

The University of Sydney
Professorial Superannuation System

*System Registration Number R1001433
ABN 70 093 025 653*

ANNUAL REPORT TO PENSION MEMBERS

FOR THE YEAR ENDED 31 DECEMBER 2017

Important information:

The issuer and Trustee of The University of Sydney Professorial Superannuation System (ABN 70 093 025 653, RSE Registration No. R1001433) is Diversa Trustees Limited (ABN 49 006 421 638, AFSL No 235153, RSE Licence No L0000635).
Address: GPO Box 3001, Melbourne VIC 3001. Ph: (03) 9616 8600 Fax: (03) 9614 4543.

The Administrator of The University of Sydney Professorial Superannuation System is KPMG Superannuation Services Pty Limited (ABN 90 094 584 755, AFSL No 241366).
Address: PO Box 67, Australia Square NSW 1215. Ph: (02) 9295 3921 Fax: (02) 9335 7001.

General Disclaimer

This Annual Report is issued by Diversa Trustees Limited (“the Trustee”), ABN 49 006 421 638, AFSL No. 235153, Registrable Superannuation Entity (“RSE”) Licence L0000635, as Trustee of The University of Sydney Professorial Superannuation System (“the System”), ABN 70 093 025 653, RSE Registration No. R1001433.

The Trustee, any underlying investment manager and any other service provider to the System do not guarantee the investment performance of any investment offered or the repayment of capital. Investment in the System is subject to investment risk, including loss of income and capital invested. The information provided in this report is in accordance with the requirements of the Corporations Act 2001. The report also contains information about changes to the System, as well as an update on legislative changes that may be relevant to your superannuation. The information does not and is not intended to contain any recommendations, statements of opinion or financial advice. Any information is of a general nature only and has been prepared without taking into account your investment objectives, financial situation and needs. Before making any investment decisions in relation to the System, you should consider obtaining professional financial advice from a licensed or authorised financial adviser.

Whilst all reasonable care has been taken in the preparation of this report, the Trustee reserves its right to correct any errors or omissions.

The terms of your membership in the System are set out in the System’s Trust Deed, available on the Trustee’s website (<http://diversa.com.au/trustee>). Should there be any inconsistency between this report and the System’s Trust Deed, the terms of the System’s Trust Deed will prevail.

Message from the Trustee

The Trustee presents the Annual Report for The University of Sydney Professorial Superannuation System (“the System”) for the year ended 31 December 2017.

Please take the time to read this report and if you have any queries or require further information please contact the System Administrator (details provided on page 12).

Summary of the year	
• Total contributions:	(\$'000)
- University	\$0
- Member	\$0
• Benefits paid:	\$3,164
• Net System assets at 31 December 2017:	\$34,885
• Membership at 31 December 2017:	
- Pensioners ¹	29
- Widows ²	27

¹ It is with regret that we advise the death of the following Pensioners:

- Professor Jolly – 10/05/2017
- Professor Prince – 03/07/2017

² It is with regret that we advise the death of the following Spouse Pensioners:

- Mrs Loewenthal – 01/04/2017
- Mrs Butterfield – 26/05/2017

Who runs the System?

The System is set up as a trust and is governed by a legal document called the Trust Deed. The Trustee (Diversa Limited) is responsible for running the System in accordance with the Trust Deed.

The Directors of the Trustee during the year ended 31 December 2017 were:

Mr Vin Plant (Chairman)

Mr Garry Wayling

Mr Murray Jones

Mr Vincent Parrott

Ms Robyn Fitzroy

Mr Andrew de Vries – ceased 13 January 2017

Mr Mark Cerchè – ceased 4 May 2017

Mr Luke Barrett – ceased 4 May 2017

Ms Karen Gibson – ceased 21 December 2017

There were no penalties imposed on responsible persons under S38A of the SIS Act in the Reporting period ending 31 December 2017.

Policy Committee

A Policy Committee is a committee whose purpose is to facilitate communication between the members of the System and the Trustee. Policy Committees perform functions such as reviewing the System’s investments and member communications.

Given the size of the membership, there is no requirement for a Policy Committee to be formed and at present there is no Policy Committee in place. Members may request the formation of a Policy Committee at any time by writing to the Trustee (contact details provided on page 12).

Trustee indemnity insurance

The Trustee has taken out trustee indemnity insurance to protect the Trustee, its Directors and the System against certain liabilities, that is consistent with the size and nature of its business and industry standards. As with any insurance, the indemnity is subject to the terms and conditions of the relevant insurance policy.

