Annual Financial Report
30 June 2015

Vision Super Pty Ltd

ACN: 082 924 561

Australian Financial Services Licence: 225054

CONTENTS

Vision Super Pty Ltd

Directors' Report for the year ended 30 June 2015

1. Directors

During the financial year, the Company had nine Directors and four Alternates. The names of persons who were Directors and Alternates of the Company during the financial year are:

Member Directors:	Alternates:
Brian Parkinson	Richard Duffy (to 18 November 2014)
Wendy Phillips	Richard Duffy (to 18 November 2014)
Russell Atwood	Richard Duffy (to 18 November 2014)
Richard Duffy (appointed on 19 November 2014)	
Harriet Shing (resigned on 19 November 2014)	

Employer Directors:	Alternates
Peter Wilson	Steve Bird (to 31 December 2014)
Graham Sherry	Leigh Harder (resigned on 19 November 2014)
Geoff Lake	Alison Lyon (to 31 December 2014)
Rob Spence	Alison Lyon (to 31 December 2014)

Independent Director:

Joanne Dawson (appointed on 8 August 2014)

Harriet Shing was replaced as Member Director on 19 November 2014 by Richard Duffy.

On 26 September 2014, the Board resolved to replace alternate Directors with a proxy system effective 1 January 2015.

2. Principle activities

The principle activities of the Company during the course of the financial year were to provide trustee and administration services to superannuation entities, being Local Authorities Superannuation Fund (LASF) and administration services to Vision Pooled Superannuation Trust (VPST).

3. Operating and financial review

The Company's net profit after income tax and prior to transfer to reserves is $436,891 (2014: $3,710,770 in loss).

In general terms, the Company does not aim to make any profit on operations however it does maintain reserves. The two main reserves that maintained are the General Reserve (GR) and Operational Risk Financial Requirement (ORFR) reserve. As at 30 June 2015, the GR was $2,720,540 (2014: $2,666,820) and the ORFR Reserve was $15,129,478 (2014: $14,179,780).

Vision Super Pty Ltd

Directors' Report
for the year ended 30 June 2015

3. Operating and financial review (continued)

These reserves are maintained to provide the Trustee with access to funds to protect members' interests and mitigate the impact of an adverse event. The ORFR is generally funded through the difference in the investment fees charged in the VPST and the actual costs incurred by the VPST.

4. Significant changes

There have been no significant changes to the company's operations during the year.

5. Dividend

No dividends were paid during the year (2014: $0).

6. Indemnification and insurance of officers

The Company has agreed to indemnify all current and former Directors of the Company against all liabilities to another person that may arise from their position as Directors of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company has agreed to indemnify all senior executives for all liabilities to another person that may arise from their position in the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including legal fees.

For the year ended 30 June 2015 the Company paid indemnity insurance premiums of $48,599 (2014: $0).

7. Likely developments

The Directors have a Business Plan which outlines the objectives for the Company. As the superannuation industry is subject to constant change, the Directors continue to monitor the superannuation environment as it is important that the Company is able to respond to any significant changes. The structure and products offered by the Company and associated entities will be monitored to ensure they remain relevant.

8 Auditor's independence declaration

The auditor's independence declaration is set out at the end of the report and forms part of the Directors' report for the year ended 30 June 2015.

9. Subsequent events

In the interval between the end of the financial year and the date of this report, no item, transaction or event of a material and unusual nature has arisen that is likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

Vision Super Pty Ltd

Directors' Report
for the year ended 30 June 2015

10. Rounding off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and Directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a resolution of the Directors.

Name: GEOFF LAKE
Director

Dated at Melbourne this 24th day of September 2015

Vision Super Pty Ltd

Statement of comprehensive income for the year ended 30 June 2015

	Note	2015 $000	2014 $000
Revenues			
Trustee and administration services revenue		22,048	31,594
Interest revenue		136	82
Distribution revenue		299	327
Change in fair value of financial assets at fair value through profit or loss	3	659	769
Other revenue		1,571	1,760
Total revenues		24,713	34,532
Expenses			
Employee expenses		(13,472)	(15,598)
Computing expenses		(2,717)	(3,436)
Professional fees		(902)	(1,033)
Member and employer services		(1,034)	(1,195)
Depreciation/amortisation expenses		(2,522)	(3,530)
Premise expenses		(1,058)	(1,082)
Other administrative expenses		(2,576)	(3,918)
Total expenses		(24,281)	(29,792)
Profit/(loss) before income tax benefits/(expense)		432	4,740
Income tax benefit/(expense)	12	5	(1,029)
Net profit/(loss) after income tax benefits/(expense)		437	3,711
Total comprehensive income		437	3,711

The above Statement of comprehensive income should be read in conjunction with the accompanying notes.

