equivalents is presented as interest income. Interest income on assets held at fair value through Income Statement is included in the net changes in fair value of financial instruments. Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(c) to the financial statements.

Dividend revenue is recognised on the date the shares are quoted ex-dividend and if not received at reporting date, are reflected on the statement of financial position as a receivable at net market value.

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Distribution revenue from managed investment schemes is recognised on the date the unit value is quoted ex- distribution and if not received at reporting date, are reflected in the statement of financial position as a receivable at net market value.

Rental revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Rebate revenue is recognised when the Fund has established it has a right to receive the rebate.

Insurance proceeds claim amounts are recognised when the insurer has agreed to pay a claim and has transferred the claim amount to the Fund.

**(d) Due from / to brokers**

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. Trades are recorded on trade date. A provision for impairment is made when the Fund will not be able to collect all amounts due from the relevant broker.

**(e) Foreign currency translation**

i. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses arise from the settlement of such transactions and from the translations at year end exchange rates of monetary items denominated in foreign currencies.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at 30 June 2020. Translation differences on assets and liabilities carried at fair value are reported in the Income Statement on a net basis within net changes in fair value of financial instruments.

**(f) Receivables**

Receivable amounts are generally received within 60 days of being recorded as receivables.

Collectability of trade receivables is reviewed regularly.

**(g) Payables**

Payables include liabilities and accrued expenses owing by the Fund which are unpaid as at the end of the reporting period. These amounts are unsecured and are usually paid within 60 days of recognition.

**(h) Benefits paid / payable**

Benefits paid / payable are valued at the amounts due to members at reporting date. Benefits paid/payable comprise pensions accrued at 30 June 2020 and lump sum benefits of members who are due a benefit but had not been paid at 30 June 2020.

**(i) Contributions received and transfers from other funds**

Contributions received and amounts rolled over into the Fund are recognised when the control and the benefits from the revenue have transferred to the Fund and are recognised gross of any taxes.

**(j) 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 Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

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Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows included in the statement of cash flows are inclusive of GST. GST cash flow components arising from investing and financing activities which are payable to, or recoverable from, the ATO are classified as cash flows from operating activities.

**(k) Use of estimates**

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel. Refer to note 4 for details.

**(l) Accounting standards issued and adopted during the financial year**

**i. New and amended standards adopted by the Scheme**

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2019 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

**ii. New and amended standards adopted by the Scheme**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2020, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Scheme.

**(m) Rounding of amounts**

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

**3. FINANCIAL RISK MANAGEMENT**

The Fund's activities expose it to a variety of financial risks: market risk (including price risk, currency risk, and interest rate risk), credit risk and liquidity risk.

The Fund has a Risk Management Framework ("RMF") established by the Trustee. The RMF sets out the Trustees policies and procedures for the selection, management and monitoring of investments for the Fund. For each investment option offered by the Fund, the Trustee seeks to maximise the returns derived for the level of risk to which the Fund is exposed.

There has been an increase in market volatility, primarily driven by speculation arising from the outbreak of the Novel Coronavirus (COVID-19). The current situation with regards to COVID-19 is emerging and therefore there are challenges in assessing its impact on economies, global financial markets and investment returns. Subsequently, the Fund's underlying investments have also experienced an increase in the volatility of returns.

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**(a) Market risk**

i. Price risk

The Fund is exposed to equity securities price risk. These arise from investments held by the Fund for which prices in the future are uncertain.

The Trustee mitigates price risk through diversification and a careful selection of securities.

Compliance with the RMF and supporting investment guidelines are monitored by the Trustee on a regular basis.

At 30 June, the fair value of equities exposed to price risk were as follows:

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Equity securities	176,256	145,975
Unlisted unit trusts	450,817	493,252
Term Deposit	120	490
<b>Exposure to price risk</b>	<b>627,193</b>	<b>639,717</b>

ii. Foreign exchange risk

The Fund invest overseas and has assets and liabilities denominated in currencies other than the Australian dollar. Foreign exchange risk arises as the value securities denominated in foreign currencies will fluctuate due to changes in exchange rates.

The table below summarises the Fund's financial assets and liabilities which are denominated in foreign currencies.

	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>US</b>	<b>GBP</b>	<b>CAN</b>	<b>US</b>	<b>GBP</b>	<b>CAN</b>
	<b>dollars</b>			<b>dollars</b>		
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cash and cash equivalent	166	5,386	-	353	3,356	-
Financial assets	160,283	2,307	-	134,133	2,752	19
<b>Net exposure to foreign exchange risk</b>	<b>160,449</b>	<b>7,693</b>	<b>19</b>	<b>134,486</b>	<b>6,108</b>	<b>19</b>

iii. Cash flow and fair value interest rate risk

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed interest rates expose the Fund to fair value interest rate risk.