Service providers

During the year to 31 December 2017, a number of appointed service providers assisted the Trustee in the management of the System, including:

Administrator, General Consultant and Asset Consultant

KPMG Superannuation Services Pty Limited
(ABN 90 094 584 755, AFSL No. 241366)

Auditor

The Audit Office of
New South Wales
(ABN 31 171 741 262)

Actuary

Alea Actuarial
Consulting Pty
Limited
(ABN 84 107 302 803,
AFSL No. 300184)

Custodian

RBC Investor Services Australia Nominees Pty
Limited (ABN 70 097 125 123)

Fund Manager

Schroder Investment Management
Australia Limited (ABN 22 000 443 274,
AFSL No. 226473)

Australia and New Zealand Banking
Group Limited (ABN 11 005 357 522,
AFSL No. 234527)

Note: The underlying fund managers utilised by the Trustee for the System's investments may be changed from time to time at the discretion of the Trustee. They are shown in this report to provide historical information about the investments of the System during the year. You have no ability to choose the underlying fund managers utilised by the Trustee.

On 26 February 2018, KPMG announced the sale of its subsidiary, KPMG Superannuation Services Pty Limited, to Onevue Holding Ltd (OneVue), a listed financial services provider. It is expected that the sale will be completed in April 2018. As part of this transaction, it is expected that the staff who administer the Fund, the associated administration systems and all membership and Fund data will continue to be provided by the existing entity and that KPMG staff who have provided asset consulting services to the Fund will continue to provide these services to the Fund through another KPMG subsidiary.

The Trustee of the System, Diversa Trustees Limited, is a wholly owned subsidiary of OneVue.

General investment market overview

Note: This market overview has been provided by the System's Asset Consultant. It provides general information only about the performance of the investment market during the year to 31 December 2017. **Past performance is not a reliable indicator of future performance.**

Investments performed well in the 12 months to 31 December 2017 with positive returns experienced across all major asset classes.

Over the year to 31 December 2017, using the information provided by Morningstar, the Hedged International shares returned 16.6% while Unhedged International shares returned 11.3%, with the difference being explained by a rallying in the Australian dollar buoyed by the strength in base metal prices and demand for commodities. Australian shares also delivered strong returns of 11.8% over the year to 31 December 2017.

Australian Fixed Interest and International Fixed Interest performed well, returning 3.7% and 2.8% respectively; Listed Property fared marginally better returning 5.7%.

For information about the System's performance, see the 'Investment returns' section on page 6.

Investments

The assets held in the System support the payment of the System's pension benefits.

There are three types of pensions offered under the System:

1 *Non-Contributory Pension ("NCP")*

The NCP is a pension based on a percentage of the Professorial Salary increased from time to time. It is fully funded by the University.

2 *Lump Sum Annuity*

The lump sum annuity represents any conversion of a member's lump sum benefit payable upon retirement, increased each year by the increase in the Consumer Price Index ("CPI"). It is partially funded by the University and partially funded by the member.

3 Voluntary Widows/Spouses' Pension ("VSP")

The VSP is funded equally by both the member and the University. For every dollar contributed by the member, the University matches the contribution towards the VSP.

You should note that your pension benefit from the System is not dependent on the System's earning rate or investment earnings. The following pages provide a description of the System's pension investments. This has been provided to you for information purposes only.

Investment objectives

The objectives of the System's pension investments are:

- To avoid negative rates of return (net of fees and tax) over rolling three-year periods. The achievement of this objective is subject to conditions prevailing in the investment markets over time. However, the objective is likely to be achievable under most normal market conditions.
- To achieve a return (net of fees and tax) that exceeds the rate of increase in Professorial Salaries over rolling five-year periods.

Investment strategy

To achieve the stated objectives, the strategy adopted by the Trustee is to invest in a non-superannuation distributing investment trust. The trust should hold between 50% and 80% of its assets in growth assets and between 20% and 50% of its assets in defensive assets.

The Trustee further supports this strategy by investing in the Schroder Balanced Fund – Professional Class plus cash held in the System's operating account with Australia and New Zealand Banking Group Limited.