Vision Super Pty Ltd

Statement of financial position as at 30 June 2015

	Note	2015 $000	2014 $000
Assets			
Cash and cash equivalents	*15*	8,196	7,816
Financial assets at fair value through profit or loss	*6*	10,561	9,736
Trade and other receivables	*7*	2,758	6,082
Income tax receivable		234	-
Prepayments		162	62
Total current assets		21,911	23,696
Property, plant and equipment	*8*	1,534	1,167
Intangible assets	*9*	1,711	2,760
Investments		-	100
Deferred tax assets	*12*	1,549	2,122
Total non-current assets		4,794	6,149
Total assets		26,705	29,845
Liabilities			
Trade and other payables	*10*	900	3,100
Provisions	*11*	2,254	2,775
Amounts held in trust		14	172
Income tax payable		-	603
Total current liabilities		3,168	6,650
Provisions	*11*	166	309
Deferred tax liabilities	*12*	806	758
Total non-current liabilities		972	1,067
Total liabilities		4,140	7,717
Net assets		22,565	22,128
Equity			
Contributed equity		-	-
Retained earnings	*13*	4,715	5,282
Reserves	*14*	17,850	16,846
Total Equity		22,565	22,128

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

Vision Super Pty Ltd

Statement of changes in equity for the year ended 30 June 2015

	Share capital $	Reserves $	Retained earnings $	Total $
As at 1 July 2014	**8**	**16,846,601**	**5,281,080**	**22,127,689**
Profit for the year	-	-	436,891	436,891
Transfer	-	1,003,417	(1,003,417)	-
As at 30 June 2015	**8**	**17,850,018**	**4,714,554**	**22,564,580**

	Share capital $	Reserves $	Retained earnings $	Total $
As at 1 July 2013	8	14,736,277	3,680,634	18,416,919
Loss for the year	-	-	3,710,770	3,710,770
Transfer	-	2,110,324	(2,110,324)	-
As at 30 June 2014	8	16,846,601	5,281,080	22,127,689

The above Statement of changes in equity should be read in conjunction with the accompanying notes.

Vision Super Pty Ltd

Statement of cash flows
for the year ended 30 June 2015

	Note	2015 $000	2014 $000
Cash flows from operating activities:			
Cash receipts from customers		**27,376**	30,250
Cash paid to suppliers and employees		**(24,880)**	(27,734)
Income tax refund received/(paid)		**(210)**	1,245
Net cash flows provided by operating activities	*15*	**2,286**	3,761
Cash flows from investing activities:			
Proceeds from sale of property, plant and equipment		**7**	38
Purchase of property, plant and equipment		**(937)**	(565)
Purchase of intangible assets		**(911)**	(1,019)
Proceeds from/(Purchase of) financial assets at fair value through profit or loss		**(165)**	(327)
Proceeds from investment		**100**	-
Net cash flows provided/(used) by investing activities		**(1,906)**	(1,873)
Net increase/(decrease) in cash and cash equivalents		**380**	1,888
Cash and Cash Equivalents at the beginning of the year		**7,816**	5,928
Cash and Cash Equivalents at the end of the year	*15*	**8,196**	7,816

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

Notes to the Financial Statements for the year ended 30 June 2015

1. Corporate information

Vision Super Pty Ltd (the Company) is a company limited by shares that is incorporated and domiciled in Australia.

The office of Vision Super Pty Ltd is located at Level 15, 360 Collins Street Melbourne Victoria 3000.

The nature of the operations and principle activities of the Company are to provide trustee and administration services to superannuation entities, being Local Authorities Superannuation Fund (LASF) and administration services to Vision Pooled Superannuation Trust (VPST).

The financial statements were approved by the Board of Directors on 24 September 2015.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Certain comparative amounts have been reclassified to conform to the current year's presentation where necessary.

(a) Basis of preparation

The financial statements are a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial statements have also been prepared on a historical cost basis, except for financial assets held at fair value through profit or loss, that have been measured at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($000) unless otherwise stated.

(b) Compliance with IFRS

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards board.

(c) Basis of non-consolidation

Consolidated financial statements comprise the financial statements of the parent entity and its subsidiaries as at and for the year ended 30 June each year.

For these purposes, subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

Management has completed a detailed review of the ownership and control of the Vision Super entities which includes the Company. As part of this review, Management has completed a consolidation assessment and concluded that the effect of consolidation on the Group's financial position and results of operations would be immaterial.

Therefore, Vision Super Pty Ltd has not prepared consolidated financial statements as at and for the year ended 30 June 2015.

2. Summary of significant accounting policies (continued)

(c) Basis of non-consolidation (continued)

The entity that has not been consolidated is: Vision Holding Company Pty Ltd (trustee). The Company does not have any other subsidiaries.

(d) Adoption of new accounting standards

The Company has adopted AASB 2013-3 - *Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets* from 1 July 2014.

AASB 2013-3 amends the disclosure requirements in AASB 136 Impairment of Assets. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. The adoption of AASB 2013-3 has no material impact on the Company's financial statements.

(e) New accounting standards and interpretations

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 30 June 2015. They have not been applied in preparing the financial statements. Those may be relevant to the Company are set out below. The Company does not plan to adopt these standards early.

Accounting Standard	Nature	Application Date of Standard	Application Date for Group
AASB 2015 -2 - *Amendments to Australian Accounting Standards - Disclosures Initiative: Amendments to AASB 101*	The standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures.	1 January 2016	1 July 2016

Notes to the Financial Statements for the year ended 30 June 2015

2. Summary of significant accounting policies (continued)

(e) New accounting standards and interpretations (continued)

Accounting Standard	Nature	Application Date of Standard	Application Date for Group
AASB 9 (2014) - *Financial Instruments*	This Standard addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard.	1 January 2018 Based on the transitional provisions in the completed IFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety.	1 July 2018

Management has assessed the impact of the changes listed above and concluded that there would be no material change in the financial statements by adoption of the above standards.

(f) Significant accounting judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, income and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances; the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the Note 2(o) and (p) in regarding estimation of useful lives of assets and Note 2(m) Income Tax in regarding to recovery of deferred tax assets.

(g) Financial instruments

(i) Classification

The Company's only financial asset is an investment in the unlisted managed scheme. It is classified as financial instruments designated as at fair value through profit or loss upon initial recognition in the category of financial assets at fair value through profit or loss in accordance with AASB 139. The financial asset is designated on the basis that it is managed and has its performance evaluated on a fair value basis in accordance with risk management and investment strategy of the Company.