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The table below summarises the Fund's direct exposure to interest rate risk:

**30 June 2020**

	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest Bearing \$'000	Total \$'000
<b>Financial Assets</b>				
Cash and cash equivalents	51,204	-	-	51,204
Due from brokers – receivables for securities sold	-	-	281	281
Other receivables	-	-	4,042	4,042
Investment income receivables	-	-	1,163	1,163
Investments	75,374	120	551,699	627,193
<b>Net exposure to interest rate risk</b>	<b>126,578</b>	<b>120</b>	<b>557,185</b>	<b>683,883</b>

**30 June 2019**

	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest Bearing \$'000	Total \$'000
<b>Financial Assets</b>				
Cash and cash equivalents	27,647	-	-	27,647
Due from brokers – receivables for securities sold	-	-	1,227	1,227
Other receivables	-	-	3,021	3,021
Investment income receivables	-	-	6,804	6,804
Investments	90,487	49	549,181	639,717
<b>Net exposure to interest rate risk</b>	<b>118,134</b>	<b>49</b>	<b>560,233</b>	<b>678,416</b>

**(b) Summarised sensitivity analysis**

The following table summarises the sensitivity of the Fund's operating profit and net assets attributable to unitholders to interest rate risk, foreign exchange risk and price risk. The reasonably possible movements in the risk variables have been based on the Trustee's best estimate, having regard to a number of factors, including historical levels of changes in interest rates, foreign exchange rates and market volatility. Actual movements in the risk variables may be greater or less than anticipated due to a number of factors. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

	Price risk		Foreign exchange risk						Interest rate risk	
	-15% \$'000	7.5% \$'000	-10% USD \$'000	10% USD \$'000	-10% GBP \$'000	10% GBP \$'000	-10% CAN \$'000	10% CAN \$'000	-25 bps \$'000	+25 bps \$'000
<b>2020</b>	(94,079)	47,039	(16,045)	16,045	(769)	769	-	-	(128)	128
2019	(95,958)	47,979	(13,449)	13,449	(611)	(611)	(2)	2	(69)	69

**(c) Credit risk**

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due, causing a financial loss to the Fund. The main credit risks, to which the Fund is exposed, arises from the Fund's investment in interest bearing securities. The Fund is also exposed to credit risk on derivative financial instruments, cash and cash equivalents, amounts due from

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brokers and other receivables. The Trustee monitors the Fund's credit risk exposure on a regular basis.

i. Settlement of securities transaction

All transactions in listed securities are settled for upon delivery using brokers approved by the Trustee. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment.

ii. Cash and cash equivalents

The Fund's exposure to credit risk for cash and cash equivalents is considered low as all counterparties have a rating of AA- (as determined by Standard & Poor's).

iii. Maximum exposure to credit risk

The Fund's maximum exposure to credit risk is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

**(d) Liquidity risk**

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations to members or counterparties in full as they fall due or can only do so on terms that are disadvantageous.

The liquidity risks associated with the need to satisfy members' requests for benefit payments are mitigated by constantly monitoring to ensure sufficient cash is maintained to satisfy usual levels of demand.

i. Maturities of financial liabilities

The table below shows the Fund's financial liabilities based on their contractual maturities using undiscounted cash flows. Due to brokers and benefits payable are payable on demand. Liabilities to defined contribution members are payable upon request. The Fund considers it is highly unlikely that all liabilities to members would fall due at the same time.

**At 30 June 2020**

	<b>Less than 1 month \$'000</b>	<b>1-6 months \$'000</b>	<b>6-12 months \$'000</b>	<b>Total \$'000</b>
<b>Non-derivatives</b>				
Due to brokers – payable for securities sold	-	-	-	-
Benefits payable	2,220	-	-	2,220
Other payables	2,040	47	-	2,087
Member liabilities	661,974	-	-	661,974

**At 30 June 2019**

	<b>Less than 1 month \$'000</b>	<b>1-6 months \$'000</b>	<b>6-12 months \$'000</b>	<b>Total \$'000</b>
<b>Non-derivatives</b>				
Due to brokers – payable for securities sold	-	-	-	-
Benefits payable	574	-	-	574
Other payables	1,630	27	-	1,657
Member liabilities	661,078	-	-	661,078

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**4. FAIR VALUE MEASUREMENT**

The assets and liabilities recognised at fair value in the Statement of Financial Position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

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

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly. The Trustee values fixed interest securities held by the Fund using broker quotes, units in unit trusts using the unadjusted redemption price quoted by the underlying fund manager and OTC derivatives using valuation models.

