



# Financial Sector (Collection of Data) (reporting standard) determination No. 13 of 2015

## Reporting Standard SRS 533.0 Asset Allocation

### *Financial Sector (Collection of Data) Act 2001*

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I, Charles Littrell, delegate of APRA, under paragraph 13(1)(a) of the *Financial Sector (Collection of Data) Act 2001* (the Act) and subsection 33(3) of the *Acts Interpretation Act 1901*:

- (a) REVOKE Financial Sector (Collection of Data) (reporting standard) determination No. 25 of 2014, including *Reporting Standard SRS 533.0 Asset Allocation* made under that Determination; and
- (b) DETERMINE *Reporting Standard SRS 533.0 Asset Allocation*, in the form set out in the Schedule, which applies to the financial sector entities to the extent provided in paragraph 3 of the reporting standard.

Under section 15 of the Act, I DECLARE that the reporting standard shall begin to apply to those financial sector entities, and the revoked reporting standard shall cease to apply, on 1 July 2015.

This instrument commences on the date of registration on the Federal Register of Legislative Instruments.

Dated: 24 June 2015

[Signed]

Charles Littrell  
Executive General Manager  
Policy, Statistics and International Division

## **Interpretation**

In this Determination:

*APRA* means the Australian Prudential Regulation Authority.

*financial sector entity* has the meaning given by section 5 of the Act.

## **Schedule**

*Reporting Standard SRS 533.0 Asset Allocation* comprises the 19 pages commencing on the following page.



## Reporting Standard SRS 533.0

### Asset Allocation

#### Objective of this Reporting Standard

This Reporting Standard sets out the requirements for the provision of information to APRA relating to the strategic and actual asset allocation of a MySuper product.

It includes *Form SRF 533.0 Asset Allocation* and associated specific instructions and must be read in conjunction with *Prudential Standard SPS 530 Investment Governance*.

#### Authority

1. This Reporting Standard is made under section 13 of the *Financial Sector (Collection of Data) Act 2001*.

#### Purpose

2. Information collected in *Form SRF 533.0 Asset Allocation* (SRF 533.0) is used by APRA for the purposes of prudential supervision and publication, including assessing compliance with *Prudential Standard SPS 530 Investment Governance*.

#### Application and commencement

3. This Reporting Standard applies to each registrable superannuation entity (RSE) licensee (RSE licensee) with respect to each MySuper investment option.<sup>1</sup>
4. This Reporting Standard applies for reporting periods ending on or after 1 July 2015.

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<sup>1</sup> For the purposes of this Reporting Standard, an 'RSE licensee's business operations' includes all activities as an RSE licensee (including the activities of each RSE of which it is the licensee), and all other activities of the RSE licensee to the extent that they are relevant to, or may impact on, its activities as an RSE licensee. For the avoidance of doubt, if the RSE licensee has more than one MySuper investment option within its business operations, the RSE licensee must separately provide the information required by the form for each MySuper investment option within its business operations. An RSE licensee that does not have any MySuper investment options within its business operations is not required to provide information under this Reporting Standard.

## Information required

5. An RSE licensee to which this Reporting Standard applies must provide APRA with the information required by SRF 533.0 in respect of each reporting period.

## Forms and method of submission

6. The information required by this Reporting Standard must be given to APRA in electronic format using the 'Direct to APRA' application or, where 'Direct to APRA' is not available, by a method notified by APRA, in writing, prior to submission.

*Note:* the 'Direct to APRA' application software (also known as 'D2A') may be obtained from APRA.

## Reporting periods and due dates

7. Subject to paragraph 8, an RSE licensee to which this Reporting Standard applies must provide the information required by this Reporting Standard in respect of each MySuper investment option within its business operations (the option):
  - (a) each quarter based on the year of income of each RSE within which an option is located; and
  - (b) each year of income of each RSE within which an option is located.
8. If, having regard to the particular circumstances of a MySuper investment option, APRA considers it necessary or desirable to obtain information more or less frequently than as provided by paragraph 7(a) or 7(b), APRA may, by notice in writing, change the reporting periods for the particular MySuper investment option.
9. The information required by this Reporting Standard must be provided to APRA:
  - (a) in the case of quarterly information:
    - (i) for reporting periods ending on or after 1 July 2015 but before 1 July 2017 – within 35 calendar days after the end of the quarter to which the information relates<sup>2</sup>; and
    - (ii) for reporting periods ending on or after 1 July 2017 – within 28 calendar days after the end of the quarter to which the information relates; and
  - (b) in the case of annual information, within three months after the end of the year of income to which the information relates; and
  - (c) in the case of information provided in accordance with paragraph 8, within the time specified by notice in writing.
10. APRA may grant, in writing, an RSE licensee an extension of a due date with respect to one or more MySuper investment options within its business operations, in which case

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<sup>2</sup> For the avoidance of doubt, if the due date for a particular reporting period falls on a day other than a usual business day, an RSE licensee is nonetheless required to submit the information required no later than the due date.

the new due date for the provision of the information will be the date on the notice of extension.