2. **Summary of significant accounting policies (continued)**

(g) **Financial instruments (continued)**

(ii) **Recognition**

The Company recognises a financial asset when, and only when, it becomes a party to the contractual provisions of the Company.

(iii) **Derecognition**

A financial asset is derecognised where:

i. the rights to receive cash flows from the assets have expired; or

ii. the company has transferred its rights to receive cash flows in full without material delay to a third party under a "pass through" arrangement; and

iii. either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iv) **Initial measurement**

Financial assets at fair value through profit or loss are recorded in the Statement of Financial Position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

(v) **Subsequent measurement**

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in "Change in fair value of financial assets at fair value through profit or loss". Interest earned is recorded in "Interest revenue" according to the terms of the contract. Distribution revenue is recorded in "Distribution revenue".

(h) **Trade and other receivables**

Trade and other receivables largely consist of trustee services fees due and receivable from Local Authorities Superannuation Fund, and services fees due and receivable from Vision Pooled Superannuation Trust.

(i) **Revenue recognition**

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Trustee and Administration Services Revenue

Revenue from the rendering of administration services is recognised at the end of each month and based on both paid and accrued administration expenses recognised in profit or loss at the reporting date.

2. Summary of significant accounting policies (continued)

(i) Revenue recognition (continued)

Interest revenue

Interest earned on financial assets at fair value through profit and loss is recorded in interest revenue according to the terms of the contract.

Distribution revenue

Distributions from the managed investment scheme are recognised as at the date the unit value is quoted ex-distribution and if not received at reporting date, are reflected in the Statement of Comprehensive Income.

Change in fair value of financial assets

This item includes the fair value of financial assets designated upon initial recognition as "held at fair value through profit or loss" and excludes interest and distribution revenue. Amounts are calculated as the difference between the fair value at sale or at year end, and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses.

(j) Cash and cash equivalents

Cash and cash equivalents in the Statement of financial position and Statement of cash flows comprise of cash at bank and term deposits with original maturity of three months or less.

(k) Contributed equity

Ordinary shares are classified as equity.

(l) Trustee liabilities, right of indemnity and obligations

During the financial year, the Company acts solely as trustee of LASF and liabilities have been incurred on behalf of the LASF in the Company's capacity as corporate trustee.

Liabilities incurred on behalf of LASF are not recognised in the Company's financial statements when it is not probable that the Company will have to meet any of these trust liabilities from its own resources. When it is probable that the Company will have to meet some trust liabilities, a liability for the deficiency in Trust Right of Indemnity is brought to account.

Details of the trust liabilities, the offsetting right of indemnity and any deficiency in the right of indemnity are disclosed by way of note to the financial statements.

(m) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

2. Summary of significant accounting policies (continued)

(m) Income tax (continued)

Deferred tax is recognised using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(n) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

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 are included in the Statement of cash flows on a gross basis.

(o) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives of the current and comparative period are as follows:

	2015	2014
Fixtures and fittings	10 years	10 years
Computer hardware	2.5 - 3 years	2.5 - 3 years
IT communications & cabling	4 years	4 years
Computer software	4 years	4 years
Motor vehicles	8 years	8 years
Building allowance	40 years	40 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

2. **Summary of significant accounting policies (continued)**

(p) **Intangible assets**

(i) **Development**

System development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss when incurred.

Capitalised system development expenditures are measured at cost less accumulated amortisation and accumulated impairment losses.

(ii) **Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) **Amortisation**

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful life for the current year varies as the Company decided to replace the existing administration platform in its current form by 30 June 2016.

	2015	2014
System development costs	**1 year**	2.25 - 3 years

(q) **Impairment**

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. Summary of significant accounting policies (continued)

(r) Lease Payments

Payments made under operating leases are recognised in profit or loss.

(s) Employee Benefits

(i) Wages, salaries, annual leave, sick leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave expected to be settled within 12 months of the year end represent present obligations resulting from employees' services at reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs.

(ii) Long service leave

The provision for employee benefits for long service leave represents the present value of the estimated future cash outflows to be made resulting from employee's services provided to reporting date.

Obligations for contributions to LASF, a defined benefit superannuation fund, are recognised as an expense in the Statement of comprehensive income as incurred.

3. Change in fair value of financial assets at fair value through profit and loss

	2015 $000	2014 $000
Net changes in fair value of financial assets at fair value through profit and loss:		
Designated at fair value through profit and loss	659	769

4. Lease commitments

Non-cancellable operating lease rentals are payable as follows:

	2015 $000	2014 $000
Less than one year	664	752
Between one and five years	4,052	4,588
More than five years	3,900	4,416
	8,616	9,756

The Company leases its offices under an operating lease. The lease runs for a period of 10 years from the commencing date defined in the Lease Agreement of 1 August 2014, with an option to renew the lease after that date for another 5 years.

During the year ended 30 June 2015 $1,058,243 (2014: $1,081,633) was recognised as premise expenses in the Statement of comprehensive income in respect of the operating lease.

5. Auditors remuneration

	2015 $000	2014 $000
Amounts received or due and receivable by Ernst & Young for:		
-an audit of the financial statements	43	73
-other services	-	-
	43	73

6. Financial assets at fair value through profit or loss

	2015 $000	2014 $000
Financial assets designated as at fair value through profit or loss		
Unlisted managed investment scheme	10,561	9,736

(a) Classification of financial instruments under the fair value hierarchy

The following table shows financial instruments recorded at fair value, analysed between whose fair value is based on quoted market prices, those involving valuation techniques where all the model inputs are observable in the market and those where the valuation technique involves the use of non-market observable inputs.

