



Tasplan  
Annual report  
2019-20

**Tasplan**  
Super

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#### Issuer Tasplan Pty Ltd

AFSL 235391

ABN 13 009 563 062 (Trustee)

#### Fund registration details

ABN 14 602 032 302 (Tasplan Super)

MySuper Unique Identifier 14602032302734

The information provided in this *Annual report* is general information only and doesn't take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances before making a decision to invest with Tasplan. Read our guides before deciding to join or remain a member of Tasplan. Call us on **1800 005 166** for a free paper copy.

# Message from the CEO



On 29 November 2019, both the Tasplan and Motor Trades Association of Australia (MTAA Super) Superannuation Fund Board's entered into an agreement to merge on 31 October 2020. In light of COVID-19 pandemic, the completion date for the merger was subsequently extended to no earlier than 31 March 2021.

The merger comes at a time when the super industry in Australia is under increased scrutiny with the continuing consolidation of funds to achieve synergies and efficiencies as well as deliver competitive super and retirement products and services into the future.

The merger between Tasplan and MTAA Super signifies our commitment to achieve the best possible member outcomes including strong investment returns and providing ongoing excellence in customer service.

Importantly, the new fund will continue to deliver high-quality services that our members are used to, around the state of Tasmania.

While we're working towards our merge with MTAA Super, we've continued to improve our service offerings to our members.

On 1 July 2019, we changed our insurer to MetLife and introduced a new product design as well as streamlined claims processes for members. We've also continued to improve our digital service offering and introduced our innovative *Year in review* campaign that provided easily accessible information and projection tools for retirement.

This year has been a year like no other with the COVID-19 pandemic impacting the world. The Australian Government has implemented a range of initiatives to address the impacts of the pandemic including the *Early access to super* measure. To 30 June 2020, we received 14,375 applications for a total of almost \$118 million and released over \$115 million to eligible members who met the payment criteria. Throughout this uncertain period, we not only worked hard to ensure fast payment of these applications, but also implemented a number of key processes to help mitigate cases of fraud.

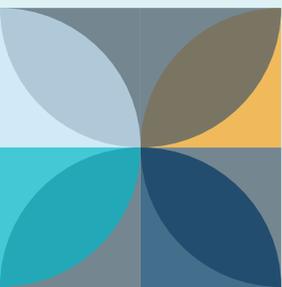
Our investment performance has continued to be strong as we navigate the implications of the pandemic on financial markets and prepare for the merger with MTAA Super. The performance of our Balanced investment option was in the Top 10 Chant West Performing Growth Funds for one year to 30 June 2020. The option returned 1.23% which was an excellent result given the impacts of the pandemic and the fact that many funds delivered a negative return for the same period.

I'd like to pay tribute to the late Neil Cassidy (14/10/1955-15/08/2020) former CEO of Tasplan. Neil played a key role in the creation of Tasplan in 1987 helping to set up the super fund and lay the foundation of what it has become today. Neil was involved with Tasplan for 24 years and appointed its CEO in 1998. I take this moment to remember Neil and thank him for his services to Tasplan and the Tasmanian community.

Just before I sign off for what is my last message in our *Annual report* as CEO of Tasplan, I'd like to acknowledge the work of our Board and the dedicated staff at Tasplan. This work ensures that we're providing high quality customer service and continuing to grow and develop our products and services for our members. I'd would also like to thank all of you for your support and loyalty throughout my tenure. Your best interests remain at the heart of what we do and we're looking forward to ensuring that it continues after the merger with MTAA Super.

In the meantime, we're here to help, so please come in and see us.

**Wayne Davy**  
Chief Executive Officer



# Investments

## Investment update with David Stuart, Tasplan Chief Investment Officer

The last year has proved an extremely volatile one for financial markets, as the impact of the Covid-19 pandemic caused dramatic falls in equity markets, followed by a gradual recovery in share prices, led by the major US technology stocks. The value of diversification was illustrated across Tasplan's multi-asset options, which despite the volatility, managed to produce modest positive returns for the financial year.

Equity markets generally performed well until the outbreak of the pandemic, fuelled by continuing economic growth, low inflation and low interest rates. However, once the scale and spread of the virus became apparent in March 2020, together with the implications of the economic shutdowns implemented to constrain its spread, markets underwent unprecedented falls of 30-35% during a single month. While there was an element of panic in the size of the collapse, investors were faced with the likelihood of the deepest recession since the Great Depression, together with enormous uncertainty regarding the duration of such measures in an attempt to limit the growth of infection.

However, in late March and early April, the major developed economies had implemented massive monetary stimulus, in the form of interest rate cuts and quantitative easing, and substantial fiscal stimulus (government spending) to tide the economy through its enforced hibernation. Investor confidence started to recover, and the unprecedented fall was followed by an equally unprecedented rapid recovery. By the end of the financial year most equity markets were only down 5-10% from their prior levels, and the major US market, fuelled by its large technology companies which appeared to benefit from the crisis, was higher than at the start.

Other asset classes were also dominated by the virus backdrop. Government bonds performed strongly, initially from a flight to safety, and then with the support of central banks' buying programmes. Credit initially took fright, but the support of low interest rates and central bank buying brought prices back up and yields back down. Property and infrastructure valuations fell modestly, although certain sectors (retail property, airports) were hard hit by the mobility restrictions imposed to limit the spread of infection.

Australia suffered similarly to other developed economies – although relatively successful in containing the virus, our economy has been equally impacted by the imposition of 'social distancing' measures, which may last longer than some peers. In addition, our equity market lacks major exposures to internet and technology stocks, and although resource shares have recovered in line with commodity prices, our large finance sector has suffered from the collapse in interest rates.



The Australian dollar moved broadly in line with equity markets, as it's perceived as a relatively 'risky' currency, and after falling into the mid-50s in March it's now recovered to broadly its levels before the crisis. However, our large exposure to unhedged international shares did benefit from the Australian dollar's fall, which cushioned the negative returns during the first quarter of 2020.

In terms of the outlook for markets, it remains very uncertain. There are still high risks of a resurgence of the pandemic, particularly in the Northern winter, but there's also the possibility of a vaccine, which might limit its impact. Economies are generally recovering, albeit from a very low base, but it may be some time before output returns to trend levels. Government support will continue to be required, but ballooning government deficits may limit the size and duration of future stimulus. Perhaps the only thing that seems certain is that interest rates will remain very low, probably for several years, but that implies returns from cash and government bonds will be very modest.

With this muddled outlook, Tasplan is maintaining a high level of diversification across its portfolios. Most asset classes appear relatively expensive, which implies future returns may be modest, but we remain hopeful that we may have experienced the worst market conditions already.



## How our investments performed

Super is a long-term investment, so returns over a five-year period are generally more important than results achieved on a year-by-year basis. All returns are the effective rate of net earnings for the period ending 30 June 2020. The amount of investment earnings applied to your account is determined by the investment option(s) chosen and factors such as cash flow, the length of time that your money was invested in a particular option, government taxes and applicable fees and charges.

Past performance isn't a reliable indicator of future performance.

### Tasplan Super compound average returns as at 30 June 2020

Investment option	1 year	3 years	5 years	10 years	Commencement date	
Growth	0.14%	6.64%	6.66%	8.56%	1 July 1999	
Sustainable	0.70%	5.76%	-	-	1 December 2015	
Balanced	1.23%	6.35%	6.64%	7.59%	May 1987	
Moderate	1.72%	5.09%	-	-	1 December 2015	
Conservative	2.00%	4.19%	4.29%	5.55%	1 July 1999	
Australian shares	-6.17%	5.37%	-	-	1 December 2015	
International shares	5.04%	8.36%	-	-	1 December 2015	
Property	1.73%	6.19%	-	-	1 April 2017	
Fixed interest	3.90%	4.04%	-	-	1 December 2015	
Cash	1.12%	1.67%	1.82%	2.60%	1 July 2002	
Tasplan OnTrack®	Build	0.27%	6.69%	-	-	7 December 2016
	Sustain	1.22%	6.36%	-	-	7 December 2016
	Control	1.39%	5.77%	-	-	7 December 2016
	Maintain	1.76%	5.21%	-	-	7 December 2016

\* Registered to Tasplan Pty Ltd ABN 13 009 563 062.