### Quality control

11. The information provided by an RSE licensee under this Reporting Standard must be the product of systems, procedures and internal controls that have been reviewed and tested by the RSE auditor of the RSE within which the MySuper investment option, to which the information relates, is located.<sup>3</sup> This will require the RSE auditor to review and test the RSE licensee's systems, procedures and internal controls designed to enable the RSE licensee to report reliable information to APRA. This review and testing must be done on:
  - (a) an annual basis or more frequently if necessary to enable the RSE auditor to form an opinion on the reliability and accuracy of information; and
  - (b) at least a limited assurance engagement consistent with professional standards and guidance notes issued by the Auditing and Assurance Standards Board as may be amended from time to time, to the extent that they are not inconsistent with the requirements of SPS 310.
12. All information provided by an RSE licensee under this Reporting Standard must be subject to systems, processes and controls developed by the RSE licensee for the internal review and authorisation of that information. It is the responsibility of the Board and senior management of the RSE licensee to ensure that an appropriate set of policies and procedures for the authorisation of information submitted to APRA is in place.

### Authorisation

13. When an officer or agent of an RSE licensee provides the information required by this Reporting Standard using the 'Direct to APRA' software, it will be necessary for the officer or agent to digitally sign the relevant information using a digital certificate acceptable to APRA.
14. If the information required by this Reporting Standard is provided by an agent who submits using the 'Direct to APRA' software on the RSE licensee's behalf, the RSE licensee must:
  - (a) obtain from the agent a copy of the completed form with the information provided to APRA; and
  - (b) retain the completed copy.
15. An officer or agent of an RSE licensee who submits the information under this Reporting Standard for, on behalf of, the RSE licensee must be authorised by either:
  - (a) the Chief Executive Officer of the RSE licensee; or

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<sup>3</sup> Refer also to *Prudential Standard SPS 310 Audit and Related Matters* (SPS 310).

- (b) the Chief Financial Officer of the RSE licensee.

## Variations

16. APRA may, by written notice to an RSE licensee, vary the reporting requirements of SRF 533.0 in relation to that RSE licensee or one or more MySuper investment options within that RSE licensee's business operations.

## Interpretation

17. In this Reporting Standard:

**APRA** means the Australian Prudential Regulation Authority established under the *Australian Prudential Regulation Authority Act 1998*;

**Chief Executive Officer** means the chief executive officer of the RSE licensee, by whatever name called, and whether or not he or she is a member of the Board of the RSE licensee<sup>4</sup>;

**Chief Financial Officer** means the chief financial officer of the RSE licensee, by whatever name called;

**due date** means the relevant date under paragraph 9 or, if applicable, paragraph 10;

**MySuper investment option** means<sup>5</sup>:

- (a) for a MySuper product that does not fall within paragraph (b) – the investment option underlying that investment strategy; and
- (b) for a MySuper product with a lifecycle investment strategy under section 29TC(2) of the SIS Act – the investment option underlying each lifecycle strategy stage of that MySuper product as defined in SRS 001.0;

**MySuper product** means a MySuper product within the meaning given in section 10(1) of the SIS Act regardless of whether or not it has a lifecycle investment strategy (within the meaning given in section 29TC(2) of the SIS Act);

**reporting period** means a period mentioned in paragraph 7(a) or 7(b) or, if applicable, paragraph 8;

**RSE** means a registrable superannuation entity as defined in section 10(1) of the SIS Act that is not a small APRA fund or single member approved deposit fund<sup>6</sup>;

**RSE auditor** means an auditor appointed by the RSE licensee to perform functions under this Reporting Standard;

**RSE licensee** has the meaning given in section 10(1) of the SIS Act;

<sup>4</sup> Refer to *Prudential Standard SPS 510 Governance*.

<sup>5</sup> Refer to *Reporting Standard SRS 001.0 Profile and Structure (Baseline)* (SRS 001.0) for obligations to report information about MySuper investment options to APRA on 30 June each year.

<sup>6</sup> For the purposes of this Reporting Standard, 'small APRA fund' means a superannuation entity that is a regulated superannuation fund, within the meaning of the SIS Act, which has fewer than five members and 'single member approved deposit fund' means a superannuation entity that is an approved deposit fund, within the meaning of the SIS Act, and has only one member.