2015	Valued at quoted market price (Level 1) $000	Valuation technique - market observable inputs (Level 2) $000	Valuation technique - non-market observable inputs (Level 3) $000	Total $000
Unlisted managed investment scheme	-	10,561	-	10,561
Total	-	10,561	-	10,561

2014	Valued at quoted market price (Level 1) $000	Valuation technique - market observable inputs (Level 2) $000	Valuation technique - non-market observable inputs (Level 3) $000	Total $000
Unlisted managed investment scheme	-	9,736	-	9,736
Total	-	9,736	-	9,736

The level in which instruments are classified in the hierarchy is based on the lowest level input that is significant to the net market value measurement in its entirety. Assessment of the significance of an input requires judgement after considering factors specific to the instrument.

Disclosure of the methods and assumptions applied in determining the fair value for financial assets are included in Note 2(g).

Notes to the Financial Statements for the year ended 30 June 2015

6. Financial assets at fair value through profit or loss (continued)

(b) Transfers between hierarchy levels

There has been no significant transfer between Levels 1, 2 or 3 of the fair value hierarchy during the year.

7. Trade and other receivables

	2015 $000	2014 $000
Other receivables	**280**	2,944
Administration fees receivable	**2,478**	3,138
Total	**2,758**	6,082

8. Property, plant and equipment

	Plant and Equipment $000	Fixtures and Fittings $000	Total property, plant & equipment $000
Cost and Deemed Cost			
Balance as at 1 July 2013	4,171	1,058	5,229
Additions	512	53	565
Disposals	(723)	(936)	(1,659)
Balance as at 30 June 2014	3,960	175	4,135
Balance as at 1 July 2014	**3,960**	**175**	**4,135**
Additions	**940**	**1**	**941**
Disposals	**(110)**	**(24)**	**(134)**
Balance as at 30 June 2015	**4,790**	**152**	**4,942**
Depreciation and Impairment Losses			
Balance as at 1 July 2013	2,750	617	3,367
Depreciation for the period	630	98	728
Disposals	(490)	(637)	(1,127)
Balance as at 30 June 2014	2,890	78	2,968
Balance as at 1 July 2014	**2,890**	**78**	**2,968**
Depreciation for the period	**525**	**14**	**539**
Disposals	**(87)**	**(12)**	**(99)**
Balance as at 30 June 2015	**3,328**	**80**	**3,408**
Carrying amount			
At 1 July 2013	1,421	441	1,862
At 30 June 2014	1,070	97	1,167
At 1 July 2014	**1,070**	**97**	**1,167**
At 30 June 2015	**1,462**	**72**	**1,534**

Notes to the Financial Statements for the year ended 30 June 2015

9. Intangible assets

Costs	System Development $000
Balance as at 1 July 2013	12,666
Acquisition - internally developed	1,019
Disposals	(2,715)
Balance as at 30 June 2014	10,970
Balance as at 1 July 2014	**10,970**
Acquisition - internally developed	**906**
Disposals	**-**
Balance as at 30 June 2015	**11,876**
Amortisation and Impairment Losses	
Balance as at 1 July 2013	8,618
Amortisation for the year	1,833
Impairment loss	(2,241)
Balance as at 30 June 2014	8,210
Balance as at 1 July 2014	**8,210**
Amortisation for the year	**1,955**
Impairment loss	**-**
Balance as at 30 June 2015	**10,165**
Carrying amounts	
At 1 July 2013	4,048
At 30 June 2014	2,760
At 1 July 2014	**2,760**
At 30 June 2015	**1,711**

10. Trade and other payables

	2015 $000	2014 $000
Related party payables	-	-
Other payables	900	3,100
Total:	900	3,100

11. Provisions

Current	2015 $000	2014 $000
Liability for annual leave	716	818
Liability for long service leave	1,538	1,957
Total employee benefits - current	2,254	2,775

Notes to the Financial Statements for the year ended 30 June 2015

11. Provisions (continued)

Non-Current	2015 $000	2014 $000
Liability for long service leave	166	309
Total employee benefits - non-current	166	309

12. Income tax

	2015 $000	2014 $000
Current tax expense		
Current year	-	(1,414)
Adjustment for the prior years	626	1,095
	626	(319)
Deferred tax expense		
Origination and reversal of temporary differences	(330)	(710)
Adjustment for prior years	(291)	-
	(621)	(710)
Total income tax expense	5	(1,029)

	2015 $000	2014 $000
Income tax benefit/(expense) numerical reconciliation between tax benefit/(expense) and pre-tax profit		
Net profit/(loss) for the year	437	3,711
Less: Income tax benefit/(expense) for the current year	5	(1,029)
Profit/(loss) before income tax	432	4,740
Income tax using the Company's tax rate of 30% (2014: 30%)	(129)	(1,422)
Research and development tax concession	241	495
Disallowable expenses	(14)	(4)
Under provision in prior year	94	13
Other	(187)	(111)
	5	(1,029)

Deferred tax - 2015

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2015 $000	2014 $000	2015 $000	2014 $000	2015 $000	2014 $000
Employee provisions	676	925	-	-	676	925
Accrual expenses	224	393	-	-	224	393
Other	649	804	(806)	(758)	(157)	46
	1,549	2,122	(806)	(758)	743	1,364