Asset Allocation

The dollar and percentage asset allocation of the System's pension investments at 31 December 2017 and 31 December 2016 were as follows:

31 December 2017

Asset Class	\$	%
Australian shares	11,951,378	34
International shares	7,956,183	23
Alternatives	3,376,076	10
Aust'n Fixed Interest	4,241,473	12
Int'l Fixed Interest	2,715,911	8
Cash	4,722,264	14
Total	34,963,285	100

31 December 2016

Asset Class	\$	%
Australian shares	12,046,767	34
International shares	8,417,558	24
Alternatives	3,432,570	10
Aust'n Fixed Interest	4,208,779	12
Int'l Fixed Interest	2,742,606	8
Cash	4,342,103	12
Total	35,190,383	100

Investment returns

The return (after tax and investment fees) on the pension investments for the year ended 31 December 2017 was 7.97% p.a.

Performance against objectives

The return for the three-years to 31 December 2017 was 6.7% p.a. (after tax and investment fees). Therefore, the System met its first investment objective of avoiding negative rates of return over the three-year period.

The pension investments achieved a return of 8.6% p.a. (after tax and investment fees) over the five years to 31 December 2017 and therefore outperformed the increase in Professorial Salaries (2.9% p.a.) over the same period. Therefore, the second investment objective of returns exceeding the rate of increase in Professorial Salaries, was met.

Your pension benefit from the System is not dependent on the System's earning rate or investment earnings. The pensions are increased periodically in accordance with any increase in the Professorial Salary or annual increase in CPI (as relevant).

The Trustee closely monitors the System's investments to ensure that each fund manager and their underlying investments continue to meet the System's long-term investment objectives.

Pensions are fixed with the University funding any shortfall that emerges over time. The University was not required to make funding contributions to the System during the year. This was in line with the Actuary's recommendation.

Note: Past performance is not a reliable indicator of future performance.

Contributory Spouse/Widows Pension information

If you have made contributions to fund the VSP, these contributions and applicable investment earnings are accumulated in the VSP account.

Following commencement of your pension from the System, if you predecease your spouse and you have an entitlement to the VSP, the pension payments will automatically revert to your spouse.

If your spouse predeceases you or you are divorced, the balance of your VSP account will be returned to you.

As of July 2013, there is no longer a Contributory Members Section and the Trust Deed does not specify the appropriate earning rate to be applied to the VSP accounts, the Trustee and the University have decided to allocate earnings to the VSP accounts in accordance with the Contributory Members' Section objective return that was previously applicable (i.e. Bloomberg AusBond Composite Bond Index return adjusted for notional tax and fees).

The earning rate for year ended 31 December 2013 is a blended return of the Contributory Members' earning rate and the Contributory Members' section objective return that was previously applicable (i.e. Bloomberg AusBond Composite Bond Index).

The earning rates for the years ended 31 December 2017, 2016, 2015 and 2014 is the Contributory Members' section objective return that was previously applicable (i.e. Bloomberg AusBond Composite Bond Index).

Year ending 31 December	Earning Rate after tax and fees (% pa)
2017	2.87
2016	2.19
2015	1.91
2014	8.05
2013	1.58
5-year compound average	3.29

Asset Consultant

The Trustee utilises an independent Asset Consultant to provide advice regarding the investments of the System. During the year to 31 December 2017 the Asset Consultant to the Fund was KPMG Superannuation Services Pty Limited (ABN 90 094 584 755; AFSL No. 241366). Following the announcement of the sale of KPMG Superannuation Services Pty Limited to OneVue, it is expected that the KPMG staff who have provided asset consulting services to the Fund will continue to provide these services through another KPMG subsidiary.

The investments of the System are monitored by the Asset Consultant via quarterly investment reports, which are reviewed by the Trustee and its Investment Committee.

Fund managers may be appointed and removed by the Trustee upon the recommendation of the Asset Consultant. Any decision to appoint/remove a manager is based on an assessment of the fund manager's style and performance, as well as its fit with any other managers utilised by the System.

Derivatives

The Trustee does not directly invest any of the assets of the System in derivative securities such as options, futures or swaps. The fund manager utilised by the System may utilise derivatives to manage the risk and liquidity of their portfolios. They do not invest in derivatives for speculative purposes.

Actuarial review

The Trustee of the System is required to appoint an Actuary to conduct annual actuarial valuations of the System to investigate the financial position of the System and make recommendations regarding the level of contributions to be made by the University.