*SIS Act* means *Superannuation Industry (Supervision) Act 1993*; and  
*year of income* has the meaning given in section 10(1) of the SIS Act.

## SRF 533.0: Asset Allocation

<b>Australian Business Number</b>	<b>Institution Name</b>	
<b>Reporting Period</b>	<b>Scale Factor</b>	<b>Reporting Consolidation</b>

### 1. Strategic asset allocation

<b>Asset class type (1)</b>	<b>Asset domicile type (2)</b>	<b>Asset listing type (3)</b>
Cash	Australia domicile	Listed
Fixed Income	International domicile	Unlisted
Equity	Not applicable	Not applicable
Property		
Infrastructure		
Commodities		
Other		

<b>Benchmark asset allocation (4)</b>	<i>if applicable, lower end of asset allocation range</i> <b>(5)</b>	<i>if applicable, upper end of asset allocation range</i> <b>(6)</b>	<i>if applicable, currency hedging ratio</i> <b>(7)</b>

### 2. Directly held and indirectly held investments

<b>Asset class type (1)</b>	<b>Asset domicile type (2)</b>	<b>Asset listing type (3)</b>	<b>Fixed income type (4)</b>
Cash	Australia domicile	Listed	Government debt
Fixed Income	International domicile	Unlisted	Non Government debt
Equity	Not applicable	Not applicable	Mortgage debt
Property			Credit
Infrastructure			Not applicable
Commodities			
Other			

<b>Fixed income currency type (5)</b>	<b>Value (6)</b>	<i>if applicable, currency hedged</i> <b>(7)</b>
Australian dollars		
Other currency		
Not applicable		

2.1 Total investments

2.2 Total assets




### 3. Movements in directly held and indirectly held investments

<b>Asset class (1)</b>	<b>Asset domicile type (2)</b>	<b>Asset listing type (3)</b>	<b>Fixed income type (4)</b>	<b>Fixed income currency type (5)</b>
Cash	Australia domicile	Listed	Government debt	Australian dollars
Fixed Income	International domicile	Unlisted	Non Government debt	Other currency
Equity	Not applicable	Not applicable	Mortgage debt	Not applicable
Property			Credit	
Infrastructure			Not applicable	
Commodities				
Other				

<b>Net transactions (6)</b>	<b>Investment income (7)</b>	<b>Unrealised gains/ losses (8)</b>	<b>Realised gains/ losses (9)</b>	<b>Total gains/ losses (10)</b>	<i>of which: Foreign exchange gains/ losses (11)</i>

#### 3.1 Total investment flows

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# Reporting Form SRF 533.0

## Asset Allocation

### Instructions

These instructions assist completion of *Reporting Form SRF 533.0 Asset Allocation* (SRF 533.0). SRF 533.0 collects information on the strategic and actual asset allocation of each investment option. Information reported in SRF 533.0 is required for prudential and publication purposes.

### Reporting level

SRF 533.0 must be completed for each MySuper investment option.

### Reporting basis and unit of measurement

Report all items on SRF 533.0 in accordance with the Australian Accounting Standards unless otherwise specified.

Assets and liabilities denominated in currencies other than AUD are to be converted to AUD using the mid-point rate (of market buying and selling spot quotations) effective as at the end of the reporting period. An RSE licensee is free to use those AUD exchange rates that it judges to be a representative closing mid-market rate as at the end of the reporting period. However, to ensure consistency across related returns and to assist in the reconciliation between these returns, an RSE licensee is expected to use the same exchange rates across all returns to APRA.

Note: for the major currencies, an RSE licensee may use the exchange rates available in the Reserve Bank of Australia (RBA), which are available on the RBA website: <http://www.rba.gov.au/statistics/hist-exchange-rates/index.html>.

Items on SRF 533.0 must be reported as at the end of the reporting period or with respect to transactions that occurred during the reporting period. Report information with respect to transactions that occurred during the reporting period on a year to date basis, rather than for the individual quarter alone.

Items on SRF 533.0 are reported as thousands of dollars and percentages. Report percentages as a whole number to one decimal place, i.e. 10 per cent is to be reported as 10.0.

Certain items in SRF 533.0 are to be reported on an *APRA-look through basis*. Reporting on an *APRA-look through basis* means:

- (a) where the *ultimate investment* is held directly by the RSE licensee, reporting that investment;
- (b) where the *ultimate investment* is held by a *person connected with the RSE licensee*, reporting that investment; and

- (c) where the *ultimate investment* is not held by the RSE licensee or a *person connected with the RSE licensee*, reporting *the most proximate investment*, of a person connected with the RSE licensee, to the *ultimate investment*.<sup>1</sup>

These instructions specify the reporting basis, unit of measurement and *APRA-look through basis* that applies to each item.