12. Income tax (continued)

Deferred tax - 2014

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities			Net
	2014	2013	**2014**	2013	**2014**	2013
	$000	$000	**$000**	$000	**$000**	$000
Employee provisions	**925**	792	**-**	-	**925**	792
Accrual expenses	**393**	558	**-**	-	**393**	558
Other	**804**	863	**(758)**	(139)	**46**	724
	2,122	2,213	**(758)**	(139)	**1,364**	2,074

Movement in temporary differences during the year - 2015

	Balance 1 July 2014 $000	Recognised in profit/loss $000	Transfers in/(out) $000	Balance 30 June 2015 $000
Employee provisions	**925**	**(249)**	**-**	**676**
Accrual expenses	**393**	**(169)**	**-**	**224**
Unrealised (gains)/loss	**(389)**	**(417)**	**-**	**(806)**
Other	**435**	**213**	**-**	**648**
	1,364	**(622)**	**-**	**742**

Movement in temporary differences during the year - 2014

	Balance 1 July 2013 $000	Recognised in profit/loss $000	Transfers in/(out) $000	Balance 30 June 2014 $000
Employee provisions	792	133	-	925
Accrual expenses	558	(165)	-	393
Unrealised (gains)/loss	(139)	(250)	-	(389)
Other	863	(428)	-	435
	2,074	(710)	-	1,364

13. Retained earnings

	2015	2014
	$000	$000
Balance as at 1 July	**5,282**	3,681
Increase/(decrease) for the year	**(567)**	1,601
Balance as at 30 June	**4,715**	5,282

14. Reserves

The Company maintains two reserves: General Reserve (GR) and Operational Risk Financial Requirements Reserve (ORFR). Both reserves are operated in accordance with the Company's Reserve Policy.

The GR was established on 1 July 2007 to provide the Company with access to funds to protect members' interests and mitigate the impact of an adverse event. The GR is funded from any profit arising from future administration and investment fees. The profit is the difference between the fixed fees charged and the actual costs incurred. From time to time, amounts may be transferred from the GR to the ORFR reserve.

14. Reserves (continued)

The ORFR reserve was established on 1 July 2013 in accordance with the Superannuation Prudential Standards SPS 114 *Operational Risk Financial Requirements*. The ORFR reserve may be used in certain circumstances to address operational risk events or claims against the Company arising from operational risk. It was seeded by the transfer from the GR and will be generally funded from earnings on the investments supporting the ORFR reserve.

	GR	ORFR	Total
	$000	$000	$000
Balance as at 1 July 2013	14,736	-	14,736
Transfer	(12,500)	12,500	-
Increase/(decrease) for the year	430	1,680	2,110
Balance as at 30 June 2014	2,666	14,180	16,846
Balance as at 1 July 2014	**2,666**	**14,180**	**16,846**
Transfer	**-**	**-**	**-**
Increase/(decrease) for the year	**55**	**949**	**1,004**
Balance as at 30 June 2015	**2,721**	**15,129**	**17,850**

15. Cash flows statement reconciliation

(a) Cash and cash equivalents

	2015	2014
	$000	$000
Cash at bank	**3,842**	3,587
Term deposit	**4,354**	4,229
Cash and cash equivalents	**8,196**	7,816

(b) Reconciliation of net profit after tax with net cash flows from operations

	2015	2014
	$000	$000
Cash flows from operating activities		
Profit/(loss) for the year	**437**	3,711
Adjustments for:		
Depreciation	**539**	733
Amortisation	**1,955**	1,827
Losses on sale of property, plant and equipment	**28**	495
Intangible assets write-off	**-**	475
Change in fair value in financial assets profit or loss	**(659)**	(769)
Operating profit before changes in working capital and provisions	**2,300**	6,472
(Increase)/decrease in prepayment	**(100)**	130
(Increase)/decrease in accounts receivables	**3,324**	(3,514)
(Increase)/decrease in deferred tax assets	**573**	90
Increase/(decrease) in accounts payables	**(2,200)**	(534)
Increase/(decrease) in employee entitlements	**(664)**	446
Increase/(decrease) in amounts held in trust	**(158)**	(1,513)
Increase/(decrease) in current tax liabilities	**(836)**	1,565
Increase/(decrease) in deferred tax liabilities	**47**	619
Net cash from operating activities	**2,286**	3,761

16. Employee superannuation benefits

The Company makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (LASF). LASF has two categories of membership, accumulation and defined benefit, each of which is funded differently. The defined benefits section provides lump sum benefits based on years of service and final average salary. The accumulation section receives fixed contributions from the Company and the Company's legal and constructive obligation is limited to these contributions.

Obligations for contributions to LASF are recognised as an expense in Statement of Comprehensive Incomes when they are made or due.

(a) Accumulation

LASF's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2015, this was 9.5% required under Superannuation Guarantee legislation (for 2013/14, this was 9.25%)). Our commitment to defined contribution plans is limited to making contributions in accordance with our minimum statutory requirements. (There can be other agreements - ie contractual and or EA that require additional contributions). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

The Superannuation Guarantee contribution rate is legislated to progressively increase to 12% by 2025. The Superannuation Guarantee rate will remain at 9.5% for 7 years, increasing to 10% from 1 July 2021, and eventually to 12% from 1 July 2025.

(b) Defined Benefit

As provided under Paragraph 34 of AASB 119, the Company does not use defined benefit accounting for its defined benefit obligations under LASF's Defined Benefit category. This is because LASF's Defined Benefit category is a multi-employer sponsored plan.