The actuary has completed an actuarial valuation effective 31 December 2017. The actuary has assessed that coverage of assets over members' benefits (the System's Vested Benefits Index ("VBI") is 131%. Based on this financial position, the actuary has recommended that the University does not make contributions to the System for the period from 1 January 2018 to 31 December 2018. The next actuarial investigation will be undertaken effective 31 December 2018.

Fees and costs

As provided in the Trust Deed and rules governing the System, other than taxation, the University meets all expenses relating to the management and operation of the System. The Actuary's recommended contribution rate makes an allowance for relevant System expenses.

General Information

Taxation of your pension

Superannuation benefits paid as a pension (from a taxed source) to a person over age 60 are tax-free. This applies to all pensions (from a taxed source) paid from the System, including those which commenced prior to 1 July 2007.

Please note that if you are over aged 60 and receiving a Voluntary Spouse Pension, this will always be paid to you from a taxed source and is therefore tax-free.

Please note that the Government has made changes to the tax treatment of defined benefit pension income, effective 1 July 2017. For further information, see the Legislative Update section of this report.

Proof of identity

As a result of Government reforms designed to counteract money laundering and terrorism financing you may be required to provide proof of identity prior to being able to access your benefits in cash (e.g. pension payments) or purchase a superannuation pension (called "customer identification and verification" requirements).

These requirements may also be applied by the Trustee from time to time in relation to the administration of your superannuation benefits as required or considered appropriate under the Government's legislation. You will be notified of any requirements when applicable. If you do not comply with these requirements there may be consequences for you, for example, a delay in the payment of your benefits.

As a result of these reforms the Trustee is the subject of regulation by AUSTRAC which has responsibility for the government's legislation. The Trustee is required to provide yearly compliance reports to AUSTRAC and notify AUSTRAC of suspicious transactions. This may involve the provision of personal information about you to AUSTRAC.

Enquiries and complaints

The Superannuation Industry (Supervision) Act 1993 (“SIS”) requires the Trustee to take all reasonable steps to ensure that there are arrangements in place under which:

- Members or their beneficiaries have the right to enquire into, or complain about, the operation or management of the System; and
- These enquiries or complaints will be properly considered and dealt with within 90 days.

It is important to distinguish between enquiries and complaints. Enquiries are requests for information about the System or your benefits. Complaints are expressions of dissatisfaction.

Enquiries

If you have an enquiry about the System, you should contact the System Administrator (details provided on page 12). Enquiries can be made by email, telephone or in writing. If you do not receive a satisfactory response within 28 days, you should immediately contact the Trustee (details provided below).

Complaints

Complaints should generally be made in writing to the Trustee, which has a dispute resolution procedure to ensure that all complaints are resolved within 90 days. The Trustee’s contact details are as follows:

The Complaints Officer

Diversa Trustees Limited
GPO Box 3001
Melbourne VIC 3001

☎ (03) 9616 8600
📧 (03) 9614 4543

Email: USyd@diversa.com.au

Superannuation Complaints Tribunal

If you are not satisfied with the Trustee’s handling of your complaint or their decision, or you do not receive a reply from the Trustee within 90 days of the Trustee first receiving your complaint, you may contact the Superannuation Complaints Tribunal.

The Tribunal is an independent body set up by the Federal Government to assist members or beneficiaries to resolve certain types of disputes with fund trustees. The Tribunal may be able to assist you to resolve your complaint but only if you are not satisfied with the response received from the Trustee’s handling of your complaint.

If the Tribunal accepts your complaint, it may attempt to resolve the matter through conciliation, which involves assisting you and the Trustee to come to a mutual agreement. If conciliation is unsuccessful, the complaint is referred to the Tribunal for a determination, which is binding.

You should be aware, however, that a party may appeal a decision of the Tribunal to the Federal Court. If you wish to find out whether the Tribunal can handle your complaint and the type of information you would need to provide, phone the following number for the cost of a local call anywhere in Australia:

Postal address

Superannuation Complaints Tribunal
Locked Bag 3060
Melbourne VIC 3001

☎ 1300 884 114

Legislative update

Note: This update was compiled as at March 2018 and is subject to change. For up to date information go to www.ato.gov.au or contact the System Administrator.

This section contains changes announced by the Government (but may still be yet to be law) as well as changes that have recently been implemented.

Superannuation changes from 1 July 2017

The May 2016 Federal Budget included a number of significant reform proposals in relation to superannuation, most of which have since been legislated and have taken effect (generally) from 1 July 2017.