## Specific instructions

Terms highlighted in *bold italics* indicate that the definition is provided in these instructions. Additional definitions are provided at the end of these instructions.

### Strategic asset allocation

Item 1 collects the strategic asset allocation for the MySuper investment option, including where the MySuper investment option is managed on a dynamic asset allocation basis, by asset class.

**Reporting basis:** report item 1 as at the end of the reporting period.

**Unit of measurement:** report column 4 to column 7 inclusive as a percentage.

**APRA-look through basis:** report item 1 on an *APRA-look through basis*, reporting the strategic asset allocation regardless of how investments are made.

<p><b>Item 1</b></p>	<p>Report, for each combination of asset class type, asset domicile type and asset listing type: the asset class type in column 1, the asset domicile type in column 2, the asset listing type of the investment in column 3, the <i>benchmark asset allocation</i> in column 4, the <i>lower end of the allowable asset allocation range</i> in column 5, the <i>upper end of asset allocation range</i> in column 6 and the <i>currency hedging ratio</i> in column 7. Where the investment option is managed on a dynamic asset allocation basis and a benchmark asset allocation has been adopted, report the allocation in column 4; otherwise, leave column 4 blank. Where the investment option does not have asset allocation ranges, and thus no lower or upper end, leave column 5 and column 6 blank. Where asset domicile type ‘international’ is reported in column 2, report the <i>currency hedging ratio</i> in column 7; otherwise, leave column 7 blank. If currency hedging is implemented at option level, the same percentage is to be reported for all the international asset classes within the option. Likewise, if currency hedging is implemented at asset class level, report the hedging ratio for that particular asset class.</p>
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<sup>1</sup> Subsection 13(4B) of the *Financial Sector (Collection of Data) Act 2001* means that a contract between the RSE licensee or a person connected with the RSE licensee such as a related body corporate or relevant custodian (the first party), and a person connected with the RSE licensee (the second party), under which assets or assets derived from assets of the registrable superannuation entity are invested, is taken to include (1) a term requiring the first party to notify the second party that the assets are or are derived from a registrable superannuation entity, and (2) a term requiring the second party, if so notified, to provide the information required by this reporting standard of which they are aware.

	<p>The asset class types are: <i>cash, fixed income, equity, property, infrastructure, commodities</i> and ‘other’.</p> <p>The asset domicile types are: <i>Australia domicile, international domicile</i> and ‘not applicable’. Where the asset domicile is not specified when setting the strategic asset allocation, report asset domicile type as ‘not applicable’.</p> <p>The asset listing types are: <i>listed, unlisted</i> and ‘not applicable’. Where the listing is not specified when setting the strategic asset allocation, report asset listing type as ‘not applicable’. Report asset listing type as ‘not applicable’ for asset class type <i>cash</i>.</p> <p>An investment is to be reported as asset class type ‘other’ for reasons including, but not limited to, (a) an RSE licensee does not have sufficient information about an investment to classify it into one or more asset classes; or (b) an investment is in a different category than the relevant combinations of: asset class type, asset domicile type and asset listing type.</p> <p>Exclude from asset class type ‘other’ investments in multi-asset class investment vehicles such as <i>pooled superannuation trust, cash management trust, listed retail trust, unlisted retail trust, unlisted wholesale trust, life company guaranteed, life company investment linked</i> and <i>life company other</i>. Investments in these investment vehicles must be allocated to each asset class, asset domicile and asset listing represented in the underlying investment.</p> <p><i>Examples of other investments include: hedge funds, mezzanine debt, convertible debt.</i></p> <p><i>Examples of listed equity investments include: common shares, preference shares. Exchange traded funds (ETFs) and listed trusts are to be allocated to the asset class of the underlying asset. Include equity ETFs, and listed equity trusts in listed equity. Exclude non-equity ETFs and listed trusts such as: fixed income ETFs, commodity ETFs, listed property trusts and listed infrastructure trusts.</i></p> <p><i>Examples of unlisted equity investments include: venture capital, private equity.</i></p> <p><i>Examples of commodities include: precious metals, agricultural natural resources, energy, livestock, commodity ETFs, exchange traded commodities (ETCs).</i></p>
<b>Benchmark asset allocation</b>	Represents the target proportion of assets which the RSE licensee has adopted as being appropriate in order to meet the investment objectives of the investment strategy. Reference: <i>Prudential Standard SPS 530 Investment Governance</i> .
<b>Lower end of asset allocation range</b>	Represents the minimum proportion of assets to be invested in an asset class to meet the investment objectives of the investment strategy. Reference: <i>Prudential Standard SPS 530 Investment Governance</i> .

