

CBH Superannuation Fund

ABN: 84 433 159 328

RSE: R1005165

Financial Statements

For the Year Ended 30 June 2018

CBH Superannuation Fund
Financial Statements
For the year ended 30 June 2018

<i>Contents</i>	<i>Page</i>
Statement of Financial Position	3
Income Statement	4
Statement of Changes in Member Benefits	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the financial statements	8
1 Reporting Entity	8
2 Basis of preparation	8
3 Significant accounting policies	10
4 Fair values of financial instruments	12
5 Financial risk management	14
6 Member liabilities and funding arrangements	17
7 Guaranteed Benefits	17
8 Reserves	18
9 Investments held at fair value	18
10 Net changes in fair value of investments	18
11 Creditors and other accruals	19
12 General administration expenses	19
13 Taxation	20
14 Cash flow information	22
15 Auditor's remuneration	22
16 Related parties	23
Statement by Trustee	24
Independent Report by the Approved Auditors to the Trustee	25

CBH Superannuation Fund
Statement of Financial Position
As at 30 June 2018

	Note	30 June 2018 \$	30 June 2017 \$
Assets			
Cash and cash equivalents		2,355,625	3,601,341
Receivables			
Distributions receivable		8,391,769	5,094,579
Other receivables		6,733	145,332
Investments			
Investments held at fair value	9	286,817,291	256,590,588
Total assets		297,571,418	265,431,840
Liabilities			
Other liabilities			
Creditors and other accruals	11	229,661	621,611
Tax liabilities			
Current tax liabilities	13(d)	1,733,349	896,766
Deferred tax liabilities	13(e)	5,930,387	5,543,760
Total liabilities		7,893,397	7,062,137
Net assets available for members benefits		289,678,021	258,369,703
Represented by:			
Member liabilities			
Defined contribution members	6(b)	285,811,721	254,412,372
Defined benefit members	6(c)	232,017	244,171
Total members liabilities		286,043,738	254,656,543
Total net assets		3,634,283	3,713,160
Equity			
Operational risk financial reserve	8	1,178,317	1,178,317
General Reserve		2,455,966	2,534,843
Total equity		3,634,283	3,713,160

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

CBH Superannuation Fund
Income Statement
For the year ended 30 June 2018

	Note	30 June 2018 \$	30 June 2017 \$
Superannuation activities			
Interest income		381,952	470,600
Rental income		934,549	1,254,253
Dividends from investments		2,253,207	3,006,236
Distributions from investments		17,156,905	9,142,501
Net changes in fair value of investments	10	4,003,940	8,763,251
Management fee rebates		540,573	522,598
Total superannuation activities revenue		25,271,126	23,159,439
Expenses			
General administration expenses	12	975,663	690,516
Investment expenses		308,024	282,147
Total expenses		1,283,687	972,663
Profit from operating activities		23,987,439	22,186,776
Allocation to Member Benefits			
Net benefits allocated to defined contribution member accounts		(22,451,403)	(20,137,687)
Net change in defined benefit member liabilities		51,480	18,626
Total Allocation to members benefits		(22,399,923)	(20,119,061)
Operating result before income tax		1,587,516	2,067,715
Income tax expense	13(a)(b)	1,587,516	1,718,090
Operating result after income tax		-	349,625

The income statement is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

CBH Superannuation Fund
Statement of Changes in Member Benefits
For the year ended 30 June 2018

	Note	DC Member benefits (\$)	DB Member benefits (\$)	Total (\$)
Opening balance as at 01 July 2016		225,828,570	302,123	226,130,693
Employer contributions		10,377,917	-	10,377,917
Member Contributions		3,111,887	-	3,111,887
Transfers from other superannuation entities		8,159,828	-	8,159,828
Tax on Contributions	13(c)	(1,513,402)	-	(1,513,402)
Net after tax contributions		<u>20,136,230</u>	<u>-</u>	<u>20,136,230</u>
Benefits to members		(10,784,563)	(39,326)	(10,823,889)
Insurance premiums charged to members' accounts		(1,065,128)	-	(1,065,128)
Tax benefit from deductible premiums	13(c)	159,576	-	159,576
Reserve transferred to / (from) members:				
Investment earnings/(losses) applied to members		20,230,767	-	20,230,767
Administration fees paid by members		(93,080)	-	(93,080)
Net change in defined benefit member benefits		-	(18,626)	(18,626)
Closing balance as at 30 June 2017		<u>254,412,372</u>	<u>244,171</u>	<u>254,656,543</u>
Opening balance as at 01 July 2017		254,412,372	244,171	254,656,543
Employer contributions		10,553,458	-	10,553,458
Member Contributions		1,858,297	-	1,858,297
Transfers from other superannuation entities		10,550,598	-	10,550,598
Tax on Contributions	13(c)	(1,570,792)	-	(1,570,792)
Net after tax contributions		<u>21,391,561</u>	<u>-</u>	<u>21,391,561</u>
Benefits to members		(11,402,682)	(39,551)	(11,442,233)
Insurance premiums charged to members' accounts		(1,040,933)	-	(1,040,933)
Tax benefit on insurance premiums	13(c)	-	-	-
Reserve transferred to / (from) members:				
General reserves		-	78,877	78,877
Net benefits allocated comprising:				
Investment earnings/(losses) applied to members		22,553,425	-	22,553,425
Administration fees paid by members		(102,022)	-	(102,022)
Net change in defined benefit member benefits		-	(51,480)	(51,480)
Closing balance as at 30 June 2018		<u>285,811,721</u>	<u>232,017</u>	<u>286,043,738</u>