### Tasplan Pension compound average returns as at 30 June 2020

Investment option	1 year	3 years	5 years	10 years	Commencement date
Growth	0.25%	7.58%	7.70%	9.58%	1 August 2007
Sustainable	0.57%	6.43%	-	-	1 December 2015
Balanced	1.02%	7.17%	7.25%	8.77%	1 September 2007
Moderate	1.97%	5.87%	-	-	1 December 2015
Conservative	1.76%	4.60%	4.82%	6.21%	1 August 2007
Australian shares	-5.97%	6.55%	-	-	1 December 2015
International shares	4.52%	8.92%	-	-	1 December 2015
Property	1.21%	7.22%	-	-	1 April 2017
Fixed interest	4.42%	4.74%	-	-	1 December 2015
Cash	1.28%	1.89%	2.07%	2.98%	1 September 2007
Long-term	0.73%	-	-	-	1 July 2019



## Where your money was invested

The following table shows the actual market value and percentage of fund assets held with each investment manager.

Asset class	Investment manager	30 June 2020 \$	30 June 2019 \$
<b>Australian equities</b>			
	Balanced Equity Management		
	Celeste Australian Small Companies		
	Eight IP Small Companies		
	IFM Australian Core Equities		
	Pendal Australian Sustainable Share Fund		
	Schroder Australian Equities Fund Trust		
	State Street Global Management Australian Equities Transition		
	TasFoods Ltd		
	Wavestone Australian Equity		
	<b>Total</b>	<b>1,976,928,811</b>	<b>2,118,566,318</b>
<b>International equities</b>			
	Baillie Gifford Long Term Global Growth		
	CFS Generation WS Global Share Fund		
	Hexavest Global Equity Fund		
	Independent Franchise Partners <sup>1</sup>		
	International Equities Hedged Transition		
	International Equity Unhedged Transition		
	Ninety One Emerging Market Equities		
	Ninety One Global		
	Magellan Global Sustainable Equities		
	MFS Global Equity Trust Unhedged		
	Pzena		
	Robeco Low Volatility		
	Schroder Global Core Plus		
	T Rowe Price Emerging Markets Equity Fund		
	Wasatch Small Capital Growth		
	<b>Total</b>	<b>2,420,249,330</b>	<b>2,632,212,642</b>
<b>Property</b>			
	AMP Diversified Property Fund		
	AMP Hedged Global Properties Fund		
	AMP Select Property Portfolio II		
	AMP Select Property Portfolio III		
	Charter Hall Prime Industry Fund		
	EG Funds Management - High Income Sustainable Office Trust		
	Goodman Australian Industrial		
	Investa Commercial Property Fund		
	Lend Lease Australian Prime Property Fund - Commercial		
	Lend Lease Australian Prime Property Fund - Retail		
	Lend Lease Community		
	Resolution Capital		
	Tasmanian Growth & Development Fund		
	Tasmanian Growth & Development Fund II		
	Tasplan Direct Property		
	<b>Total</b>	<b>1,141,509,786</b>	<b>985,380,582</b>
<b>Other interest bearing securities</b>			
	AXA Global Credit		
	Blackrock Wholesale Indexed Australian Bonds		
	Brandywine Global Fixed Interest		
	Direct Term		
	Henderson Cash Institutional		
	Kapstream Global Bonds <sup>1</sup>		
	Metrics Credit Partners Senior		
	Pendal Fixed Interest Fund		
	Pimco Global Bonds		
	QTIM Mortgages		
	Shenkman 4 Point Multi-Strategy		
	The Super Loans Trust		
	Vanguard International Fixed Interest		
	Wellington Emerging Market Local Debt Unhedged		
	<b>Total</b>	<b>2,946,396,528</b>	<b>2,381,143,847</b>
<b>Other investments</b>			
	AMP Australian Diversified Infrastructure Trust		
	Antin Infrastructure Fund II		
	AQR Delta Fund		
	Avenue Europe III		
	BlackRock Style Advantage Fund		
	Elementum Zephyrus CAT Bonds		
	GAM Absolute Return Bonds Defensive <sup>1</sup>		
	GSA Trend Fund		
	Harbourvest FOF No 9 Buyout		
	Harbourvest FOF No 9 Venture		
	Harbourvest HIPEP 6		
	IFM Australian Infrastructure		
	IFM Global Infrastructure Fund		
	IFM International Private Equity		
	ICG Europe Fund VI		
	Industry Super Holding Pty Ltd		
	Insight Diversified Inflation Plus		
	Lexington Capital Partners VIII		
	Lexington Capital Partners VII		
	Mesirow Currency		
	Morrison Utilities Trust of Australia		
	ROC AIT IV Portfolio		
	Stepstone TS Opportunities Fund L.P.		
	Tasmanian Gateway Holdings		
	Winton Global Alpha Fund <sup>1</sup>		
	<b>Total</b>	<b>1,300,097,705</b>	<b>1,467,558,578</b>
<b>Total assets</b>		<b>9,785,182,160</b>	<b>9,584,861,967</b>

<sup>1</sup>Investments have been redeemed from these managers and they no longer hold investments on behalf of Tasplan.

## Investing in Tasmania

We continue to reinvest into Tasmania and have reviewed opportunities as they arise.

We currently hold 50% stakes in the following office buildings through the Tasmanian Growth & Development Fund (TGDF):

- 1 Franklin Wharf, Hobart
- Barrack Place, Hobart
- 199 Collins Street, Hobart.

This investment also invests in a wind farm in north-west Tasmania.

We also own 11.4% of ASX-listed company TasFoods Limited (ASX:TFL). TasFoods is focused on acquiring and developing Tasmanian premium branded food businesses.

Tasplan also has a \$131 million commercial mortgage portfolio and owns 30.0% of Hobart Airport. Our investment into Tasmania now accounts for just under 4% of our total assets.

## Investment policies

We employ professional investment managers and an asset consultant to handle our assets. We assess them against strict performance criteria and make sure they complement each other, so our assets stay diversified.

We also have strict guidelines and strategies for all of our investments.

We invest your account balance in the investment option or options you choose. If you don't make an investment choice, you'll be invested in the MySuper Tasplan OnTrack option if you're a Tasplan Super member or the Cash option if you're a Tasplan Pension member.

For more information about our investments, visit [tasplan.com.au/investment](http://tasplan.com.au/investment).

## Derivatives policy

We don't undertake day-to-day management of derivative instruments such as futures or options.

Our investments may have exposure to derivatives. Our investment managers, or platforms through which we invest, may use derivatives for a variety of strategies including protecting the value of the portfolio, changing market exposure quickly and reducing the exposure to foreign currency risk. Derivatives won't be used for borrowing, leveraging or speculative purposes.

Each manager that uses derivatives has its own risk management statement that describes the risks and controls in place. We receive regular reports of the managers' compliance with their risk management statement.

The derivatives charge ratio is the percentage of the total market value of the fund's assets, other than cash, that we have charged as security for derivative instruments made by us. The derivative charge ratio didn't exceed 5% at any time during the reporting period.

We believe that the risk management strategies are appropriate for our investments.

## Reserving policy

We don't keep an investment reserve. Our unit prices reflect the actual earnings for the period.

We utilise four types of reserves in order to maintain a clear separation and purpose for the funds held:

### Operational risk financial requirement reserve

This reserve provides funds to address losses arising from operational risks that may affect Tasplan's business operations. The Trustee has calculated that the size of the *Operational risk financial requirement reserve* should be a target amount of 0.25% of the total asset value of the fund measured at the end of each financial year, with a tolerance range of +/-0.10%.

### Administration Reserve

An *Administration Reserve* will be maintained each year to meet operational contingencies which include, but not limited to, unitisation error, liquidity, compensation/errors and omissions, information technology development costs, and development of new products and services. The Trustee believes that it's appropriate to maintain an *Administration Reserve* in the range of 0.30% to 0.75% of Tasplan's net assets.

### Strategic Development Reserve

The *Strategic Development Reserve* will be funds set aside specifically approved by the Trustee for identified future strategic projects. There's to be no range for the reserve as it's made by allocation from the *Administration Reserve*.

### Unallocated reserve

This reserve holds the unallocated investment revenue, fees and taxes timing differences and net amount from the fund operations for the current financial year and previous financial years where it hasn't been allocated to the *Administration Reserve*.

The reserves as at 30 June 2020, 30 June 2019 and 30 June 2018 are shown in the table below:

	30 June 2020	30 June 2019	30 June 2018
<b>Total reserve</b>	\$127,078,665	\$139,415,602	\$171,132,068



## Investment fees

We pay fees to our professional investment managers, referred to as the investment fee. The investment fee varies depending on the investment option you've chosen.