<b><i>Upper end of asset allocation range</i></b>	Represents the maximum proportion of assets to be invested in an asset class to meet the investment objectives of the investment strategy. Reference: <i>Prudential Standard SPS 530 Investment Governance</i> .
<b><i>Currency hedging ratio</i></b>	Represents the target level of currency hedging (i.e. where derivative financial instruments are used to reduce the risk of adverse currency movements), which the RSE licensee has adopted as being appropriate to meet the investment objectives of the investment strategy.

### **Directly held and indirectly held investments**

Item 2 collects the directly held and indirectly held investments, total investments and total assets of the MySuper investment option.

**Reporting basis:** report item 2 as at the end of the reporting period.

**Unit of measurement:** report item 2 column 6, item 2.1 and item 2.2 in thousands of dollars; report item 2 column 7 as a percentage.

### **APRA-look through basis:**

For directly held investments: report item 2 on a non ***APRA-look through basis***.

For indirectly held investments: report item 2 on a look through basis.

When reporting on an ***APRA-look through basis***, information about the underlying investments in an investment vehicle must be reported. Investments in investment vehicles must be allocated to each combination of asset class type, asset domicile type and asset listing type represented in the underlying investments.

*For example, for international equities and Australian fixed income held in the same Australian trust, report the asset class as 'equities' and the asset domicile type as 'international' for the international equities, and report the asset class as 'fixed income' and the asset domicile type as 'Australia domicile' for the Australian fixed income investment.*

When reporting the relevant asset class of investments on an ***APRA-look through basis***, an RSE licensee must seek information about the actual holdings of the first non-connected entity and identify the asset class(es) of these holdings. For example, the cash position in an equity portfolio must be reported as cash.

As reporting on an ***APRA-look through basis*** is not required for hedge fund investments, the information reported need only cover the investments held by the RSE. Hedge fund investments must be reported in the asset class ***other***.

<b>Item 2</b>	When reporting item 2, report the value of investments in column 6 in relation to the value of investments underlying MySuper interests.  Report, for each combination of asset class type, asset domicile type, asset listing type, fixed income type and fixed income currency type: the asset class type in column 1, the asset domicile type in column 2, the asset
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	<p>listing type in column 3, the fixed income type in column 4, the fixed income currency type in column 5, the value of the investment in column 6 and the <b><i>currency hedged</i></b> in column 7. Where asset domicile type ‘international’ is reported in column 2, report the <b><i>currency hedged</i></b> in column 7; otherwise, leave column 7 blank.</p> <p>When reporting indirectly held investments, apportion the value of the market exposure of any derivative contracts within the indirectly held investment to the asset class type(s) to which the derivatives relate. The apportionment will enable the net asset value of the indirectly held investment to be reported in item 2, column 6.</p> <p>If derivative contracts are used within an indirectly held investment to hedge currency exposure, report the percentage of the indirectly held investment’s net asset exposure that is currency hedged (refer to item 2, column 7).</p> <p>The proportion of the investment which is <b><i>currency hedged</i></b> must be reported in item 2, column 7 at the same level that it is implemented. If an RSE licensee implements currency hedging at an investment option level, the same percentage must be reported for all the international asset classes within the option. Likewise, for RSE licensees that implement currency hedging at asset class level, reporting to APRA must reflect currency hedging for that particular asset class.</p> <p>The value of investments reported in item 2, column 6 must be calculated as the sum of the value of all <b><i>physical assets</i></b> together with the <b><i>effective exposure</i></b> of the derivative instruments (having applied an <b><i>APRA-look through basis</i></b>).</p> <p>Item 2.1 is a derived item. Report the sum of the values reported in item 2 column 6, in item 2.1.</p> <p>Report the total <b><i>assets</i></b> of the MySuper product in item 2.2. Includes: investments, securities purchased under agreements to resell and securities borrowed, derivative assets, current tax assets, deferred tax assets.</p> <p>The asset class types are: <b><i>cash, fixed income, equity, property, infrastructure, commodities</i></b> and ‘other’.</p> <p>The asset domicile types are: <b><i>Australia domicile, international domicile</i></b> and ‘not applicable’. Where the asset domicile is not known, report asset domicile type as ‘not applicable’. Asset domicile is the domicile of the assets identified when applying the APRA-look through requirements, not the domicile of the investment vehicle.</p> <p>The asset listing types are: <b><i>listed, unlisted</i></b> and ‘not applicable’. Report asset listing type as ‘not applicable’ for asset class type <b><i>cash</i></b>. Where the asset listing is not known, report asset listing type as ‘not applicable’.</p> <p>The fixed income types are: <b><i>Government debt, non Government debt, mortgage debt, credit</i></b> and ‘not applicable’. Fixed income types are only applicable to the asset class type <b><i>fixed income</i></b>. For asset class type <b><i>fixed income</i></b>, where the fixed income type is not known, report fixed income</p>
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	<p>type as ‘not applicable’.</p> <p>The fixed income currency types are: <i>Australian dollars, other currency</i> and ‘not applicable’. Fixed income currency types are only applicable to the asset class type <i>fixed income</i>. For asset class type <i>fixed income</i>, where the fixed income currency is not known, report fixed income currency as ‘not applicable’.</p>
<b><i>Currency hedged</i></b>	Represents where derivative financial instruments are used to reduce the risk of adverse currency movements.
<b><i>Effective exposure</i></b>	Represents the sum of the value of all <i>physical assets</i> together with the equivalent asset position of the derivative instruments. The equivalent asset position of a derivative is the dollar amount of the underlying <i>physical asset</i> that needs to be held to generate the same return as holding the derivative.
<b><i>Assets</i></b>	Represents a resource: (a) controlled by an entity as a result of past events; and (b) from which future economic benefits are expected to flow to the entity. Reference: Australian Accounting Standards.
<b><i>Physical assets</i></b>	Represents an item of economic, commercial or exchange value that has a tangible or material existence. Includes: precious metals, property, plant and equipment and oil.