The statement of changes in members benefits is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

**CBH Superannuation Fund
Statement of Changes in Equity
For the year ended 30 June 2018**

	Note	Operational Risk reserve (\$)	General reserve (\$)	Total Equity (\$)
Opening balance as at 01 July 2016		1,661,423	2,451,391	4,112,814
Transfer (to) member accounts		-	(749,279)	(749,279)
Operating result		-	349,625	349,625
Transfer between reserves		(483,106)	483,106	-
Closing balance as at 30 June 2017	8	1,178,317	2,534,843	3,713,160
Opening balance as at 01 July 2017		1,178,317	2,534,843	3,713,160
Transfer (to) member accounts		-	(78,877)	(78,877)
Operating result		-	-	-
Transfer between reserves		-	-	-
Closing balance as at 30 June 2018	8	1,178,317	2,455,966	3,634,283

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

**CBH Superannuation Fund
Statement of Cash Flows
For the year ended 30 June 2018**

	Note	30 June 2018 \$	30 June 2017 \$
Cash flows from operating activities			
Interest income		379,048	485,606
Rental income		437,327	1,639,312
Dividends from investments		2,177,062	2,539,883
Distributions from investments		3,906,574	526,788
Management fee rebates		4,861	-
Investment expenses		(308,024)	(282,147)
Proceeds from insurance		-	-
General administration expenses paid		(816,038)	(615,534)
GST paid		(54,353)	(53,740)
Income taxes paid		(364,306)	(1,525,260)
Proceeds from sale of investments		22,570,829	22,490,787
Payments for purchase of investments		(38,087,091)	(31,015,000)
Total cash outflows from operating activities	14(a)	(10,154,111)	(5,809,305)
Cash flows from financing activities			
Employer contributions received		10,553,458	10,377,917
Member contributions received		1,858,297	3,111,887
Net contributions and transfers in		10,550,598	8,159,828
Tax on Contributions and Transfers In		(1,570,792)	(1,513,402)
Net Insurance Costs		(1,040,933)	(1,077,943)
Benefits paid		(8,882,119)	(8,676,569)
Pension payments		(2,560,114)	(2,147,320)
Total cash Inflows from financing activities		8,908,395	8,234,398
Net (decrease)/increase in cash held		(1,245,716)	2,425,093
Cash and cash equivalents at the beginning of the financial year		3,601,341	1,176,248
Cash and cash equivalents at the end of the financial year		2,355,625	3,601,341

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

CBH Superannuation Fund

Notes to the financial statements

1. Reporting Entity

CBH Superannuation Fund ("Fund") is a Hybrid Fund. The Fund is domiciled in Australia. The address of the Trustee Company's registered office is:

30 Delhi Street
West Perth WA 6005

The Fund is primarily involved in providing retirement benefits to its members. The Fund is constituted by a Trust Deed dated 5 April 1945, as amended from time to time.

The Trustee of the Fund is CBH Superannuation Holdings Pty Ltd.

2. Basis of preparation

(a) Statement of compliance

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.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial assets at fair value through profit or loss and net assets available for member benefits.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

(b) Basis of Measurement

The financial statements have been measured on the basis of fair value measurement of assets and liabilities except otherwise stated.

(c) Functional and Presentation Currency

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

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Areas involving significant estimates include fair value of financial instruments. See note 4 for further details. There are no other critical accounting estimates and judgements contained in these financial statements other than those used to determine the liability for accrued benefits, which are not brought to account but disclosed by way of note.

(e) New and amended standards adopted during the year

There have been no new and/or amended standards adopted during the year in preparing these financial statements.

CBH Superannuation Fund

Notes to the financial statements

2. Basis of preparation (continued)

(f) New Standards and Interpretations not yet Adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 30 June 2018, and have not been applied in preparing these financial statements. Those which may be relevant to the Fund are set out below. The Fund does not plan to adopt these standards early.

AASB 9 Financial Instruments

AASB 9 replaces the existing guidance in AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised requirements on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the requirements on recognition and derecognition of financial instruments from AASB 139.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018. The adoption of AASB 9 is not expected to have a material impact on the Fund's financial assets or financial liabilities.

AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue, AASB 111 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

AASB 15 is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

The Fund's main sources of income are interest, dividends, distributions and gains on financial instruments held at fair value. All of these are outside the scope of the new revenue standard. As a consequence, the directors do not expect the adoption of the new revenue recognition rules to have a significant impact on the Fund's accounting policies or the amounts recognised in the financial statements.

(g) Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year information and other disclosures.