**Level 3:** one or more of the significant inputs are not based on observable market data, examples include implied unit prices, capitalisation rates, earnings multiples and recent comparable market transactions. The Trustee generally values units in unit trusts classified as level 3 instruments using the implied unit price provided by the underlying fund manager unless there is a specific verifiable reason to vary from the unit price provided. The level 3 unit trusts held by the Fund may include closed funds which are illiquid investments. The level 3 unit trusts hold assets such as property and equity that cannot be readily observable.

The table below sets out the Fund's financial assets and liabilities at fair value according to the fair value hierarchy.

<b>30 June 2020</b>	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>
Equity securities	2,457	-	-	2,457
Term Deposits	120			120
Units in unlisted managed investment schemes		444,126	6,691	450,817
Units in listed managed investment schemes	173,799		-	173,799
Due from brokers – receivables for securities sold	281	-	-	281
<b>Total</b>	<b>607,511</b>	<b>444,126</b>	<b>6,691</b>	<b>627,474</b>

<b>30 June 2019</b>	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>
Equity securities	3,348	-	7	3,355
Term Deposits	490	-	-	490
Units in unlisted managed investment schemes	-	493,252	-	493,252
Units in listed managed investment schemes	142,620	-	-	142,620
Due from brokers – receivables for securities sold	1,227	-	-	1,227
<b>Total</b>	<b>625,192</b>	<b>493,252</b>	<b>-</b>	<b>640,944</b>

The Fund invests in Pooled Mortgage Managed Investment Scheme (PMMIS) and the PMMIS ceased to be liquid on 2 March 2020 and the amount of \$6,690,819 was transferred to Level 3 from Level 2.

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**5. NET CHANGES IN FAIR VALUE OF FINANCIAL INSTRUMENTS**

Net changes in financial assets and liabilities measured at fair value:

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Designated at fair value through Income Statement		
Equity securities	43,630	9,638
Units in managed funds	(34,519)	13,617
Gains / (Loss) on cash and cash equivalents denominated in foreign currencies from changes in exchange rates	(57)	(77)
	<u><b>9,054</b></u>	<u><b>23,178</b></u>

**6. MEMBER LIABILITIES**

The entitlements of members to benefit payments are recognised as liabilities. They are measured at the amount of the accrued benefits as at the reporting date, being the benefits that the Fund is presently obliged to transfer to members or their beneficiaries in the future as a result of the membership up to the end of the reporting period.

i. Defined contribution member liabilities

Defined contribution member account balances are measured using unit prices determined by the Trustee based on the underlying investment option values selected by members.

The defined contribution members bear the investment risk relating to the underlying investment options. Unit prices used to measure defined contribution member liabilities are updated each day for movements in investment values.

As at 30 June 2020, the net assets attributable to defined contribution members have been substantially allocated. Unallocated amounts are shown in the statement of financial position as "Unallocated surplus" within member benefits.

**7. INSURANCE ARRANGEMENT**

The Fund facilitates the provision of death, disability and salary continuance insurance to its members. The Trustee has group policies in place with a third party insurance company to insure these death, disability and salary continuance benefits for the members of the Fund.

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

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

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



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**8. RESERVES**

Each division of the Fund holds its own reserves as determined by the Trustee.

**(a) Administration Reserve**

**Tidswell Superannuation Fund / Executive Choice / AESF / mobiSuper / Spaceship / SSPS / Superstate**

This reserve is utilised by the Fund for the purpose of meeting the division's operating, management and marketing costs.

<b>Balance at 1 July 2018</b>	<b>Tidswell Superannuation Fund</b>	<b>Executive Choice</b>	<b>AESF</b>	<b>mobiSuper</b>	<b>Spaceship</b>	<b>SSPS</b>	<b>Super estate</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Opening Balance</b>	-	284	161	1,297	439	1	3
Transfers to DC member accounts	-	(147)	-	-	-	-	-
Operating result	-	202	(161)	624	(31)	5	9
<b>Balance at 30 June 2019</b>	-	<b>339</b>	-	<b>1,921</b>	<b>408</b>	<b>6</b>	<b>12</b>
Transfers to DC member accounts	10	-	(21)	(221)	(50)	(13)	-
Operating result	(6)	(339)	219	647	508	7	74
<b>Balance at 30 June 2020</b>	<b>4</b>	<b>-</b>	<b>198</b>	<b>2,347</b>	<b>866</b>	<b>-</b>	<b>86</b>

**(b) Operational Risk Reserve**

**Executive Choice**

The Operational Risk Financial Requirement (ORFR) is met and maintained as a reserve to provide funding for incidents where material losses may arise from operational risks. The level of the reserve is determined by the Board based on an assessment of the risks faced by the Division. The Trustee has assessed an ORFR target amount of 0.25% of funds under management as appropriate for this Executive Choice division was Successor Fund Transferred to HUB24 and the ORFR reserve was transferred together with the members' assets. A portion of the reserve was credited to members accounts after the transfer to HUB24.