### **Movements in directly held and indirectly held investments**

Item 3 collects the movements of the MySuper investment option by asset class.

**Reporting basis:** report item 3 with respect to transactions that occurred during the reporting period.

**Unit of measurement:** report item 3 in thousands of dollars.

**APRA-look through basis:**

For directly held investments: report item 3 on a non *APRA-look through basis*.

For indirectly held investments: report item 3 on an *APRA-look through basis*. Report column 6, column 8 to column 11 inclusive with respect to unit holdings in the investment vehicle, as reported by the investment vehicle; report column 7 with respect to income from the investment vehicle. Where movements of particular asset class type, asset domicile type and asset listing type represented in the underlying investments are known, report these movements in column 6 to column 11 inclusive. Where only the movements for the investment vehicle are known, allocate these movements to each combination of asset class type, asset domicile type, asset listing type, fixed income type and fixed income currency type represented in the underlying investments as reported in item 2.

<b>Item 3</b>	When reporting item 3, report the movements in investments in column 6 to column 11 inclusive in relation to the movements in investments underlying MySuper interests. The information reported in item 3 must
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represent the net movement of each asset class type.

The net movement of each asset class type is calculated as the sum of the movements in *physical assets* (having applied an *APRA-look through basis* for indirectly held investments) together with the movements in derivatives.

Report, for each combination of asset class type, asset domicile type, asset listing type fixed income type and fixed income currency type: the asset class type in column 1, the asset domicile type in column 2, the asset listing type in column 3, the fixed income type in column 4, the fixed income currency type in column 5, the *net transactions* of the investment in column 6, the *income* from the investment in column 7, the *unrealised gains/losses* of the investment in column 8, the *realised gains/losses* of the investment in column 9, the total gains/losses of the investment in column 10 and the portion of total gains/losses that are *foreign exchange gains/losses* in column 11.

Column 10 is a derived item. Report the total gains/losses of the investment in column 10 as the sum of *unrealised gains/losses* reported in column 8 and *realised gains/losses* reported in column 9.

Item 3.1 is a derived item. Report the total investment flows in item 3.1 as the totals of column 7 to column 11 inclusive reported in item 3.

The asset class types are: *cash*, *fixed income*, *equity*, *property*, *infrastructure*, *commodities* and 'other'.

The asset domicile types are: *Australia domicile*, *international domicile* and 'not applicable'. Where the asset domicile is not known, report asset domicile type as 'not applicable'. Asset domicile is the domicile of the assets identified when applying the APRA-look through requirements, not the domicile of the investment vehicle.

The asset listing types are: *listed*, *unlisted* and 'not applicable'. Report asset listing type as 'not applicable' for asset class type *cash*. Where the asset listing is not known, report asset listing type as 'not applicable'.

The fixed income types are: *Government debt*, *non Government debt*, *mortgage debt*, *credit* and 'not applicable'. Fixed income types are only applicable to the asset class type *fixed income*. For asset class type *fixed income*, where the fixed income type is not known, report fixed income type as 'not applicable'.

The fixed income currency types are: *Australian dollars*, *other currency* and 'not applicable'. Fixed income currency types are only applicable to the asset class type *fixed income*. For asset class type *fixed income*, where the fixed income currency is not known, report fixed income currency as 'not applicable'.