As a multi-employer sponsored plan, LASF was established as a mutual scheme to allow for the mobility of the workforce between the participating employers without attaching a specific liability to particular employees and their current employer. Therefore, there is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of the Company in the Fund cannot be measured as a percentage compared with other participating employers. While there is an agreed methodology to allocate any shortfalls identified by the Fund Actuary for funding purposes, there is no agreed methodology to allocate benefit liabilities, assets and costs between the participating employers for accounting purposes. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 because of the pooled nature of the Fund's defined benefit category.

Funding arrangements

The Company makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary.

LASF's latest actuarial investigation was held as at 30 June 2014 and it was determined that the Vested Benefit Indexed (VBI) of the defined benefit category of which the Company is a contributing employer was 103.4%.

The Australian Prudential Regulation Authority (APRA) has introduced a prudential standard (SPS 160 - Defined Benefit Matters) to determine the funding requirements of a defined benefit (DB) arrangement.

16. Employee superannuation benefits (continued)

(b) Defined Benefit (continued)

Funding arrangements (continued)

Under this standard:

- the VBI is the measure to determine whether there is an unfunded liability; and
- any unfunded liability that arises must be paid within three years.

Under SPS 160, the VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the actuarial investigation determined the defined benefit category was in a satisfactory financial position under SPS 160. As a result, the Fund Actuary determined that no change was necessary to the defined benefit category's funding arrangements from prior years.

LASF's employer funding arrangements comprise of three components as follows:

1. Regular contributions - which are ongoing contributions needed to fund the balance of benefits for current members and pensioners;
2. Funding calls - which are contributions in respect of each participating employer's share of any funding shortfalls that arise; and
3. Retrenchment increments - which are additional contributions to cover the increase in liability arising from retrenchments.

The Company is also required to make additional contributions to cover the contributions tax payable on components 2 and 3 referred to above.
Employees are also required to makes member contributions to LASF. As such, assets accumulate in LASF to meet member benefits, as defined in the Trust Deed, as they accrue.

Employer contributions

(A) Regular contributions

On the basis of the results of the most recent full actuarial investigation conducted by LASF's Actuary as at 30 June 2014, the Company makes employer contributions to LASF's Defined Benefit category at rates determined by the Fund's Trustee, on the advice of the Fund's Actuary. For the year ended 30 June 2015, this rate was 9.5% of members' salaries. This rate increased from 9.25% for year ended 30 June 2014 and will increase in line with the required Superannuation Guarantee contribution rate.

In addition, the Company reimburses LASF to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit (the funded resignation or retirement benefit is calculated as the VBI multiplied by the benefit).

(B) Funding calls

LASF is required to comply with the superannuation prudential standards. Under the superannuation prudential standard SPS 160, LASF is required to target full funding of its vested benefits. There may be circumstances where:

- a fund is in an unsatisfactory financial position at an actuarial investigation (i.e. its vested benefit index (VBI) is less than 100% at the date of the actuarial investigation); or

16. Employee superannuation benefits (continued)

(b) Defined Benefit (continued)

(B) Funding calls (continued)

- a fund's VBI is below its shortfall limit at any time other than at the date of the actuarial investigations.

If either of the above occur, the fund has a shortfall for the purposes of SPS 160 and the fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. There may be circumstances where the Australian Prudential Regulation Authority (APRA) may approve a period longer than three years.

LASF monitors its VBI on a quarterly basis and LASF has set its shortfall limit at 97%.
In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, LASF's participating employers (including the Company) are required to make an employer contribution to cover the shortfall. The methodology used to allocate the shortfall was agreed in 1997 to fairly and reasonably apportion the shortfall between the participating employers.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's defined benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

The pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund are based on:

- The service periods of all active members split between the active members pre-1 July 1993 and post-30 June 1993 service period; and

- The pensioner liabilities (including any potential pensioner liabilities arising from deferred members) which are allocated to the pre-1993 period.

The pre-1 July 1993 component of the shortfall is apportioned between the participating employers based on the employer's share of the total participating employer payroll at 30 June 1993.

The post-30 June 1993 component of the shortfall is apportioned between the participating employers based on the employer's share of the total participating employer payroll at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and LASF, and that LASF includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that LASF will be wound up. In the unlikely event that LASF is wound up and there is a surplus in LASF, the surplus cannot be applied for the benefit of the defined benefit employers where there are on-going defined benefit obligations. The surplus would be transferred to the fund accepting those defined benefit obligations (including the lifetime pension obligations) of LASF.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

16. Employee superannuation benefits (continued)

(b) Defined Benefit (continued)

(B) Funding calls (continued)

Differences between calculations

LASF surplus or deficit (i.e. the difference between fund assets and liabilities) is calculated differently for funding purposes (i.e. calculating required contributions), for the calculation of accrued benefits as required in AAS 25 and for the values needed for the AASB 119 disclosure in the Company's financial statements. AAS 25 requires that the present value of the defined benefit liability be calculated based on benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue.

(C) Retrenchment increments

During 2014/15, the Company was not required to make payments to LASF in respect of retrenchment increments (2014: Nil). The Company's liability to the Fund as at 30 June 2015, for retrenchment increments, accrued interest and tax is nil (2014: Nil).

Latest actuarial investigation surplus amounts

LASF's latest actuarial investigation as at 30 June 2014 identified the following in the defined benefit category of which the Company is a contributing employer:

- A VBI surplus of $77.1 million; and
- A total service liability surplus of $236 million.

Latest actuarial investigation surplus amounts (continued)

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2014.

The total service liability surplus means that the current value of the assets in LASF's defined benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

The Company was notified of the results of the actuarial investigation during January 2015.