	<b>Executive Choice</b>
	<b>\$'000</b>
<b>Balance at 1 July 2018</b>	<b>427</b>
Transfers to DC member accounts	
Operating result	9
<b>Balance at 30 June 2019</b>	<b>436</b>
Transfers to DC member accounts	-
Operating result	(436)
<b>Balance at 30 June 2020</b>	<b>-</b>

**AESF** held a balance of \$19,000 in ORFR. No transfers were made from members to the Reserve during the period.

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**Tidswell Superannuation Fund, mobiSuper, Spaceship, AESF, SSPS, Superestate, PPSM and NEOS No. 2** have elected to hold Operational Risk Capital (ORC) to meet their ORFR obligations. The ORC is held by the Trustee as Capital to provide funding for incidents where material losses may arise from operational risks. The Trustee has assessed an ORC target amount of 0.25% of funds under management as appropriate for these divisions with separate minimum target amounts for each division. The ORC held by the Trustee at 30 June 2020 was \$1,774,740 (2019: \$1,554,000).

**Investment Reserve**

**Tidswell Superannuation Fund**

The reserve receives administration fees charged to members' accounts and pays the actual expenses incurred. Changes in deferred tax assets relating to unrealised changes in investment values are also held within the reserve.

	<b>\$'000</b>
<b>Balance at 1 July 2018</b>	<b>188</b>
Transfers to DC member accounts	
Operating result	(82)
<b>Balance at 30 June 2019</b>	<b>106</b>
Transfers to DC member accounts	(12)
Operating result	(13)
<b>Balance at 30 June 2020</b>	<b>81</b>

**Executive Choice**

The division earned interest on the operating bank account. Any interest earned on this account is held in the Investment Reserve as a remuneration to the Trustee to offset administration costs.

	<b>\$'000</b>
<b>Balance at 1 July 2018</b>	<b>45</b>
Transfers to DC member accounts	1
Operating result	28
<b>Balance at 30 June 2019</b>	<b>74</b>
Transfers to DC member accounts	
Operating result	(74)
<b>Balance at 30 June 2020</b>	<b>-</b>

**Superestate**

The division earns interest on the operating bank account. Any interest earned on this account is held in the Investment Reserve.

	<b>\$'000</b>
<b>Balance at 1 July 2018</b>	<b>-</b>
Transfers to DC member accounts	-
Operating result	9
<b>Balance at 30 June 2019</b>	<b>9</b>
Transfers to DC member accounts	(8)
Operating result	13
<b>Balance at 30 June 2020</b>	<b>14</b>

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**NEOS No. 2**

The division earns interest on the operating bank account. Any interest earned on this account is held in the Investment Reserve.

	<b>\$'000</b>
<b>Balance at 1 July 2018</b>	-
Transfers to DC member accounts	-
Operating result	-
<b>Balance at 30 June 2019</b>	-
Transfers to DC member accounts	-
Operating result	3
<b>Balance at 30 June 2020</b>	<b>3</b>

**AESF**

The division earns interest on the operating bank account. Any interest earned on this account is held in the Investment Reserve.

	<b>\$'000</b>
<b>Balance at 1 July 2018</b>	-
Transfers to DC member accounts	-
Operating result	-
<b>Balance at 30 June 2019</b>	-
Transfers to DC member accounts	10
Operating result	1
<b>Balance at 30 June 2020</b>	<b>11</b>

**(c) Insurance billing reserve**

This reserve represents the annual insurance premiums collected on behalf of members in NEOS No. 2 Division but not yet remitted to the insurer. These amounts are remitted to the insurer on a monthly basis.

**(d) Unallocated surplus / (deficit)**

**Executive Choice / AESF / mobiSuper / Spaceship / SSPS / Superestate**

The unallocated surplus is utilised by the above divisions in regards to any further income and imputation credits arising from the completion of the tax position following the year end, and other timing differences arising between accounting and unit pricing model. This income / loss will be allocated / debited to / from members during the course of the following year.

	<b>Executive Choice</b>	<b>AESF</b>	<b>Mobi Super</b>	<b>Spaceship</b>	<b>SSPS</b>	<b>Super- estate</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2018</b>	<b>452</b>	<b>(28)</b>	<b>375</b>	<b>1,069</b>	<b>0</b>	<b>8</b>
Transfers to DC member accounts	-	-	-	-	-	-
Operating result	201	28	828	455	10	31
<b>Balance at 30 June 2019</b>	<b>653</b>	<b>-</b>	<b>1,203</b>	<b>1,524</b>	<b>10</b>	<b>39</b>
Transfers to DC member accounts	-	-	-	-	-	-
Operating result	(653)	215	(1,878)	(1,170)	(10)	(179)
<b>Balance at 30 June 2020</b>	<b>-</b>	<b>215</b>	<b>(675)</b>	<b>354</b>	<b>-</b>	<b>(140)</b>

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**9. INCOME TAX**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the Profit and Loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantively enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable Profit and Loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Under the Income Tax Assessment Act, as a complying superannuation fund a concessional tax rate of 15% is applied on net investment earnings with deductions allowable for administrative and operational expenses. Financial assets held for less than 12 months are taxed at the Fund's rate of 15%. For financial assets held for more than 12 months, the Fund is entitled to a further discount on the tax rate leading to an effective tax rate of 10% on any gains/(losses) arising from the disposal of investments.