*Example: An investment option is an investment vehicle that is invested 50 per cent in Australian listed equity, 20 per cent in international unlisted equity and 30 per cent in Australian government debt and the RSE had \$10,000 in net transactions (i.e. a net purchase of units of \$10,000 value), received \$20,000 in investment income from the investment vehicle, \$30,000 in unrealised gains, \$40,000 in realised gains, and \$5,000 in*



	<i>foreign exchange gains. This would be reported as:</i>									
	(1)	(2)	(3)	(4)	(6)	(7)	(8)	(9)	(10)	(11)
	<i>Equity</i>	<i>Australia</i>	<i>Listed</i>	<i>N/A</i>	5	10	15	20	35	3
	<i>Equity</i>	<i>International</i>	<i>Unlisted</i>	<i>N/A</i>	2	4	6	8	14	1
	<i>Fixed income</i>	<i>Australia</i>	<i>N/A</i>	<i>Government debt</i>	3	6	9	12	21	2
<b><i>Net transactions</i></b>	Represents the net of all acquisition and disposal transactions, which involve the exchange of valuable consideration between counterparties.									
<b><i>Investment income</i></b>	Represents gross revenue in the form of income or distributions from investments. Includes: interest, dividends, rental income, trust distributions.									
<b><i>Unrealised gains/losses</i></b>	Represents changes in the value of investments as a result of remeasurement changes in the market value of investments. Includes: impairment charges and provisions.									
<b><i>Realised gains/losses</i></b>	Represents changes in the value of investments as a result of closing or disposal of investments.									
<b><i>Foreign exchange gains/losses</i></b>	Represents changes in the value of investments as a result of unrealised and realised changes in currency exchange rates which are used to translate or value investments.									

## Glossary of additional items

### Asset class type

<b><i>Cash</i></b>	Represents cash on hand and demand deposits, as well as cash equivalents. Cash equivalents represent short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Reference: Australian Accounting Standards.
<b><i>Fixed income</i></b>	Represents a loan, placement or debt security. Loans are financial assets that are created when a creditor lends funds directly to a debtor, and are evidenced by documents that are non-negotiable. Placements are liabilities of entities not described as authorised deposit-taking institutions, e.g. State treasuries. Debt securities are securities which represent borrowed funds which must be repaid by the issuer with defined terms including the notional amount (amount borrowed), an identifiable return and maturity/renewal date. Includes: short and long-term debt securities.

<b><i>Equity</i></b>	Represents an ownership interest in a business, trust or partnership. Includes: common shares, preference shares, listed investment companies and units. Excludes: units in property trusts, units in infrastructure trusts.
<b><i>Property</i></b>	Represents an investment in real estate where the earnings and capital value are dependent on cash flows generated by the property through sale or rental income.
<b><i>Infrastructure</i></b>	Represents the basic physical systems of a country, state or region including transportation, communication, utilities, and public institutions.
<b><i>Commodities</i></b>	Represents natural resources that are either grown or extracted from the ground and are often used as inputs in the production of other goods or services.

### Domicile type

<b><i>Australian domicile</i></b>	Represents investments issued in Australia.
<b><i>International domicile</i></b>	Represents investments issued outside Australia.

### Asset listing type

<b><i>Listed</i></b>	Represents financial instrument that is traded through an Australian or international stock exchange.
<b><i>Unlisted</i></b>	Represents financial instrument that is not traded through an Australian or international stock exchange.

### Fixed income type

<b><i>Government debt</i></b>	Represents a debt security issued by a federal, state, territory or local governments, or corporations owned or controlled by a federal, state, territory or local government.
<b><i>Non Government debt</i></b>	Represents a debt security issued by a corporation that is not owned or controlled by a federal, state, territory or local government.
<b><i>Mortgage debt</i></b>	Represents a debt security where specific mortgage assets are provided as collateral.
<b><i>Credit</i></b>	Represents a loan, a placement or a debt security where specific non-mortgage assets are provided as collateral.

**Fixed income currency type**

<b><i>Australian dollars</i></b>	Represents an investment denominated in Australian dollars.
<b><i>Other currency</i></b>	Represents an investment denominated in a currency other than Australian dollars.

**Manner of investment**

<b><i>Directly held</i></b>	Represents investments made by the RSE in its own name. Includes: investments held by a custodian in trust for the RSE.
<b><i>Indirectly held</i></b>	Represents an investment made via an investment vehicle.