Some of these changes, which may be relevant to some members of the System and/or their spouses, either in relation to System benefits or benefits held in other superannuation funds, are:

- A reduction in the annual concessional contributions cap to \$25,000, regardless of age (for 2016/17 there was a cap of \$30,000 or \$35,000, depending on a person's age);
- A reduction in the annual non-concessional contributions cap from \$180,000 to \$100,000;
- A person's ability to make non-concessional contributions is also affected by a new 'transfer balance cap'. The cap (\$1.6 million for the 2017/18 financial year, subject to indexation and transitional arrangements) is a new limit on the amount of superannuation that can be transferred to commence a retirement pension.
- Even before retirement, if the value of a person's total superannuation savings is greater than or equal to the transfer balance cap at the end of 30 June of the previous financial year, then their non-concessional contributions cap will be nil for the current financial year. This means that any non-concessional contributions made in that year will be excess non-concessional contributions and will be subject to additional tax. Exceeding the transfer balance cap will also affect a person's ability to access other superannuation initiatives (like the Government co-contribution and spouse contribution tax offset);
- A requirement to commute any excess of any existing superannuation account-based pensions which are above the transfer balance cap and the imposition of taxation on any earnings

before commutation on any excess above the cap;

- The introduction of new taxation rules for defined benefit pensions (for example, lifetime pensions including those paid from the System) that qualify as 'capped defined benefit income streams' because they cannot be commuted to a lump sum. Half of any defined benefit pension income above a defined benefit income cap (\$100,000 in the 2017/18 income year, subject to indexation) will need to be included in a person's assessable income and taxed at their marginal tax rate (provided the pension income is from a taxed source);
- Removal of the requirement that an individual must earn less than 10% of their income from employment-related activities to be able to claim a tax deduction for a personal (after-tax) member contribution to super and make it a concessional contribution;
- An increase in the spouse income threshold for eligibility for a tax offset on contributions made on behalf of a spouse to up to \$40,000 per annum (for the 2016/17 year this threshold was \$13,800);
- A reduction in the threshold for the additional 15% tax (Division 293 tax) on concessional contributions (from \$300,000 to \$250,000, comprising income and concessional contributions);
- Introduction of a 5 year rolling catch-up for members with balances less than \$500,000 who have not utilised the full \$25,000 concessional contribution cap in prior years from 2018-2019. [Note: The first year in which a person can use the carry-forward for any unused amounts is the 2019/20 year].

We note that further information in relation to the 1 July 2017 changes was provided to all members of the System in June 2017.

Superannuation changes announced in the 2017 Federal Budget

The superannuation related changes announced in the May 2017 Federal Budget were fewer and less significant than the May 2016 Budget. Some of the changes, which have since been legislated are:

- First home buyers are now able to withdraw voluntary superannuation contributions made from 1 July 2017 for a first home deposit. Individuals can contribute up to \$15,000 per year from 1 July 2017, and will be able to withdraw up to \$30,000

(plus associated earnings) per person in total under the scheme. Withdrawals of contributions (and any associated earnings) may be made from 1 July 2018 and will be taxed at the individual's marginal rate, less a 30 per cent offset; and

- A person aged 65 or over can contribute up to \$300,000 from the proceeds of the sale of their home as a non-concessional contribution into superannuation, from 1 July 2018. This measure will apply to sales of a principal residence owned for the past 10 or more years and both members of a couple will be able to take advantage of this measure for the same home.

Changes yet to be legislated include:

- The Medicare levy will be increased from 2.0% to 2.5% of taxable income from 1 July 2019;
- Reforms to dispute handling arrangements where the current external dispute resolution body for superannuation, the Superannuation Complaints Tribunal will be replaced with the Australian Financial Complaints Authority.

Please note, this is a summary for general information purposes only. The application of the legislative changes, particularly to members of defined benefit funds, can be complex. We recommend that you speak to your financial adviser about how these and any other relevant superannuation changes may affect you.

Other Information

Operational Risk Reserve

To satisfy a requirement under the Federal Government's Stronger Super reforms, the System has established (and maintains) an Operational Risk Reserve ("ORR") to cover potential losses arising from operational risks that may affect the System's business operations. An operational risk is the risk of a loss resulting from inadequate or failed internal processes, people and systems, or from external events. The ORR may be drawn upon to assist in compensating members or the System in the event of an operational risk having materialised.