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**(a) The income tax expense comprises amounts set aside to:**

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Current Tax	(744)	1,113
Overprovision in prior year	(24)	(262)
(Decrease) / Increase in deferred tax assets	2,048	(1,920)
<b>Income Tax (Expense) / Benefit</b>	<b>1,280</b>	<b>(1,069)</b>

**(b) Numerical reconciliation of income tax expense to prima facie tax payable**

Prima facie tax payable on operating result before income tax at 15% (2019: 15%)	(3,747)	(6,145)
Realised and Unrealised Gain	1,444	1,658
Anti-detriment tax effect	-	-
Non-deductible expenses	(155)	(55)
Other non-assessable expenses	537	951
Tax benefit from insurance premiums	1,875	540
Imputation credits	1,350	2,244
Adjustments for current tax of prior periods	(24)	(262)
<b>Income Tax (Expense) / Benefit</b>	<b>1,280</b>	<b>(1,069)</b>

In addition to the above \$9,857,000 (2019: \$7,257,000) is recognised in the statement of changes benefits on contributions deducted from member accounts.

**(c) Deferred tax assets and liabilities**

	<b>Opening Balance</b>	<b>Charged to</b>	<b>Closing Balance</b>
	<b>\$'000</b>	<b>Operating</b>	<b>\$'000</b>
		<b>Statement</b>	
		<b>\$'000</b>	
<b>Deferred Tax Assets</b>			
Investments	622	(481)	141
<b>Balance at 30 June 2019</b>	<b>622</b>	<b>(481)</b>	<b>141</b>
Investments	141	2,446	2,587
<b>Balance at 30 June 2020</b>	<b>141</b>	<b>2,446</b>	<b>2,587</b>

	<b>Opening Balance</b>	<b>Charged to</b>	<b>Closing Balance</b>
	<b>\$'000</b>	<b>Operating</b>	<b>\$'000</b>
		<b>Statement</b>	
		<b>\$'000</b>	
<b>Deferred Tax Liabilities</b>			
Investments	3,585	1,440	5,025
<b>Balance at 30 June 2019</b>	<b>3,585</b>	<b>1,440</b>	<b>5,025</b>
Investments	5,025	398	5,423
<b>Balance at 30 June 2020</b>	<b>5,025</b>	<b>398</b>	<b>5,423</b>

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**10. OTHER ITEMS**

**(a) Other operating expenses**

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Fees to the Trustee	3,252	4,480
Audit fees	37	77
Commissions paid directly	558	1,345
Sponsorship and advertising	-	-
Promoters' fees	3,655	4,555
Other fees	2,617	2,702
	<b>10,119</b>	<b>13,159</b>

No direct fees were paid for advertising or sponsorship out of the Fund.

**11. CASH AND CASH EQUIVALENTS**

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash at bank	51,204	27,647
	<b>51,204</b>	<b>27,647</b>

**12. RECONCILIATION OF PROFIT / (LOSS) AFTER INCOME TAX TO NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES**

**(a) Reconciliation of profit / (loss) after income tax to net cash inflow / (outflow) from operating activities**

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Operating result after tax</b>	<b>(2,595)</b>	2,018
Adjustments for:		
Net changes in fair value of financial instruments	(9,054)	(23,178)
Net benefit allocated to defined contribution members	28,864	37,879
Trust Distributions reinvested	(21,494)	(22,409)
Change in operating assets and liabilities	-	-
(Increase) / decrease in receivables	4,911	(4,308)
Increase / (decrease) in payables	(59)	(297)
Increase / (decrease) in tax	(3,289)	(473)
Tax Benefit on insurance received	-	9
<b>Net cash inflow (outflow) from operating activities</b>	<b>(2,716)</b>	<b>(10,759)</b>

**13. COMMITMENTS**

There are no commitments the Trustee is aware of as at the date of this report.

**14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There are no outstanding contingent assets or liabilities as at 30 June 2020.

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**15. EVENTS OCCURRING AFTER THE REPORTING PERIOD**

On 25 September 2020, the directors of Tidswell Financial Services Limited signed the Deed of Retirement and Appointment of Trustee to resign as the trustee and have started the process of transferring the Fund to the new trustee, Diversa Trustees Limited.