The investment fee is deducted from investment returns before they are credited to your account, so the investment earnings applied to your account are net of this fee. In other words, it isn't directly paid out of your account. The investment fee is included in the financial statements as a fund expense.

The annualised investment fees for the 2019-20 financial year were:

Investment option	Investment fee	
	Super	Pension
Growth	0.60%	0.59%
Sustainable	0.75%	0.74%
Balanced	0.54%	0.53%
Moderate	0.39%	0.39%
Conservative	0.33%	0.33%
Australian shares	0.33%	0.33%

Investment option	Investment fee		
	Super	Pension	
International shares	0.53%	0.53%	
Property	0.69%	0.69%	
Fixed interest	0.18%	0.18%	
Cash	0.06%	0.06%	
Long-term	-	0.48%	
Tasplan OnTrack	Build	0.60%	-
	Sustain	0.54%	-
	Control	0.48%	-
	Maintain	0.39%	-

These numbers include additional performance-based fees paid to some investment managers if they outperformed agreed benchmarks.

For more information about fees and costs payable on your Tasplan account, refer to our guides available at [tasplan.com.au/pds](https://tasplan.com.au/pds) or call us on 1800 005 166, and we'll send you a copy.

## Our investment beliefs

This statement of our investment beliefs provides a framework for the strategic management of our investments. It aims to strengthen our investment decision making and overall investment governance.

Investment belief	Implication for investment strategy
There's a relationship between risk and return.	We seek to achieve attractive risk-adjusted returns. This means we may choose to accept additional portfolio risk in order to gain additional returns, but not at any price, as we're mindful that this action doesn't guarantee higher returns.
Asset allocation is the most important determinant of long-term portfolio returns.	We will set asset allocations for our investment options that ensure a high probability of achieving investment objectives within our risk parameters. We will use dynamic asset allocation to take advantage of over and under-valued asset classes over a one to three year investment horizon. This assists in enhancing risk-adjusted return.
Investment markets aren't always efficient and it's possible to exploit these inefficiencies to generate additional risk-adjusted return for our investment options.	We seek to identify inefficient markets i.e. those where all market information isn't priced in. We then seek to identify fund managers with the skill and experience to exploit these market inefficiencies. Where markets are relatively efficient, we will investigate the use of passive investment strategies.
Costs, taxes and implementation leakage matter.	We will assess manager fees on a case-by-case basis, taking into consideration the expected risk and return profile and the impact to the overall portfolio fee. We will also consider brokerage fees, taxes and opportunity costs from being 'out of the market' when structuring our investment options.
For good risk management, it's important to understand any material environmental, social and governance (ESG) risks embedded in our investment options.	We will actively seek ways to better understand ESG risks in our investments. We will require our fund managers to acknowledge and adhere to our ESG beliefs where possible.
Some investments should be avoided due to their significant negative impact on society and the environment, irrespective of their investment returns. However, some sectors are attractive for their positive impact on society and the environment.	We're seeking ways of divesting from tobacco stocks. We will work to understand our members' views of sectors that are to be treated favourably and those which are unacceptable for Tasplan to invest in. We will continue to seek cost-effective ways of implementing these views.
It's important to engage with companies we're invested in and to express ownership rights, including voting rights, with regards to good standards of corporate governance, including board structure, independence and executive remuneration.	Our investment managers will actively vote our shares on our behalf. We will continue to seek cost-effective ways of implementing this belief.
Tasplan will invest into our community where those investments contribute to meeting our investment objectives	We currently invest around 5% of assets in Tasmanian property and infrastructure.

## Your investment options

The following tables show the investment strategy and objective for each of our accumulation investment options as at 30 June 2020.

	Default option - Tasplan OnTrack							
	Build		Sustain		Control		Maintain	
<b>Description</b>	This investment stage is designed for members <b>aged 49 and under</b> . This investment stage is focused on capital growth. It aims to achieve high long-term investment returns, while tolerating a high level of volatility of returns.		This investment stage is designed for members <b>aged 50 to 54</b> . This investment stage begins to reduce the impact of capital losses. It aims to achieve high long-term investment returns, while accepting a medium to high level of investment risk.		This investment stage is designed for members <b>aged 55 to 59</b> . This investment stage has an increased focus on capital protection. It aims to achieve moderate to high investment returns, while accepting a medium level of investment risk.		This investment stage is designed for members <b>aged 60 and over</b> . This investment stage seeks to provide stability in your super savings. It aims to achieve moderate investment returns, while accepting a medium level of risk.	
<b>Type of investor</b>	You want your super to be invested in a pre-mixed option suited to your age.							
<b>Asset allocation</b>	 ● 90% growth ● 10% defensive		 ● 75% growth ● 25% defensive		 ● 60% growth ● 40% defensive		 ● 45% growth ● 55% defensive	
<b>Asset class</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>
● Australian shares	29	15-45	23.5	10-35	17.5	5-30	13	5-30
● International shares	36	20-50	27.5	15-40	18.5	5-35	13	5-30
● Listed property	5	0-15	3	0-15	3	0-10	1	0-10
● <b>Total listed shares</b>	<b>70</b>	<b>60-90</b>	<b>54</b>	<b>45-70</b>	<b>39</b>	<b>30-55</b>	<b>27</b>	<b>15-45</b>
● Private equity	4	0-10	3	0-10	2	0-5	0	0-5
● Unlisted property	7.5	0-15	8.5	0-15	9	0-15	9	0-15
● Unlisted infrastructure	7.5	0-15	8.5	0-15	9	0-15	9	0-15
● <b>Total unlisted assets</b>	<b>19</b>	<b>5-25</b>	<b>20</b>	<b>5-25</b>	<b>20</b>	<b>5-25</b>	<b>18</b>	<b>5-25</b>
● Emerging market debt	2	0-10	2	0-10	2	0-10	0	0-10
● Absolute return	2.5	0-10	3	0-10	3	0-10	3	0-10
● Alternative debt	3.5	0-10	4	0-10	5	0-10	5	0-10
● <b>Alternative assets</b>	<b>8</b>	<b>0-20</b>	<b>9</b>	<b>0-20</b>	<b>10</b>	<b>0-20</b>	<b>8</b>	<b>0-20</b>
● Australian fixed interest	1	0-10	5	0-15	8	0-20	10	0-25
● Global sovereign	1	0-10	5	0-15	8	0-20	10	0-25
● Global credit	0	0-10	3.5	0-15	6	0-20	7	0-20
● Cash	1	0-15	3.5	0-20	9	5-30	20	5-40
● <b>Cash and fixed interest</b>	<b>3</b>	<b>0-15</b>	<b>17</b>	<b>5-30</b>	<b>31</b>	<b>20-50</b>	<b>47</b>	<b>30-60</b>
<b>Investment return objective<sup>2</sup></b>	CPI + 4% a year over rolling 10-year periods.		CPI + 3% a year over rolling 5-year periods.		CPI + 2.5% a year over rolling 5-year periods.		CPI + 2% a year over rolling 5-year periods.	
<b>Minimum suggested time frame</b>	10 years.		5 years.		5 years.		5 years.	
<b>Risk level<sup>3</sup></b>	High – risk band 6. You may expect 4-6 negative annual returns in a 20-year period.		Medium to high – risk band 5. You may expect 3-4 negative annual returns in a 20-year period.		Medium to high – risk band 5. You may expect 3-4 negative annual returns in a 20-year period.		Medium – risk band 4. You may expect 2-3 negative annual returns in a 20-year period.	

<sup>2</sup>The investment return objectives are after investment fees and taxes.

<sup>3</sup>Refer to [tasplan.com.au/risk](https://tasplan.com.au/risk) for more information about these risk measures.