**Investment vehicles**

<b><i>Cash management trust</i></b>	Represents a unit trust which is governed by a trust deed which generally confines its investments (as authorised by the trust deed) to financial securities available through the short-term money market. Cash management trusts issue units in the trust that are redeemable by the unit holder on demand.
<b><i>Life company guaranteed</i></b>	Represents the provision of benefits payable under an investment account contract, where an investment account contract is a contract within the meaning given in s. 14(2) of the <i>Life Insurance Act 1995</i> .
<b><i>Life company investment linked</i></b>	Represents the provision of benefits payable under an investment-linked contract, where an investment-linked contract is a contract within the meaning given in s. 14(4) of the <i>Life Insurance Act 1995</i> .
<b><i>Life company other</i></b>	Represents any investment in a life company that does not otherwise fall into the definition of 'life company guaranteed' or 'life company investment linked'.
<b><i>Listed retail trust</i></b>	Represents a collective investment vehicle with units on issue listed on an Australian or an international stock exchange which provides exposure to a diversified portfolio of investments and can be accessed by retail clients, at low entry levels, as defined in the <i>Corporations Act 2001</i> .
<b><i>Pooled superannuation trust</i></b>	Represents a type of collective investment trust where an investment manager invests the assets of superannuation funds, approved deposit funds and other pooled superannuation trusts. Excludes: unitised investments with life companies where the original or primary investment is an insurance or investment policy.

<b><i>Unlisted retail trust</i></b>	Represents a collective investment vehicle that is not listed on an Australian or international stock exchange, provides exposure to a diversified portfolio of investments and can be accessed by retail clients, at low entry levels, as defined in the <i>Corporations Act 2001</i> .
<b><i>Wholesale trust</i></b>	Represents a collective investment vehicle that provides exposure to a diversified portfolio of investments and can be accessed by wholesale clients only, at high entry levels, as defined in the <i>Corporations Act 2001</i> .

## Interpretation

For the purposes of these instructions:

- ***MySuper investment option*** means<sup>2</sup>:
  - (a) for a MySuper product that does not fall within paragraph (b) – the investment option underlying that investment strategy; and
  - (b) for a MySuper product with a lifecycle investment strategy under section 29TC(2) of the SIS Act – the investment option underlying each lifecycle strategy stage of that MySuper product as defined in SRS 001.0;
- ***the most proximate investment*** means the closest investment, in the relevant chain of investments, to the ultimate investment<sup>3</sup>;
- ***MySuper product*** means a MySuper product within the meaning given in section 10(1) of the SIS Act regardless of whether or not it has a lifecycle investment strategy (within the meaning given in section 29TC(2) of the SIS Act);
- ***person connected with an RSE licensee*** has the meaning in subsection 13(4C) of the *Financial Sector (Collection of Data) Act 2001*, namely:
  - (a) a related body corporate of the RSE licensee; or
  - (b) a custodian in relation to assets, or assets derived from assets, of the RSE licensee's RSEs, and in relation to the RSE licensee or a related body corporate of the RSE licensee; or
  - (c) a person who, under a contract or other arrangement with:

<sup>2</sup> Refer to *Reporting Standard SRS 001.0 Profile and Structure (Baseline)* (SRF 001.0) for obligations to report information about MySuper investment options to APRA on 30 June each year.

<sup>3</sup> For example, if an RSE licensee invests in a managed investment scheme, the responsible entity of which is unrelated to the RSE licensee, the responsible entity will still be 'a person connected with the RSE licensee', under paragraph (c) of the definition of that term. If the managed investment scheme in turn invests in a private equity vehicle, the trustee of which is not in any way related to the RSE licensee, the trustee of the private equity vehicle will not be a person connected with the RSE licensee. If the private equity vehicle has invested exclusively in shares, the shares will be the ultimate investment. The most proximate investment of a person connected with the RSE licensee will be the managed investment scheme's investment in the private equity vehicle. Accordingly, the managed investment scheme's investment in the private equity vehicle must be reported.

- (i) the RSE licensee; or
- (ii) a related body corporate of the RSE licensee; or
- (iii) a custodian in relation to assets, or assets derived from assets, of the RSE licensee's RSEs, and in relation to the RSE licensee or a related body corporate of the RSE licensee;

invests assets, or assets derived from assets, of the RSE licensee's RSEs;

- **RSE** means a registrable superannuation entity as defined in section 10(1) of the SIS Act that is not a small APRA fund or single member approved deposit fund<sup>4</sup>;
- **RSE licensee** has the meaning given in section 10(1) of the SIS Act;
- **SIS Act** means *Superannuation Industry (Supervision) Act 1993*; and
- **ultimate investment** means an investment of assets, or assets derived from assets, of an RSE of an RSE licensee excluding an investment in an interposed entity.

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<sup>4</sup> For the purposes of these instructions, 'small APRA fund' means a superannuation entity that is a regulated superannuation fund, within the meaning of the SIS Act, which has fewer than five members and 'single member approved deposit fund' means a superannuation entity that is an approved deposit fund, within the meaning of the SIS Act, and has only one member.