The Fund invests in Pooled Mortgage Managed Investment Scheme (PMMIS) and the PMMIS ceased to be liquid pursuant to the Corporation Act on 2 March 2020. Following this event, the Responsible Entity has reviewed the PMMIS whether it can continue to accomplish its purpose and determined that the PMMIS will be terminated. It is anticipated that the winding up process will take around 24 months. The capital will be returned on a pro-rata basis during the winding up process by way of interim distributions as envisaged by the PMMIS' constitution.

The Fund invests in The Commonwealth House Unit Trust Managed Investment Scheme (CHUT). The Responsible Entity of CHUT will wind up the Scheme following the final distribution of all income and principal to members after the settlement of the property, Unit 3, 60 Hindmarsh Square, Adelaide.

Post year end, there was a loan issued by the Fund to repay the loan payable by CHUT to the previous Responsible Entity. This loan entered into post year end has since been repaid with settlement monies from investment property sold.

The Australian Government made several changes to super as part of its economic response to the COVID-19 pandemic. The most notable was a temporary change to the early release of super rules allowing individuals affected by COVID-19 to apply to access up to \$10,000 of their super. Members have had access up to \$10,000 during the reporting period and post reporting period. The Fund has been impacted by a large volume of early release payments made. As of 30 June 2020, there were \$42 million COVID-19 related early release benefits paid.

No other significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the statement of financial position as at 30 June 2020 or on the results and cash flows of the Fund for the reporting period ended on that date.

**16. RELATED PARTY TRANSACTIONS**

**(a) Trustee**

The Trustee of the Fund during the financial year to 30 June 2020 was Tidswell Financial Services Ltd (ABN 55 010 810 607), Level 9, 287 Collins Street, Melbourne, Victoria.

**i. Directors**

The names of the directors of the trustee company who held office during the year are:

Michael John Terlet AO	Non-Executive Director - Chairman	Appointed 19 April 1991
Ronald Peter Beard	Executive Director	Appointed 20 August 2012
Fiona McNabb	Non-Executive Director	Appointed 29 September 2017
Stephen Miller	Non-Executive Director	Appointed 29 September 2017 Resigned 25 February 2020
Andrew Peterson	Executive Director	Appointed 20 March 2018

These directors are considered to be key management personnel of the Fund.

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Any director of the Trustee who is a member of the Fund contributes and receives benefits on the same terms and conditions as those available to other members.

**ii. Key management personnel compensation**

The Trustee company receives remuneration in its capacity as trustee.

No amounts are paid by the Fund directly to the directors of the Trustee in connection with the management of the Fund. Fees paid by the Fund to the Trustee, as approved by the Trust Deed, are disclosed below:

**iii. Trustee's Fees**

Trustee fees are calculated in accordance with the Trust Deed / Product Disclosure Statement.

**Tidswell Superannuation Fund**

Trustee fees paid by the Fund to the Trustee amounted to \$434,071 net of GST (2019: \$562,000). At reporting date, there was an amount receivable due to the Fund of \$33,771 (2019: \$Nil).

**Executive Choice**

The trustee fees paid and payable at 30 June 2020 by the Division to the Trustee amounted to \$487,739 net of GST (2019: \$1,074,865). At reporting date, there was an amount payable to the Trustee of \$Nil (2019: \$142,746).

**Superestate**

The trustee fees paid and payable at 30 June 2020 by the Division to the Trustee amounted to \$350,860 net of GST (2019: \$266,183). At reporting date, there was an amount payable to the Trustee of \$44,364 (2019: \$31,782).

The above two divisions [Executive Choice, Superestate] were administered by the Trustee during the period and the fees are inclusive of administration fees whereas the administration of AESF, mobiSuper, Spaceship and SSPS, PPSM and NEOS No.2 is outsourced.

**AESF**

The trustee fees paid and payable at 30 June 2020 by the Division to the Trustee amount to \$382,376 net of GST (2019: \$452,012). At reporting date, there was an amount payable of \$30,445 (2019: \$28,880).

**mobiSuper**

The trustee fees paid and payable at 30 June 2020 by the Division to the Trustee amount to \$779,956 net of GST (2019: \$1,231,241). At reporting date, there was an amount payable of \$49,737 (2019: \$69,842).

**Spaceship**

The trustee fees paid and payable at 30 June 2020 by the Division to the Trustee amount to \$645,827 net of GST (2019: \$765,984). At reporting date, there was an amount payable of \$51,429 (2019: \$42,915).

**SSPS**

The trustee fees paid and payable at 30 June 2020 by the Division to the Trustee amount to \$130,493 net of GST (2019: \$127,000). At reporting date, there was an amount payable of \$34,824 (2019: \$22,402).

**PPSM**

The trustee was not paid directly from the Fund and is paid by the Promoter.