Pre-mixed investment options											
	Growth		Sustainable		Balanced		Moderate		Conservative		
<b>Description</b>	This investment option aims to achieve attractive long-term returns, while tolerating a high level of volatility of returns.		This investment option aims to achieve attractive long-term returns while accepting a medium to high level of investment risk.		This investment option aims to achieve attractive long-term returns while accepting a medium to high level of investment risk.		This investment option aims to achieve attractive long-term returns while accepting a medium level of investment risk.		This investment option aims to achieve reasonable long-term returns, while limiting volatility to a moderate level, and accepting that this is likely to result in investment returns over the long term that are lower than may be achieved in more equity-oriented options.		
<b>Type of investor</b>	You're seeking high capital growth over the long term (more than 10 years) and don't mind substantial risk and volatility.		You're seeking moderate to high-level capital growth over the long term (more than 10 years) using environmentally and socially responsible investments. You can tolerate medium to high risk and volatility.		You're seeking moderate to high-level capital growth over the long term (more than 10 years) and can tolerate medium to high risk and volatility.		You're seeking a moderate level of capital growth in the medium to long term (5-10 years) and at a moderate level of risk and volatility.		You're seeking some capital growth over the short to medium term (at least 3 years) with low to medium level of risk and volatility.		
<b>Asset allocation</b>	 <p>● 90% growth ● 10% defensive</p>		 <p>● 75% growth ● 25% defensive</p>		 <p>● 75% growth ● 25% defensive</p>		 <p>● 45% growth ● 55% defensive</p>		 <p>● 30% growth ● 70% defensive</p>		
<b>Asset class</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>	
● Australian shares	29	15-45	27	15-40	23.5	10-35	13	5-30	6	0-20	
● International shares	36	20-50	31	15-40	27.5	15-40	13	5-30	9	0-20	
● Listed property	5	0-15	0	0-15	3	0-15	1	0-10	0	0-10	
● <b>Total listed shares</b>	<b>70</b>	<b>60-90</b>	<b>58</b>	<b>45-70</b>	<b>54</b>	<b>45-70</b>	<b>27</b>	<b>15-45</b>	<b>15</b>	<b>10-30</b>	
● Private equity	4	0-10	0	0-10	3	0-10	0	0-5	0	0-5	
● Unlisted property	7.5	0-15	15	0-25	8.5	0-15	9	0-15	7	0-15	
● Unlisted infrastructure	7.5	0-15	0	0-15	8.5	0-15	9	0-15	7	0-15	
● <b>Total unlisted assets</b>	<b>19</b>	<b>5-25</b>	<b>15</b>	<b>5-25</b>	<b>20</b>	<b>5-25</b>	<b>18</b>	<b>5-25</b>	<b>14</b>	<b>5-20</b>	
● Emerging market debt	2	0-10	0	0-10	2	0-10	0	0-5	0	0-5	
● Absolute return	2.5	0-10	4	0-15	3	0-10	3	0-10	4	0-15	
● Alternative debt	3.5	0-10	5	0-15	4	0-10	5	0-15	6	0-15	
● <b>Alternative assets</b>	<b>8</b>	<b>0-20</b>	<b>9</b>	<b>0-20</b>	<b>9</b>	<b>0-20</b>	<b>8</b>	<b>0-20</b>	<b>10</b>	<b>0-20</b>	
● Australian fixed interest	1	0-10	5	0-15	5	0-15	10	0-25	12	5-35	
● Global sovereign	1	0-10	5	0-15	5	0-15	10	0-25	12	5-35	
● Global credit	0	0-10	4	0-15	3.5	0-15	7	0-20	8	0-20	
● Cash	1	0-15	4	0-20	3.5	0-20	20	5-40	29	10-50	
● <b>Cash and fixed interest</b>	<b>3</b>	<b>0-15</b>	<b>18</b>	<b>5-30</b>	<b>17</b>	<b>5-30</b>	<b>47</b>	<b>30-60</b>	<b>61</b>	<b>40-80</b>	
<b>Investment return objective<sup>2</sup></b>	CPI + 4% a year over rolling 10-year periods.		CPI + 3% a year over rolling 5-year periods.		CPI + 3% a year over rolling 5-year periods.		CPI + 2% a year over rolling 5-year periods.		CPI + 1.5% a year over rolling 5-year periods.		
<b>Minimum suggested time frame</b>	10 years.		5 years.		5 years.		5 years.		5 years.		
<b>Risk level<sup>3</sup></b>	High – risk band 6. You may expect 4-6 negative annual returns in a 20 year period.		High – risk band 6. You may expect 4-6 negative annual returns in a 20 year period.		Medium to high – risk band 5. You may expect 3-4 negative annual returns in a 20 year period.		Medium – risk band 4. You may expect 2-3 negative annual returns in a 20 year period.		Low to medium – risk band 3. You may expect 1-2 negative annual returns in a 20 year period.		

<sup>2</sup>The investment return objectives are after investment fees and taxes.

<sup>3</sup>Refer to [tasplan.com.au/risk](https://tasplan.com.au/risk) for more information about these risk measures.

Single sector investment options										
	Australian shares		International shares		Property		Fixed interest		Cash	
<b>Description</b>	This investment option aims to maximise long-term investment returns through diversified investments in Australian shares. Returns are likely to be very volatile.		This investment option aims to maximise long-term investment returns through diversified investments in international shares. Returns are likely to be very volatile.		This investment option aims to achieve a stable income stream and the opportunity for capital growth over the long term by investing in a diversified portfolio of listed and unlisted property investments.		This investment option invests in a diversified portfolio of fixed interest type securities.		This investment option aims to ensure security of capital and to limit year-to-year variability through a diversified investment in cash.	
<b>Type of investor</b>	You're seeking a high level of capital growth over the long term (more than 10 years) by investing in a diversified portfolio of Australian shares. You're comfortable with substantial risk and volatility.		You're seeking a high level of capital growth over the long term (more than 10 years) by investing in a diversified portfolio of international shares. You're comfortable with substantial risk and volatility.		You're seeking a stable income and capital growth over the medium to long term (more than 5 years) by investing in a range of property investments both in Australia and overseas. You're comfortable with moderate levels of risk and variability in investment returns.		You're seeking moderate returns and to retain capital growth over the medium term (more than 5 years) by investing in a range of fixed interest investments. You want a lower level of risk and volatility than shares.		You want a high level of capital security and to maintain the purchasing power of investment over the short term. You want very low risk and fairly consistent but low returns.	
<b>Asset allocation</b>	 ● 100% growth		 ● 100% growth		 ● 83% growth ● 17% defensive		 ● 100% defensive		 ● 100% defensive	
<b>Asset class</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>	<b>Benchmark %</b>	<b>Range %</b>
● Australian shares	100	95-100								
● International shares			100	95-100						
● Listed property					15	0-30				
● <b>Total listed shares</b>	<b>100</b>	<b>95-100</b>	<b>100</b>	<b>95-100</b>	<b>15</b>	<b>0-30</b>				
● Private equity										
● Unlisted property					85	70-100				
● Unlisted infrastructure										
● <b>Total unlisted assets</b>					<b>85</b>	<b>70-100</b>				
● Emerging market debt										
● Absolute return										
● Alternative debt										
● <b>Alternative assets</b>										
● Australian fixed interest							45	30-60		
● Global sovereign							35	20-50		
● Global credit							15	5-30		
● Cash	0	0-5	0	0-5	0	0-10	5	0-15	100	100
● <b>Cash and fixed interest</b>	<b>0</b>	<b>0-5</b>	<b>0</b>	<b>0-5</b>	<b>0</b>	<b>0-10</b>	<b>100</b>	<b>75-100</b>	<b>100</b>	<b>100</b>
<b>Investment return objective<sup>2</sup></b>	CPI + 3.5% a year over rolling 7-year periods.		CPI + 3.5% a year over rolling 7-year periods.		CPI + 2.5% a year over rolling 5-year periods.		CPI + 0% a year over rolling 5-year periods.		Positive returns in all years.	
<b>Minimum suggested time frame</b>	7 years.		7 years.		5 years.		5 years.		1 year.	
<b>Risk level<sup>3</sup></b>	Very high – risk band 7. You may expect more than 6 negative annual returns in a 20-year period.		High – risk band 6. You may expect 4-6 negative annual returns in a 20-year period.		Medium to high – risk band 5. You may expect 3-4 negative annual returns in a 20-year period.		Medium – risk band 4. You may expect 2-3 negative annual returns in a 20-year period.		Very low – risk band 1. You may expect less than 0.5 negative annual returns in a 20-year period.	

<sup>2</sup>The investment return objectives are after investment fees and taxes.

<sup>3</sup>Refer to [tasplan.com.au/risk](https://tasplan.com.au/risk) for more information about these risk measures.