Prior actuarial investigation shortfall amounts

LASF's prior actuarial investigation as at 31 December 2011 identified an unfunded liability of $406 million (excluding contributions tax) in the defined benefit category.

The Company was informed of its share of shortfall on 2 August 2012. The Company has not been advised of any further adjustments. The Company's share of the shortfall amounted to $1,682,269 (excluding contributions tax) which was accounted for in the 2012/13 Comprehensive Operating Statement within Employee Benefits and in the Balance Sheet in Current Liabilities Provisions.

The Company paid the shortfall amount of $1,939,139 to LASF on 26 July 2013. The amount of the unpaid shortfall at 30 June 2015 was $nil (2014: nil) (including contribution tax).

16. Employee superannuation benefits (continued)

Accrued benefits

LASF's liability for accrued benefits was determined in the 30 June 2014 actuarial investigation pursuant to the requirements of Australian Accounting Standard Board AAS25 - Financial Reporting by Superannuation Funds follows:

	30 June 2014 $ million
Net Market Value of Assets	2,354.9
Accrued Benefits (per accounting standards)	2,061.9
Difference between Assets and Accrued Benefits	293.0
Vested Benefits (Minimum sum which must be paid to members when they leave the fund)	2,277.8

The financial assumptions used to calculate the accrued benefits for the defined benefit category of LASF were:

- Net Investment Return 7.50% p.a.
- Salary Inflation 4.25% p.a.
- Price Inflation 2.75% p.a.

The next full actuarial investigation of LASF's liability for accrued benefits will be based on LASF's position as at 30 June 2017.

(c) Superannuation contributions

Contributions by the Company (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2015 are as follows:

Scheme	Type of Scheme	Rate	2015 $000	2014 $000
LASF	Defined benefit	9.5%	108	110
LASF	Accumulation	9.5%	848	737

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2015.

The expected contribution to be paid to the defined benefits category of LASF for the year ending 30 June 2016 is $72,585.

17. Financial risk management

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables which are mainly trustee services fees to VSF, LASF and administration services fees from VPST. Consequently, the Company's exposure to credit risk is considered minimal. The amount that best represents the Company's maximum exposure to credit risk at reporting date in relation to these receivables is the carrying value in the Statement of Financial Position.

(b) Liquidity risk

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

The Company's exposure to liquidity risk is not material as the Company always maintains sufficient fund at bank to cover daily operation expenses. Additionally, the Company also maintains reserves of $17,850,018 (2014: $16,846,601) as at the reporting date.

There are no contractual maturities for financial liabilities in excess of 12 months.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

(i) Foreign currency risk

The Company is not exposed to foreign currency risk as it operates in Australia only and all transactions are in Australian dollars.

(ii) Interest rate risk

The Company's exposure to interest rate risk is not material as its interest income for the year 2015: $135,624 (2014: $82,082) is not material and the Company does not borrow money. Consequently, no sensitivity analysis is disclosed in this note.

(iii) Other price risk

Other price risk is the risk that the fair value of 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 those changes are caused by factors affecting all similar financial instruments in the market. Equity price risk exposure arises from the Company's investment with Vanguard.

	2015		2014	
Index/Benchmark	Change in investment price %	Effect on net assets / investment returns $000	Change in investment price %	Effect on net assets / investment returns $000
Unlisted investments CPI + 6%	8.1/(8.1)	855/(855)	9.0/(9.0)	876/(876)

18. Related parties

(a) Key Management Personnel

The Company had nine Directors and four Alternates. The names of persons who were Directors and Alternates of the Company during the financial year are:

Member Directors:	***Alternates:***
Brian Parkinson	Richard Duffy (to 18 November 2014)
Wendy Phillips	Richard Duffy (to 18 November 2014)
Russell Atwood	Richard Duffy (to 18 November 2014)
Richard Duffy (appointed on 19 November 2014)	
Harriet Shing (resigned on 19 November 2014)	
Employer Directors:	***Alternates***
Peter Wilson	Steve Bird (to 31 December 2014)
Graham Sherry	Leigh Harder (resigned on 19 November 2014)
Geoff Lake	Alison Lyon (to 31 December 2014)
Rob Spence	Alison Lyon (to 31 December 2014)

Independent Director:
Joanne Dawson (appointed on 8 August 2014)

Harriet Shing was replaced as Member Director on 19 November 2014 by Richard Duffy.

On 26 September 2014, the Board resolved to replace alternate Directors with a proxy system effective 1 January 2015.

Brian Parkinson was Chairman of the Board and Geoff Lake was Deputy Chairman from 1 July 2014.

Each Director attended the following meetings and Board Committees during the year as a member of the Board or relevant Committee.

Name	**Board Meetings**	
	Held	Attended
Peter Wilson	11	10
Harriet Shing	4	4
Wendy Phillips	11	9
Brian Parkinson	11	11
Russell Atwood	11	10
Rob Spence	11	10
Graham Sherry	11	9
Geoff Lake	11	11
Richard Duffy (as Director)	6	6
Joanne Dawson	10	9
Richard Duffy (as alternate Director)		2
Leigh Harder (as alternate Director)		2

Board Committees are open to all Directors and were attended by a quorum of Directors on all occasions.

Apart from the Company's Director, the Chief Executive Officer, Chief Finance Officer, Chief Operating Officer, Chief Investment Officer, General Manager Strategy and Growth, General Counsel, General Manager HR, General Manager Fund Development and Head of Information Systems are considered to be Key Management Personnel (KMP) for the purpose of these financial statements.