The ORR target was met as of 30 June 2017.

The ORR is held in the System's bank account and is managed in accordance with the Trustee's ORR Policy.

The System's reserves over the past 3 years were as follows:

Year	Value
31 December 2015	\$94,632
31 December 2016	\$94,632
31 December 2017	\$94,632

Information on request

You can request additional information by contacting the System Administrator (contact details on page 12), including the following:

- The System's Trust Deed and Rules;
- The latest actuarial report;
- The latest audited accounts and reports;
- All member forms;
- Information about your benefit entitlements; and
- Any information that may help you understand particular investments of the System or the management, financial condition and performance of the System.

A copy of this Annual report can be found at <http://diversa.com.au/trustee/Sydney>.

Contact details

For further information regarding the management of The University of Sydney Professorial Superannuation System, please contact the System as follows:

System Administrator

Ms Marie Yung

KPMG Superannuation Services Pty Limited

PO Box 67

Australia Square NSW 1215

 (02) 9295 3921

 (02) 9335 7001

 AU-FMUSYDProfSuper@kpmg.com.au

Note, these contact details continue to apply, despite the sale of KPMG Superannuation Services Pty Limited to OneVue. New contact details will be advised to all members ahead of any changes.

Trustee

Diversa Trustees Limited

GPO Box 3001

Melbourne VIC 3001

 (03) 9616 8600

 (03) 9614 4543

 USYD@diversa.com.au

Summary of financial performance

A summary of the System's audited accounts for the year ended 31 December 2017 is shown below. The full audited accounts and auditor's report are available for inspection by contacting the System Administrator (details provided on page 12).

Statement of Financial Position as at 31 December 2017

	2017 \$'000	2016 \$'000
Assets		
Cash and cash equivalents	754	692
GST receivable	4	3
Income tax refund receivable	71	163
Units in wholesale trusts	34,205	34,498
Pension paid in advance	0	44
Prepayments	26	01
Deferred tax assets	10	10
Total assets	35,071	35,410
Liabilities		
Benefits payable	85	-
Other payables	72	65
Deferred tax liabilities	30	63
Total liabilities (excluding member benefits)	187	128
Net assets available for members' benefits	34,885	35,282
Member benefits		
Defined benefit member liabilities	27,280	28,433
Total member benefits	27,280	28,433
Total net assets	7,605	6,849
Equity		
Operational risk reserve	95	95
Defined benefits that are over funded	7,510	6,754
Total equity	7,605	6,849

Income Statement for the Year Ended 31 December 2017

	2017 \$'000	2016 \$'000 ¹ Restated
Superannuation Activities		
Trust distributions	4,472	2,220
Net changes in fair value of financial instruments	(1,585)	1,374
Total revenue	2,888	3,595
Investment expenses	(40)	(5)
General administration expenses	(178)	(242)
Total expenses	(218)	(247)
Result from superannuation activities before income tax	2,669	3,348
Less: net change in defined benefit member liabilities	(2,011)	(1,724)
Operating result before income tax	658	1,624
Less: Income tax (expense)/benefit	97	147
Operating result from superannuation activities after income tax	756	1,770

Statement of Changes in Member Benefits for the Year Ended 31 December 2017

	2017 \$'000	2016 \$'000 ¹ Restated
Opening balance of member benefits	28,433	30,079
Benefit payments	(3,164)	(3,370)
Net change in defined benefit member accrued benefits	2,011	1,724
Closing balance of member benefits	27,280	28,433

Statement of Changes in Equity for the Year Ended 31 December 2017

	Operational risk reserve \$'000	Unallocated surplus/(deficiency) \$'000	Total Equity \$'000
Opening balance as at 1 January 2017	95	6,754	6,849
Profit after income tax	-	756	756
Closing balance as at 31 December 2017	95	7,510	7,605
Opening balance as at 1 January 2016	95	4,984	5,079
Profit after income tax	-	1,770	1,770
Closing balance as at 31 December 2017	95	6,754	6,849

¹The System's accounts have been prepared in accordance with the new accounting standard AASB1056 Superannuation Entities. This standard applies to the preparation of financial statements for superannuation funds from annual reporting periods beginning on or after 1 July 2016 and includes a number of changes to how information on the System's assets and liabilities are presented. As a result the System has restated amounts previously reported under AAS 25 Financial Reporting by Superannuation Plans for the year ended 31 December 2016.