Long-term<sup>4</sup>

<b>Description</b>	This investment option aims to achieve moderate to high investment returns, while accepting a medium level of investment risk.	
<b>Asset allocation</b>	 <p>● 67% growth ● 33% defensive</p>	
<b>Asset class</b>	<b>Benchmark %</b>	<b>Range %</b>
● Australian shares	23	5-35
● International shares	20	5-35
● Listed property	4	0-10
● <b>Total listed shares</b>	<b>47</b>	<b>30-60</b>
● Private equity	1	0-5
● Unlisted property	8.5	0-15
● Unlisted infrastructure	8.5	0-15
● <b>Total unlisted assets</b>	<b>18</b>	<b>5-25</b>
● Emerging market debt	2	0-10
● Absolute return	3	0-10
● Alternative debt	5	0-10
● <b>Alternative assets</b>	<b>10</b>	<b>0-20</b>
● Australian fixed interest	9	0-20
● Global sovereign	9	0-20
● Global credit	7	0-20
● Cash	0	0-10
● <b>Cash and fixed interest</b>	<b>25</b>	<b>10-40</b>
<b>Investment return objective<sup>2</sup></b>	CPI + 3.0% a year over rolling 5-year periods.	
<b>Minimum suggested time frame</b>	5 years.	
<b>Risk level<sup>3</sup></b>	Medium to high – risk band 5. You may expect 3-4 negative annual returns in a 20-year period.	

<sup>2</sup>The investment return objectives are after investment fees and taxes.

<sup>3</sup>Refer to [tasplan.com.au/risk](http://tasplan.com.au/risk) for more information about these risk measures.

<sup>4</sup>The Long-term investment option is only available as part of the Managed Pension.





## Defined Benefits funds

The Quadrant Defined Benefits fund, the Hobart City Council Defined Benefits fund and the Launceston City Council Defined Benefits fund were transferred to Tasplan on 1 December 2015 as part of the merger with Quadrant Superannuation Scheme. These defined benefit funds are closed and consists only of those members who haven't exited or transferred from the funds. There were no changes to member accounts, benefit calculations or how the fund was invested when transferred to Tasplan.

### Interest crediting rates

The return you receive on your defined benefit member accounts is calculated by applying the fund's crediting rate to your account. The crediting rate is calculated based on the investment return on the fund's assets, adjusted for fees and taxes in accordance with the crediting rate policy adopted by the trustee. The crediting rate for the fund may be positive or negative depending on the returns from the underlying investment markets. The trustee determines the investment policy of the fund.

The crediting rates as at 30 June 2020 for the defined benefit funds are shown below. Past performance isn't a reliable indicator of future performance.

Fund	2019-20	2018-19	2017-18	2016-17	2015-16 <sup>4</sup>	Five year average
Quadrant Defined Benefits fund	0.92%	5.70%	9.30%	9.40%	1.90%	5.44%
Hobart City Council Defined Benefits fund	-0.20%	8.30%	9.30%	9.40%	1.90%	5.74%
Launceston City Council Defined Benefits fund	0.60%	9.10%	10.10%	10.20%	2.70%	6.54%

<sup>4</sup>Funds transferred to Tasplan on 1 December 2015.

### Asset allocation

The following table shows how money was split between the different asset classes in the Quadrant Defined Benefits fund, the Hobart City Council Defined Benefits fund and the Launceston City Council Defined Benefits fund as at 30 June 2020.

The asset allocation for the Quadrant Defined Benefit Fund was changed in November 2018 due to the favourable financial position of the fund. Prior to this date all the defined benefit funds were invested in the same asset allocation.

Asset class	Launceston City Council Defined Benefits fund and Hobart City Council Defined Benefits fund asset allocation	Quadrant Defined Benefits fund asset allocation
Australian shares	30.20%	18.77%
International shares	28.01%	21.57%
Listed property	2.46%	3.05%
<b>Total listed shares</b>	<b>60.68%</b>	<b>43.37%</b>
Private equity	0.79%	0.00%
Unlisted property	9.71%	6.96%
Unlisted infrastructure	8.35%	8.34%
<b>Total unlisted assets</b>	<b>18.85%</b>	<b>15.30%</b>
Absolute return	1.84%	5.07%
Alternative debt	1.51%	3.53%
Emerging market debt	0.0%	2.83%
<b>Alternative assets</b>	<b>3.35%</b>	<b>11.43%</b>
Australian fixed interest	5.15%	7.74%
International fixed interest	6.72%	7.93%
Cash	5.26%	14.22%
<b>Cash and fixed interest</b>	<b>17.13%</b>	<b>29.89%</b>

### Fees and costs

The expenses for the operation and management of Tasplan are allocated to members through direct fees and indirect costs. Indirect costs include all ongoing administration, investment management, expense recovery and other fees charged by the fund. Any direct fees charged to your account will be reflected in your *Member statement* as a separate amount.

Indirect costs are calculated based on the actual costs incurred for the overall fund and apportioned to the defined benefits funds. The indirect costs for the year ended 30 June 2020 were:

Fund	Indirect costs
Quadrant Defined Benefits fund	1.24%
Hobart City Council Defined Benefits fund	1.31%
Launceston City Council Defined Benefits fund	0.51%

The administration fee for Launceston City Council Defined Benefit members is an expense of the Launceston City Council Defined Benefits fund and isn't paid by the members.

# Who manages Tasplan?

## Our board

Tasplan's trustee is Tasplan Pty Ltd ABN 13 009 563 062. The trustee board is responsible for all decisions regarding the management and operation of Tasplan to ensure that it's run in the best interests of members.

During the 2019-20 financial year, the following Directors' terms of office ceased:

- Frank Barta (29 November 2019)
- Paul Arnold (29 November 2019).

During the 2019-20 financial year, the following Director resigned from the board:

- Roslyn (Roz) Madsen (14 January 2020).

We thank those Directors for their efforts while serving on our board. During the 2019-20 financial year, the following Director was appointed to the board:

- Thomas Lynch (27 March 2020).

The Directors as at 30 June 2020 were:

Name	Position	Start date	Board meetings attended 2019-20
Naomi Edwards	Independent Chair and Director	14 October 2011	8 out of 8
Steve Walsh	Director	10 October 2014	8 out of 8
Susan Parr	Director	24 March 2015	8 out of 8
John Mazengarb	Director	18 July 2016	8 out of 8
Jessica Munday	Director	23 March 2018	8 out of 8
Patricia Donohue	Director	1 January 2019	8 out of 8
Thomas Lynch	Director	27 March 2020	3 out of 3





## Director remuneration

Directors were paid an annual fee of \$52,633 for the 2019-20 financial year. The Chair was paid an annual fee of \$97,220. Additionally, Directors and Chair received committee membership and chairmanship fees.

We operate a number of separate committees which oversee different aspects of our operations. Directors on each committee attend these meetings in addition to board meetings. These are:

- Audit, Risk and Compliance Committee
- Investment Committee
- Remuneration and Nominations Committee
- Joint Steering Committee (MTAA Super merger pre-unconditional agreement)
- Joint Implementation Committee (MTAA Super merger post-unconditional agreement).

The total fees paid to Directors for the 2019-20 financial year are in the table on page 13.

Role	Name	Fees paid (Note 1)
<b>Audit, Risk and Compliance Committee</b>		
Chair	John Mazengarb	\$15,790
Members	Frank Barta (Note 2)	\$4,500
	Paul Arnold (Note 3)	\$4,500
	Jessica Munday	\$10,540
	Patricia Donohue (Note 4)	\$5,143
	Thomas Lynch (Note 5)	\$2,635
<b>Investment Committee</b>		
Chair	Patricia Donohue (Note 4)	\$28,930
Members	Roz Madsen (Note 6)	\$5,797
	Susan Parr (Note 7)	\$2,635
	Naomi Edwards	\$10,540
	Frank Barta (Note 2)	\$4,500
<b>Remuneration and Nominations Committee</b>		
Chair	Naomi Edwards	\$9,278
Chair	Susan Parr (Note 7)	\$4,627
Members	Susan Parr (Note 7)	\$3,237
	Naomi Edwards (Note 8)	\$3,091
	Steve Walsh	\$6,328
	Patricia Donohue	\$6,328
<b>Joint Steering committee (Note 9)</b>		
Chair	Naomi Edwards	\$5,223
Member	Roz Madsen	\$3,486
<b>Joint Implementation committee (Note 10)</b>		
Chair	Naomi Edwards	\$17,183
Members	Roz Madsen (Note 6)	\$1,846
	Susan Parr	\$8,592
	John Mazengarb	\$8,591
	Jessica Munday	\$8,591
	Thomas Lynch (Note 5)	\$3,750

**Note 1:** Fees are inclusive of the 9.5% super guarantee contributions.

**Note 2:** Frank Barta completed his term as a Director and member of the Audit, Risk and Compliance and Investment Committee on 29 November 2019.