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**NEOS No. 2**

The trustee was not paid directly from the Fund and is paid by the Promoter.

**iv. Custodian Fees**

The Custodian Fees are paid to Certes CT Pty Ltd (ABN 12 106 424 088) which is a related party. Under the terms of the Trust Deed the Custodian is entitled to receive compensation for services provided to the Fund.

The Custodian earned remuneration of \$148,969 net of GST (30 June 2019: \$37,861) including total custodian fee payable of \$29,051 (2019: \$27,726) which is outstanding as at 30 June 2020 and is included in other payables in the statement of financial position.

**Other Related Party Transactions**

**(b) The Commonwealth House Unit Trust**

On 14 February 1996 a Unit Trust (known as the Commonwealth House Unit Trust) was established for the purpose of acquiring interests in properties. The Trustee of the Unit Trust was Australian Executor Trustees Limited with Tidswell Financial Services Ltd acting as Manager. Unit holders within the Trust comprised Australian Executor Trustees Limited as Custodian for The Tidswell Investment Plan and Australian Executor Trustees Limited as Custodian for The Tidswell Master Superannuation Plan.

On 1 March 2002, The Commonwealth House Unit Trust was established as a separate registered Managed Investment Scheme (the Scheme) pursuant to the requirements of the Australian Securities & Investments Commission (ASIC) and is a sub-scheme and authorised investment of The Tidswell Investment Plan. Tidswell Financial Services Ltd is Responsible Entity for the Scheme and Australian Executor Trustees Limited is the Custodian.

At reporting date, the Trustee for Tidswell Superannuation Fund held an investment in The Commonwealth House Unit Trust for the total value of \$77,727 (2019: \$780,969). Share of Income relating to this investment totalled \$488,634 (2019: \$2,343,464).

**(c) The Superestate Property Fund**

On 22 February 2018 a Trust was established for the purpose of acquiring interests in properties. The Responsible Entity of the Trust is Responsible Entity Partners (11 119 757 596) which is a related party to Tidswell Financial Services Limited.

At the reporting date, the Trustee for Superestate Division held an investment in Superestate Property Fund for the total value of \$19,963,334 (2019: \$6,240,956).

**(d) The following transactions occur between the related entities:**

As at the reporting date, the Fund had an investment of \$6,690,819 (2019: \$14,071,708) in The Tidswell Investment Plan (TIP), which invested \$6,168,022 (2019: \$12,013,834) of this amount in the Pooled Mortgage Managed Investment Scheme (PMMIS) and \$522,797 (2019: \$2,057,874) in the Direct Mortgage Managed Investment Scheme (DMMIS). TIP income relating to the PMMIS totalled \$373,767 (2019: \$756,374) and \$143,652 (2019: \$399,148) for the DMMIS. As at the reporting date, distributions receivable for the PMMIS totalled \$61,538 (2019: \$10,809) and \$Nil (2019: \$Nil) for the DMMIS. No fees have been charged on transactions or balances invested in TIP except for an investment charge of 0.8% p.a. levied by the PMMIS and 0.5% p.a. levied by the DMMIS. The income distributions reported above are net of these fee deductions.

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**17. PROMOTERS**

**Executive Choice**

The promoter of the Division was The Mills Administration Pty Ltd (ABN 89 161 643 312).

Under the terms of the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

The promoter fee including call centre fee paid and payable at 30 June 2020 amounted to \$96,434 net of GST (2019: \$1,168,867). At reporting date, there was an amount payable to the Promoter of \$Nil (2019: \$51,299).

The promoter ceased receiving fees from 31 August 2019.

**AESF**

The Promoter of the Division is IVCM (Aust) Pty Ltd (ABN 16 608 923 477). Under the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

The Promoter earned remuneration net of amounts provided for expense recovery of \$5,807 inc GST (30 June 2019: \$192,687 net provided to fund), including total promoter fee payable of \$275,192 which is outstanding as at 30 June 2020 (included in other payables in the statement of financial position) and expense recovery owing of \$249,494 as at 30 June 2020 (included in other receivables in the statement of financial position). The promoter contributed to the Fund to cover expenses. The fees are disclosed net of cost recovery.

**mobiSuper**

The Promoter of the Division is mobiSuper Pty Ltd (ABN 64 613 581 981). Under the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

The promoter fee including call centre fee paid and payable at 30 June 2020 amount to \$2,693,952 net of GST (2019: \$3,235,547). At reporting date, there was an amount payable to the Promoter of \$181,772 (2019: \$247,726).

The promoter contributed to the Division to cover expenses. The fees are disclosed net of cost recovery.

**Spaceship**

The Promoter of the Division is Spaceship Capital Limited (ABN 67 621 011 649). Under the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

The promoter fee including call centre fee paid and payable at 30 June 2020 amount to \$950,486 net of GST (2019: \$881,010). At reporting date, there was an amount payable to the Promoter of \$182,389 (2019: \$169,034).