Notes to the Financial Statements for the year ended 30 June 2015

18. Related parties (continued)

(a) Key Management Personnel (continued)

(b) Key management personnel and executives' compensation

The KMP's compensation is presented in the table below for year 2015. Total compensation received, or due and receivable, by key management personnel amounted to $3,179,988 (2014: $2,451,920).

The detail is as follows:	2015 $	2014 $
Short-term employee benefits	2,931,448	2,203,182
Other long-term benefits	-	-
Post-employment benefits	248,540	248,738
	3,179,988	2,451,920

The table below lists the number of Key Management Personnel and executive positions named above whose income falls within the following bands for the financial year ending 30 June

Amounts falling between...	2015	2014
Up to $39,999	5	5
$40,000 - $49,999	1	-
$50,000 - $99,999	6	8
$100,000 - $149,999	1	1
$150,000 - $199,999	1	1
$200,000 - $249,999	2	2
$250,000 - $299,999	2	3
$300,000 - $349,999	2	-
$350,000 - $399,999	1	-
$400,000 - $449,999	1	1

The total remuneration paid during the year was:	2015 $000	2014 $000
Chairman	112,573	108,951
Deputy Chairman	78,826	74,170
Other Directors	394,187	326,351
Alternate Directors (retainer)	8,212	2,731
	593,798	512,202

There is no additional remuneration for Directors' attendance at Committee meetings.

Any Director of the Company or other key management personnel who is a member of LASF contributes to LASF on the same terms and conditions as other members. No retirement benefits were paid to Directors or key management personnel during the year.

The Trustee has not made, guaranteed or secured any loan to any Director or member of staff or to any other related party.

18. Related parties (continued)

(b) Key management personnel and executives' compensation (continued)

	2015 $000	2014 $000
Roll ins from KMP to LASF/VSF	1,501,867	570,734
Benefits paid to KMP from LASF/VSF	1,295,618	26,000
Vested Benefits of KMP	10,896,463	9,507,321

c) Related party transactions

(i) Regional Infrastructure Fund

Vision Pooled Superannuation Trust is the sole shareholder in Regional Infrastructure Fund Pty Ltd (RIF).

RIF was established primarily to invest in regional infrastructure projects. The RIF Directors during the reporting year were Graham Sherry, Geoffrey Lake, Harriet Shing and Richard Duffy. Harriet Shing was replaced by Richard Duffy as RIF Director on 19 November 2014.

The objective for RIF is to invest in infrastructure projects and it currently wholly owns Regional Wind Farms Pty Ltd.

(ii) Regional Wind Farms Pty Ltd

Regional Wind Farms Pty Ltd is wholly owned company and was established by RIF to invest in wind farms. Project development, construction and operations are contracted out to third party providers. The Directors of Regional Wind Farms Pty Ltd during the reporting year were Graeme Sherry, Stephen Rowe and Colin Chanter. Colin Chanter resigned as Director on 29 October 2014.

(iii) Local Authorities Superannuation Fund

The Company is the trustee of LASF. The trustee services fees paid and payable to the Company by LASF for the year ended 30 June 2015 is $21,115,607 (2014: $27,085,326). The majority of employees of the Company are members of LASF.

(iv) Pooled Superannuation Pty Ltd

Pooled Superannuation Pty Ltd (PSPL) was established on 12 March 2010 for the purpose of acting as Trustee Company for Vision Pooled Superannuation Trust (VPST). The company is 100% owned by Vision Financial Holdings Pty Ltd.

The professional indemnity insurance premium expense paid and payable by the Company on the behalf of PSPL is $83,313 (2014: $185,807). PSPL has reimbursed the Company in full for this expense.

(v) Vision Pooled Superannuation Trust

The Company provides administration services to VPST. The administration fees payable/paid to the Company by VPST for the year ended 30 June 2015 is $3,203,966 (2014: $5,242,412).

18. Related parties (continued)

c) Related party transactions (continued)

(vi) Vision Holding Company Pty Ltd

Vision Holding Company Pty Ltd was established in 2008 for the purpose of acting as trustee company for the Private Equity Trust which holds a number of overseas private equity investments. The Company holds 100% of Vision Holding Company Pty Ltd.

(vii) Directors

Director Geoff Lake is also a Director of Hawkesbridge Capital Pty Ltd, a fund manager engaged by the Group, and excludes himself from any decision making in relation to this manager.

19. Subsequent events after balance date

Since 30 June 2015, there has not been any other matter or circumstances not otherwise dealt with in the financial statements that has significantly affected or may significantly affect the Company.

Vision Super Pty Ltd

Directors' Declaration

In the opinion of the Directors of Vision Super Pty Limited ("the Company"):

(a) the financial statements and notes, set out on pages 1 to 32, are in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance, for the financial year ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as described in Note 2, and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Melbourne this 24th day of September 2015

Signed in accordance with a resolution of the Directors:

Name: GEOFF LAKE
Director

Name: PETER WILSON
Director

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working world

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Independent auditor's report to the members of Vision Super Pty Ltd

Report on the financial report

We have audited the accompanying financial report of Vision Super Pty Ltd, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

a. the financial report of Vision Super Pty Ltd is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Ernst + Young

Ernst & Young

Brett Kallio

Brett Kallio
Partner
Melbourne

24 September 2015

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Auditor's Independence Declaration to the Directors of Vision Super Pty Ltd

In relation to our audit of the financial report of Vision Super Pty Ltd for the financial year ended 30 June 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Brett Kallio
Partner
Melbourne
24 September 2015