**Note 3:** Paul Arnold completed his term as a Director and member of the Audit, Risk and Compliance Committee on 29 November 2019.

**Note 4:** Patricia Donohue was appointed as a member of the Audit, Risk and Compliance and Investment Committee on 1 January 2020. An additional remuneration of \$2,190 each week (inclusive of super) was paid to the Investment Committee Chair for the duration, due to the increase in oversight responsibilities.

**Note 5:** Thomas Lynch was appointed as Director and member of the Audit, Risk and Compliance Committee and Joint Implementation Committee from 27 March 2020.

**Note 6:** Roz Madsen resigned as a Director and member of the Investment Committee and Joint Implementation Committee on 14 January 2020.

**Note 7:** Susan Parr was appointed as a member of the Investment Committee from 27 March 2020 and Chair of the Remuneration and Nominations Committee from 1 January 2020.

**Note 8:** Naomi Edwards ceased as Chair and remained a member of the Remuneration and Nominations Committee from 1 January 2020.

**Note 9:** The Joint Steering Committee operated from 2 August 2019 to 29 November 2019.

**Note 10:** The Joint Implementation Committee commenced operating from 2 December 2019.



## Directors' remuneration for 2019-20

Director	Term	Short-term benefits	Post employment benefits	Non-monetary benefit	Total (Note 7)
		Cash salary, fees and short-term compensated absences, third party payments (Note 1)	Super and pension benefits (Note 2)	(Note 3)	
Naomi Edwards Chair	14/10/2011 - current	\$126,122	\$11,982	-	\$138,104
Paul Arnold (Note 1)	24/03/2015 - 29/11/2019	\$26,479	\$2,339	-	\$28,818
Susan Parr (Note 1)	24/03/2015 - current	\$65,502	\$6,223	-	\$71,725
Roz Madsen	04/03/2011 - 14/01/2020	\$36,596 (Note 4)	\$3,477	-	\$40,073
Steve Walsh	10/10/2014 - current	\$53,841 (Note 5)	\$5,115	-	\$58,956
Frank Barta	01/12/2015 - 29/11/2019	\$28,734	\$2,730	-	\$31,464
John Mazengarb	18/07/2016 - current	\$70,333	\$6,682	-	\$77,015
Jessica Munday	23/03/2018 - current	\$65,539 (Note 5)	\$6,226	-	\$71,765
Patricia Donohue	01/01/2019 - current	\$82,648	\$7,851	\$23,725	114,224
Thomas Lynch	27/03/2020 - current	\$17,848 (Note 6)	\$1,695	-	\$19,543

**Note 1:** Short-term benefits include cents per kilometre reimbursements for travel costs.

**Note 2:** Post-employment benefits include salary sacrifice and super guarantee contributions.

**Note 3:** Non-monetary benefit includes expense payment fringe benefits and the associated fringe benefit tax.

**Note 4:** 50% of director fees and 100% committee membership fees paid to Australian Education Union. 50% of director fees paid to Unions Tasmania.

**Note 5:** 100% director and committee membership fees paid to Unions Tasmania.

**Note 6:** Directors fees and committee membership fees are paid 50% to Community and Public Sector Union and 50% to Unions Tasmania.

**Note 7:** Total fees paid include committee membership and director fees.

## Director remuneration for 2018-19

Director	Term	Short-term benefits	Post employment benefits	Total (Note 5)
		Cash salary, fees and short-term compensated absences, third party payments	Super and pension benefits (Note 2)	
Naomi Edwards Chair	14/10/2011 - current	\$104,854	\$9,961	\$114,815
Paul Arnold (Note 1)	24/03/2015 - current	\$59,623	\$5,809	\$64,991
Susan Parr (Note 1)	24/03/2015 - current	\$53,140	\$5,010	\$58,150
Roz Madsen	04/03/2011 - current	\$61,288 (Note 3)	\$5,822	\$67,110
Steve Walsh	10/10/2014 - current	\$52,734 (Note 4)	\$5,010	\$57,744
Frank Barta	01/12/2015 - current	\$53,583	\$13,369	\$66,952
Brian Scullin	18/07/2016 - current	\$26,124	\$2,482	\$28,606
John Mazengarb	18/07/2016 - current	\$61,197	\$5,814	\$67,011
Jessica Munday	23/03/2018 - current	\$51,716 (Note 4)	\$4,913	\$56,629
Patricia Donohue	01/01/2019 - current	\$40,517	\$3,849	\$44,366

**Note 1:** Short-term benefits include cents per kilometre reimbursements for travel costs.

**Note 2:** Post-employment benefits include salary sacrifice and super guarantee contributions.

**Note 3:** 50% of director fees and 100% committee membership fees paid to Australian Education Union. 50% of director fees paid to Unions Tasmania.

**Note 4:** 100% director and committee membership fees paid to Unions Tasmania.

**Note 5:** Total fees paid include committee membership and director fees.

## Executive management team

We employ a team of executive officers to manage the day-to-day operations of Tasplan.

Our executive officers must meet the fitness and propriety standards as set in Tasplan's *Fit and Proper policy* before their appointment and on an ongoing basis. Annual performance reviews were conducted and reported.

The executive officers as at 30 June 2020 were:

Name	Position	Date appointed
Wayne Davy	Chief Executive Officer	6 March 2015
Nick Connor	Chief Operations Officer	29 August 2016
Mark Williams	Head of Investments (secondment)	6 March 2019
David Stuart	Acting Chief Investment Officer	1 July 2019
Ningning Lyons	Chief Financial Officer	14 September 2016
Robyn Judd	Executive Manager, People and Culture	8 September 2016
Greg Hanigan	Chief Risk Officer	5 September 2016
Keryn Welch	Executive Manager, Strategy	13 October 2016





## Executive remuneration for 2019-20

Executive officer	Short-term benefits Cash salary, fees and short-term compensated absences. (Note 1)	Post employment benefits Super and pension benefits. (Note 2)	Non-monetary benefits (Note 3)	Performance bonus	Termination payments	Total
Wayne Davy	\$516,003	\$21,002	-	-	-	\$537,005
Nick Connor	\$356,891	\$25,000	-	-	-	\$381,891
Ningning Lyons (Note 4)	\$39,064	\$3,701	-	-	-	\$42,765
Robyn Judd	\$249,318	\$29,170	-	-	-	\$278,488
Greg Hanigan	\$242,471	\$22,912	-	-	-	\$265,383
Keryn Welch	\$254,031	\$23,970	-	\$21,900	-	\$299,901
May Lim (Note 5)	\$164,707	\$27,605	-	-	-	\$192,312
Mark Williams	\$281,098	\$34,858	-	-	-	\$315,956
David Stuart (Note 6)	\$315,692	\$29,991	\$48,957	-	-	\$394,640

**Note 1:** Short-term benefits include cash paid for annual leave and long service leave taken during the year, mobile phone allowance and home internet allowance.

**Note 2:** Post-employment benefits include salary sacrifice and super guarantee contributions.

**Note 3:** Non-monetary benefits include expense payment fringe benefits and the associated fringe benefit tax.

**Note 4:** Ningning Lyons recommenced as Chief Financial Officer on 4 May 2020.

**Note 5:** May Lim ceased acting as Chief Financial Officer on 4 May 2020.

**Note 6:** David Stuart was appointed Acting Chief Investment Officer on 01 July 2019.

## Executive remuneration for 2018-19

Executive officer	Short-term benefits Cash salary, fees and short-term compensated absences. (Note 1)	Post employment benefits Super and pension benefits. (Note 2)	Non-monetary benefits	Performance bonus	Termination payments	Total
Wayne Davy	\$505,311	\$20,531	-	-	-	\$525,842
Nick Connor	\$349,220	\$25,000	-	-	-	\$374,220
Ian Lundy (Note 3)	\$305,858	\$15,793	-	-	\$74,195	\$395,846
Ningning Lyons (Note 4)	\$214,262	\$20,287	-	-	-	\$234,549
Robyn Judd	\$242,704	\$24,819	-	-	-	\$267,523
Greg Hanigan	\$237,187	\$22,436	-	-	-	\$259,623
Keryn Welch	\$219,687	\$31,464	-	-	-	\$251,151
May Lim (Note 5)	\$46,611	\$7,831	-	-	-	\$54,442
Mark Williams (Note 6)	\$77,631	\$9,577	-	-	-	\$87,208

**Note 1:** Short-term benefits include cash paid for annual leave and long service leave taken during the year, mobile phone allowance and home internet allowance.