The promoter contributed to the Division to cover expenses. The fees are disclosed net of cost recovery.

**SSPS**

The Promoter of the Division is Student Super Professional Super Pty Ltd (ABN 31 617 160 791). Under the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

The Promoter contributed funds of \$330,294 (2019: \$228,269) to the Division to cover expenses, including an amount for expense recovery owing of \$68,585 (2019: \$47,768) which is outstanding as at 30 June 2020 and is included in other receivables in the statement of financial position.

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**Superestate**

The Promoter of the Division is Superestate Pty Ltd (ABN 61 615 727 663). Under the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

The Promoter contributed funds of \$240,042 (2019: \$310,300) to the Division to cover expenses, including an amount for expense recovery owing of \$Nil (2019: \$8,733) which is outstanding as at 30 June 2020 and is included in other receivables in the statement of financial position. The promoter fee including the call centre fee paid and payable at 30 June 2020 amount to \$224,421 (2019: \$Nil). At reporting date, there was an amount payable to the Promoter of \$28,506 (2019: \$Nil).

**PPSM**

The Promoter of the Division is PPS Mutual Insurance Pty Ltd (ABN 21 162 670 108). The promoter does not receive any direct remuneration from the Fund.

**NEOS No.2**

The Promoter of the Division is Australian Life Development Pty Ltd (ABN 96 617 129 914). The promoter does not receive any direct remuneration from the Fund.

**18. REMUNERATION OF AUDITORS**

During the year the following fees were paid or payable for services provided by the auditor of the Fund. KPMG was removed and BDO was appointed.

**(a) BDO Audit**

- i. Audit and other assurance services

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Audit and review of financial statements	45	-
Other assurance services	5	-
<b>Total remuneration for audit</b>	<b>50</b>	<b>-</b>

**(b) KPMG Australia**

- i. Audit and other assurance services

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Audit and review of financial statements	-	47
Other assurance services	-	8
<b>Total remuneration for audit</b>	<b>-</b>	<b>55</b>

The Tidswell Master Superannuation Plan

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**19. DIVISIONS REPORTING**

The individual Divisions that have been identified are the five sub-funds which are governed by their own Product Disclosure Statements. This disclosure has not been prepared for the purpose of disclosing operating segments, but has been prepared as it is considered to be relevant to the users of the financial statement.


<b>Net Assets available for member benefits</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>
Tidswell Superannuation Fund	20,693	45,343
Executive Choice	-	80,782
AESF	64,346	32,416
mobiSuper	185,113	223,104
Spaceship	300,330	258,614
SSPS	15,458	5,410
Superestate	79,414	22,273
NEOS No. 2	6,452	-
	<b>671,806</b>	<b>667,942</b>

**ANNUAL FINANCIAL STATEMENTS  
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## Trustee's Declaration

The directors of Tidswell Financial Services Ltd being the Trustee of the Tidswell Master Superannuation Plan declare that:

- i. the financial statements and notes, as set out on pages 3 to 28, present fairly the Net Assets of the Superannuation Fund as at 30 June 2020, and the Changes in Net Assets for the year then ended in accordance with Australian Accounting Standards and other mandatory professional reporting requirements;
- ii. The financial statements and notes to the financial statements have been prepared in accordance with the requirements of the Trust Deed; and
- iii. The operation of the Fund has been carried out in accordance with its Trust Deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 and the Corporations Act 2001 during the year ended 30 June 2020. This declaration is made in accordance with a resolution of the Board of Directors of the trustee company:



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Director  
Fiona McNabb  
30 September 2020

## INDEPENDENT AUDITOR'S REPORT

Tidswell Master Superannuation Plan ABN 34 300 938 877 (RSE)

### Report by the Registrable Superannuation Entity's Auditor to the trustees and members

#### Opinion

I have audited the financial statements of Tidswell Master Superannuation Plan (the RSE) comprising the statement of financial position as at 30 June 2020, the income statement, the statement of changes in members' benefits, the statement of changes in reserves and the statement of cash flows for the year then ended and the trustee's declaration.

In my opinion, the financial statements present fairly, in all material aspects, in accordance with Australian Accounting Standards, the financial position of Tidswell Master Superannuation Plan as at 30 June 2020 and the results of its operations, cash flows, changes in reserves and changes in members' benefits for the year ended 30 June 2020.

#### Basis for opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report. I am independent of the entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

#### Responsibilities of the trustee for the financial statements

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

In preparing the financial statements, the trustee is responsible for assessing the ability of the RSE to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the RSE or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

**BDO Audit Pty Ltd**

BDO



James Dixon  
Director

Melbourne, 30 September 2020