**Note 2:** Post-employment benefits include salary sacrifice and superannuation guarantee contributions.

**Note 3:** Ian Lundy resigned on 5 March 2019.

**Note 4:** Ningning Lyons commenced maternity leave on 1 April 2019.

**Note 5:** May Lim was appointed Acting Chief Financial Officer on 1 April 2019.

**Note 6:** Mark Williams was appointed Head of Investments on 6 March 2019.



## Trustee liability insurance

The trustee has taken out a trustee liability insurance policy that provides sufficient and adequate cover to protect the fund against misconduct by the trustee.

## Specialist service providers

We employ the services and expertise of a number of specialist service providers to help us administer Tasplan. During the financial year, our main specialist service providers were:

Specialist service provider	Role	ABN
K&L Gates	Solicitor	81 310 965 026
KPMG	Internal auditor	51 194 660 183
Mercer Investments (Australia) Limited	Asset consultants	66 008 612 397
MetLife Insurance Limited	Insurer	75 004 274 882
NAB Asset Servicing (NAS)	Custodian	12 004 044 937
Rice Warner	Actuary	35 003 186 883
WLF Accounting and Advisory	External auditor	23 563 132 864



# Financial statements

## Our abridged financial reports for 2019-20

Below is a summary of the audited financial statements. The full audited financial statements, trustee declaration and independent audit report is available at [tasplan.com.au/governance-and-transparency](http://tasplan.com.au/governance-and-transparency) or call us on 1800 005 166, and we can send you a copy.

The abridged statements were audited by WLF Accounting and Advisory. We're satisfied that they represent a true and accurate record of our financial position, and that they were prepared in accordance with relevant accounting standards.

Tasplan Superannuation Fund Statement of financial position As at 30 June 2020		
	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Cash and cash equivalents</b>		
Cash at bank	122,671,325	127,691,471
<b>Receivables</b>		
Contributions receivable	10,000	614
Interest income receivable	18,139	25,479
GST receivable	815,568	374,037
Sundry debtors	450,427	60,298
<b>Investments</b>		
Australian equities	1,976,928,811	2,118,566,318
International equities	2,420,249,330	2,632,212,642
Other interest bearing securities	2,946,396,528	2,381,143,847
Other investments	1,300,097,705	1,467,558,578
Property	1,141,509,786	985,380,582
<b>Other assets</b>		
Fixed assets	3,287,417	3,576,349
Intangible assets	82,118	404,937
Lease assets	11,629,726	-
Other assets	680,632	668,913
Prepayments	904,599	862,784
<b>Tax assets</b>		
Deferred tax assets	1,845,244	1,659,347
<b>TOTAL ASSETS</b>	<b>9,927,577,355</b>	<b>9,720,186,196</b>
<b>LIABILITIES</b>		
<b>Payables</b>		
Benefits payable	5,370,990	5,667,883
Accounts payable	1,116,776	1,745,430
Group life premiums payable	2,072,956	2,936,285
Contributions suspense	33,412	113,584
Investment expenses payable	4,629,215	4,861,840
Sundry creditors	88,536	110,019
Provision for employee benefits	4,359,277	3,578,061
Lease liabilities	13,206,956	1,360,049
<b>Tax liabilities</b>		
Superannuation contribution surcharge	10,689	10,689
Income tax payable	19,985,081	(40,596,770)
Deferred tax liability	84,678,526	122,732,889
<b>TOTAL LIABILITIES (excluding member benefits)</b>	<b>135,552,414</b>	<b>102,519,959</b>
<b>NET ASSETS AVAILABLE FOR MEMBER BENEFITS</b>	<b>9,792,024,941</b>	<b>9,617,666,237</b>
<b>MEMBER BENEFITS</b>		
Defined contribution member liabilities	9,539,309,384	9,337,733,118
Defined benefit member liabilities	113,307,235	118,207,158
<b>TOTAL MEMBER LIABILITIES</b>	<b>9,652,616,619</b>	<b>9,455,940,276</b>
<b>TOTAL NET ASSETS</b>	<b>139,408,322</b>	<b>161,725,961</b>
<b>EQUITY</b>		
Defined benefits that are over funded	12,329,657	22,310,359
Operational risk financial requirements reserve	26,762,288	22,977,455
Administration reserve	30,952,221	40,244,032
Strategic development reserve	10,659,982	873,387
Unallocated reserve	58,704,174	75,320,728
<b>TOTAL EQUITY</b>	<b>139,408,322</b>	<b>161,725,961</b>

Tasplan Superannuation Fund Income statement For the year ended 30 June 2020		
	2020	2019
	\$	\$
<b>SUPERANNUATION ACTIVITIES</b>		
<b>REVENUE</b>		
Interest	29,266,480	33,971,222
Distributions	239,026,546	327,539,292
Other investment income	4,154,385	3,669,966
Net foreign exchange gains/(losses)	(51,380,169)	(99,729,236)
Changes in fair value of investments	(123,166,896)	551,664,325
Successor fund transfer	-	(40,650)
Other income	1,279,875	814,786
<b>TOTAL REVENUE</b>	<b>99,180,221</b>	<b>817,889,705</b>
<b>EXPENSES</b>		
Investment manager fees	42,000,441	35,611,296
Auditor's remuneration	346,362	330,227
Operating expenses	30,991,321	28,237,135
<b>TOTAL EXPENSES</b>	<b>73,338,124</b>	<b>64,178,658</b>
<b>NET RESULT FROM SUPERANNUATION ACTIVITIES</b>	<b>25,842,097</b>	<b>753,711,047</b>
<b>PROFIT/(LOSS) FROM OPERATING ACTIVITIES</b>		
Net benefits allocated to defined contribution members' accounts	(67,034,463)	(726,046,172)
Net change in defined benefit member liabilities	(10,145,041)	(7,034,352)
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>	<b>(51,337,407)</b>	<b>20,630,523</b>
Income tax expense/(benefit)	(29,019,768)	49,385,040
<b>PROFIT/(LOSS) AFTER INCOME TAX</b>	<b>(22,317,639)</b>	<b>(28,754,517)</b>

# Financial statements continued ...

## Tasplan Superannuation Fund Statement of changes in member benefits For the year ended 30 June 2020

	Defined contribution \$	Defined benefit \$	Total \$
<b>FOR THE YEAR ENDED 30 JUNE 2020</b>			
<b>OPENING BALANCE OF MEMBER BENEFITS</b>	<b>9,337,733,118</b>	<b>118,207,158</b>	<b>9,455,940,276</b>
Contributions:			
Employer	493,286,210	3,825,166	497,111,376
Member	130,581,628	790,526	131,372,154
Transfers from other superannuation funds	282,998,651	143,396	283,142,047
Successor fund transfer	1,192,617	-	1,192,617
Government co-contributions	(81,712,409)	(841,198)	(82,553,607)
Income tax on contributions	(78,193,970)	(927,523)	(79,121,493)
<b>NET AFTER TAX CONTRIBUTIONS</b>	<b>826,346,697</b>	<b>3,917,890</b>	<b>830,264,587</b>
Benefit payments	(712,759,805)	264,386	(712,495,419)
Transfers from defined benefit to defined contribution	19,332,505	(19,332,505)	-
Insurance premiums charged to member's accounts	(26,812,117)	(202,904)	(27,015,021)
Tax benefit on insurance premiums charged to member's accounts	4,024,414	2	4,024,416
Proceeds from group life policies	24,410,109	308,167	24,718,276
Benefits allocated to members' accounts, comprising:			
Net investment income	91,379,833	-	91,379,833
Administration fees	(24,345,370)	-	(24,345,370)
Net change in defined benefit member accrued benefits	-	10,145,041	10,145,041
<b>CLOSING BALANCE OF MEMBER BENEFITS</b>	<b>9,539,309,384</b>	<b>113,307,235</b>	<b>9,652,616,619</b>
<b>FOR THE YEAR ENDED 30 JUNE 2019</b>			
<b>OPENING BALANCE OF MEMBER BENEFITS</b>	<b>8,383,501,064</b>	<b>118,827,897</b>	<b>8,502,328,961</b>
Contributions:			
Employer	462,885,248	4,194,147	467,079,395
Member	121,778,702	918,343	122,697,045
Transfers from other superannuation funds	271,989,701	92,143	272,081,844
Successor fund transfer	18,904,174	-	18,904,174
Government co-contributions	1,267,027	-	1,267,027
Income tax on contributions	(78,193,970)	(927,523)	(79,121,493)
<b>NET AFTER TAX CONTRIBUTIONS</b>	<b>798,630,882</b>	<b>4,277,110</b>	<b>802,907,992</b>
Benefit payments	(570,398,742)	(1,833,735)	(572,232,477)
Transfers from defined benefit to defined contribution	9,906,596	(9,906,596)	-
Insurance premiums charged to member's accounts	(36,604,190)	(241,427)	(36,845,617)
Tax benefit on insurance premiums charged to member's accounts	5,499,353	725	5,500,078
Proceeds from group life policies	21,794,520	165,445	21,959,965
Anti-detriment payments	(755,926)	(137,192)	(893,118)
Tax benefit on anti-detriment payments	113,389	20,579	133,968
Benefits allocated to members' accounts, comprising:			
Net investment income	752,851,735	-	752,851,735
Administration fees	(26,805,563)	-	(26,805,563)
Net change in defined benefit member accrued benefits	-	7,034,352	7,034,352
<b>CLOSING BALANCE OF MEMBER BENEFITS</b>	<b>9,337,733,118</b>	<b>118,207,158</b>	<b>9,455,940,276</b>



# Other things you need to know

## How does your account work?

### Super and pension accounts

If you're a Tasplan Super or a Tasplan Pension member, your account works in a similar way to a bank account - money goes in and money goes out.

Your Tasplan Super account receives contributions, including transfers in, and is reduced by withdrawals, taxes, fees and costs and insurance costs (as applicable). Tasplan Pension accounts are also reduced by your pension payments. Investment earnings can increase or decrease your account balance.

Your investment in Tasplan is recorded as a number of units. Your account balance is determined as the number of units you hold in each investment option multiplied by the unit price of that option.

Unit prices will fluctuate according to the investment performance of the investment option. So, your account balance may increase or decrease in line with the unit prices. Our unit prices are net of tax on investment earnings and indirect costs. Our latest unit prices are available at [tasplan.com.au/unit-price](http://tasplan.com.au/unit-price).

If you switch investments, both the switch out and switch in are processed using the applicable unit price. The value of the units in each investment option varies, so you may get more or fewer units when you switch, depending on the current unit prices.

When you make a withdrawal or pay fees, taxes or insurance costs out of your account, you trade your units for money. The amount of money your units are worth depends on the current unit prices. So, if you withdraw \$10 and your units are worth \$1 each, you'll trade 10 units for your money. If your units are worth \$2, you'll trade five units for your money.

If you have a Tasplan Pension account, there's no guarantee that you'll receive your pension payments for your lifetime or any fixed period. The longevity of your investment depends on how much you draw out and how your chosen investment option or options perform.

### Defined benefit accounts

If you're a defined benefits member, your super benefits are worked out according to a formula based on a range of factors which may include your age, your salary, your category of membership and how many years you've been a member.

Using a formula means your benefit can be defined in advance. That's why it's called a defined benefit. Your annual *Member statement* gives you all the information you need to work out your payout if you leave.

## More information

Our website is a great source of information on our products and services, super and retirement strategies, fund policies and much more. Go to [tasplan.com.au](http://tasplan.com.au).

You can call or email us at any time to ask for paper copies of any documents you need to be mailed to you to help you understand your benefit entitlements.

## Lost and unclaimed super money

Twice a year we're required to report and transfer member accounts to the ATO.

If we transfer your account to the ATO, your membership with Tasplan and any insurance you have ceases. Your account may be transferred to the ATO if:

- you're aged 65 or older, we haven't received any contributions or rollovers into your account within the last two years, it's been at least five years since we had contact with you and we've been unable to contact you after making reasonable efforts
- you've died, we haven't received an amount for you for the past two years and after making reasonable efforts and after a reasonable period has passed, we're unable to ensure that the death benefit will be received by the person who is entitled to receive it
- you're a former temporary Australian resident who didn't claim your benefit within six months of departure or expiry of your visa
- we're unable to pay an amount under a family law split agreement, as we're unable to ensure that the non-member spouse or their legal personal representative will receive the amount after making reasonable efforts and after a reasonable period has passed
- you're considered to be a lost member and either of the following applies:
  - your account has a balance of less than \$6,000 (small lost member account)
  - your account hasn't received a contribution or rollover within the last 12 months and we can't contact you after making reasonable efforts.
- you have an inactive low-balance account. This may occur if:
  - we haven't received a contribution or rollover for 16 months
  - your account balance is less than \$6,000
  - you don't have insurance on your account
  - you haven't satisfied a condition of release
  - you haven't done any of the following in the last 16 months:
    - changed investment options
    - changed your insurance coverage
    - made or amended a binding beneficiary nomination
    - completed the *Inactive low balance accounts – Authorising your fund to provide a written declaration to the ATO* form to confirm you don't want your account transferred to the ATO. This form is available from [ato.gov.au](http://ato.gov.au).

## Insurance in super

On 1 July 2019, our insurance product and provider changed. We introduced simplified age-based default cover to replace basic cover, along with continuing to provide fixed cover options. All insured members transferred to the new arrangements provided by MetLife ABN 75 004 274 882 on 1 July 2019.

Throughout 2019-20, we've implemented improvements to help you better understand and manage your insurance. This includes:

- improved online transacting for increasing, changing and cancelling cover
- online claims lodgement
- insurance statements sent every year on your birthday, and anytime you make changes to your cover
- your super in review for 2019 - an online review of your super for 2019, including your insurance
- insurance entitlements – if you're entitled to receive default insurance and you haven't met eligibility requirements yet, you can view the cover you may receive through **Tasplan Online**. You can also opt in to start cover earlier or opt out, if you don't want default cover.

We've continued implementing our *Insurance in Super Voluntary Code of Practice (Code)* transition plan. The Code sets out the minimum requirements for insurance in super. We're progressing well with implementation and are on target to meet the 30 June 2021 deadline.

The Federal Government made two major changes to insurance provided through super, *Protecting Your Super* reforms which commenced on 1 July 2019 and *Putting Members' Interests First* reforms commencing on 1 April 2020. These reforms changed the way that super funds provide default cover to members and when cover must be cancelled, with the aim of protecting members' super savings from erosion by unnecessary fees and costs. In particular, we were required to remove insurance cover from 'inactive' super accounts and can no longer provide automatic default cover to members under age 25 or those with account balances under \$6,000.

This has resulted in fewer insured members covered by our group insurance policies and contributed to increases to insurance costs to apply from 30 September 2020. See [tasplan.com.au/insurance-changes](https://tasplan.com.au/insurance-changes) for more information.

## Compliance

We ensure that Tasplan meets all the requirements of the *Superannuation Industry (Supervision) Act 1993* (the SIS Act) so that our members can benefit from the lower tax rates that apply to complying resident regulated super funds.

We lodge quarterly returns with the Australian Prudential Regulatory Authority (APRA) confirming our compliance with relevant legislation and licensing requirements. We believe that we continue to comply with all relevant laws.

No penalties have been imposed on Tasplan responsible persons under section 38A of the SIS Act.

## Complaints

Tasplan is committed to efficiently and professionally resolving member and client complaints and enquiries in relation to products and services delivered by Tasplan and its representatives.

Complaints are taken seriously and dealt with as soon as practicable. If you have a complaint about a Tasplan product or service, call us on **1800 005 166** or write to us at:

**Address** Complaints Officer  
Tasplan  
GPO Box 1547  
Hobart TAS 7001

**Email** [info@tasplan.com.au](mailto:info@tasplan.com.au)

If you're not satisfied with the way the trustee handles your complaint or its resolution, you may contact the Australian Financial Complaints Authority (AFCA).

AFCA is an independent body established by the Australian Government to assist members or their beneficiaries to resolve certain types of complaints with fund trustees.

AFCA may be able to assist you, but they recommend raising your concerns with us first. Making use of Tasplan's own *Complaints handling process*, available at [tasplan.com.au/complaints-handling-policy](https://tasplan.com.au/complaints-handling-policy).

To find out whether the AFCA can handle your complaint, contact them at:

**Address** Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

**Phone** **1800 931 678**

**Email** [info@afca.org.au](mailto:info@afca.org.au)



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Super