CHRISTIAN SUPER

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

CHRISTIAN SUPER
TABLE OF CONTENTS

CHRISTIAN SUPER
Statement of Financial Position
As at 30 June 2020

	Note	2020 $	2019 $
Assets			
Cash and cash equivalents	14	7,427,401	3,623,249
Receivables	5	460,096	299,940
Investments			
Cash and short term deposits		129,015,383	16,975,793
Other interest bearing securities	4	300,871,687	410,695,958
Australian equities	4	360,906,626	350,600,856
International equities	4	348,773,552	292,498,489
Units in unit trusts	4	509,316,855	551,145,299
Derivative assets	4	24,982,859	5,685,812
Property, plant, equipment and leases	6	1,128,259	440,525
Rental bond deposit		300,399	300,399
Deferred tax assets	11	301,222	322,560
Total assets		1,683,484,340	1,632,588,880
Liabilities			
Payables	7	(5,650,013)	(2,200,606)
Income tax payable		(63,170)	260,625
Derivative liabilities	4	(5,562,916)	(10,876,872)
Deferred tax liabilities	11	(15,901,566)	(16,849,716)
Total liabilities excluding member benefits		(27,177,665)	(29,666,569)
Net assets available for member benefits		1,656,306,675	1,602,922,311
Member benefits			
Allocated to members		(1,643,519,631)	(1,584,845,308)
Unallocated to members		(219,341)	(618,411)
Total member liabilities	3	(1,643,738,972)	(1,585,463,719)
Net assets		**12,567,703**	**17,458,592**
Equity			
Administration reserve	10	3,700,301	4,608,439
Investment and taxation reserve	10	2,534,081	8,185,334
Operational risk reserve	10	4,007,186	3,689,246
Insurance reserve	10	2,326,135	975,573
Total equity		**12,567,703**	**17,458,592**

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

CHRISTIAN SUPER
Income Statement
For the year ended 30 June 2020

	Note	2020 $	2019 $
Superannuation activities			
Interest		7,868,976	15,075,273
Dividend revenue		36,037,367	31,868,999
Distributions from unit trusts		4,102,335	9,690,217
Changes in assets measured at fair value	8	(47,607,184)	47,272,143
Other investment income		1,797,936	543,854
Insurance rebates		2,048,148	2,226,472
Other income		(1,333)	45,271
Total superannuation activities income		**4,246,245**	**106,722,229**
Investment expenses		(6,747,686)	(6,708,227)
Administration expenses		(2,378,557)	(2,263,512)
Operating expenses	12	(7,689,553)	(7,182,781)
Total expenses		**(16,815,796)**	**(16,154,520)**
Net result from superannuation activities		**(12,569,551)**	**90,567,709**
Profit/(loss) from operating activities		**(12,569,551)**	**90,567,709**
Less: Net benefits allocated to members' accounts		3,481,543	(88,731,276)
Profit/(loss) before income tax		**(9,088,008)**	**1,836,433**
Income tax benefit/(expense)	11	4,197,119	(2,915,437)
Loss after income tax		**(4,890,889)**	**(1,079,004)**

The above income statement should be read in conjunction with the accompanying notes.

CHRISTIAN SUPER
Statement of Changes in Member Benefits
For the year ended 30 June 2020

	Note	2020 $	2019 $
Opening balance of member benefits		1,585,463,719	1,425,847,427
Employer contributions		106,149,742	100,272,970
Member contributions		24,353,618	22,935,170
Transfers from other superannuation plans		69,590,356	70,866,549
Government co-contributions		313,488	318,179
Income tax on contributions		(15,581,104)	(13,486,230)
Net after tax contributions		**184,826,100**	**180,906,638**
Benefits to members/beneficiaries		(119,284,474)	(106,997,723)
Insurance premiums charged to members' accounts		(7,288,380)	(8,710,750)
Death and disability insurance benefits credited to members' accounts		3,503,550	5,686,850
Benefits allocated to members' accounts, comprising:			
Net investment income		2,508,262	94,347,746
Administration fees		(5,989,805)	(5,616,469)
Closing balance of member benefits	3	**1,643,738,972**	**1,585,463,719**

The above statement of changes in member benefits should be read in conjunction with the accompanying notes.

CHRISTIAN SUPER
Statement of Changes in Reserves
For the year ended 30 June 2020

	Administration reserve $	Investment and taxation reserve $	Operational risk reserve $	Insurance reserve $
Opening balance as at 1 July 2019	4,608,439	8,185,334	3,689,246	975,573
Net transfers to/(from) reserves	-	-	-	-
Profit/(loss) after income tax	(908,138)	(5,651,253)	317,940	1,350,562
Closing balance as at 30 June 2020	**3,700,301**	**2,534,081**	**4,007,186**	**2,326,135**

	Total equity $
Opening balance as at 1 July 2019	17,458,592
Net transfers to/(from) reserves	-
Profit/(loss) after income tax	(4,890,889)
Closing balance as at 30 June 2020	**12,567,703**

	Administration reserve $	Investment and taxation reserve $	Operational risk reserve $	Insurance reserve $
Opening balance as at 1 July 2018	4,363,494	10,668,041	3,506,061	
Net transfers to/(from) reserves	-			-
Profit/(loss) after income tax	244,945	(2,482,707)	183,185	975,573
Closing balance as at 30 June 2019	**4,608,439**	**8,185,334**	**3,689,246**	**975,573**

	Total equity $
Opening balance as at 1 July 2018	18,537,596
Net transfers to/(from) reserves	-
Profit/(loss) after income tax	(1,079,004)
Closing balance as at 30 June 2019	**17,458,592**

The above statement of changes in reserves should be read in conjunction with the accompanying notes.

CHRISTIAN SUPER
Statement of Cash Flows
For the year ended 30 June 2020

	Note	2020 $	2019 $
Cash flows from operating activities			
Interest received		1,714,678	55,955
Insurance proceeds		5,646,633	7,957,881
General administration expenses		(9,871,132)	(10,055,093)
Other income/ (expenses)		(10,793)	18,998
Insurance premiums		(7,525,046)	(9,016,293)
Income tax paid		3,594,101	164,626
Net cash outflows from operating activities	14	(6,451,559)	(10,873,926)
Cash flows from investing activities			
Purchase of investments		(103,378,616)	(119,299,882)
Proceeds from sale of investments		48,091,936	57,081,358
Sale/ (Purchase) of fixed assets		765	(405,791)
(Repayment)/loan to other entities		-	251,000
Net cash outflows from investing activities		(55,285,915)	(62,373,315)
Cash flows from financing activities			
Employer contributions		106,149,742	100,272,970
Member contributions		24,353,618	22,935,170
Transfers from other superannuation plans		69,590,356	70,866,549
Government co-contributions		313,488	318,179
Benefits paid to members/beneficiaries		(119,284,474)	(106,997,723)
Income tax paid on contributions		(15,581,104)	(13,486,230)
Net cash inflows from financing activities		65,541,626	73,908,915
Net increase/(decrease) in cash		3,804,152	661,674
Cash at the beginning of the financial period		3,623,249	2,961,575
Cash at the end of the financial period	14	**7,427,401**	**3,623,249**

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

1. Operation of the Fund

Christian Super (the "Fund") operates for the benefit of employees of schools affiliated with Christian Schools Australia Limited and Christian Education National Limited, of churches and other ministries affiliated with the Baptist Union of Australia, the Churches of Christ NSW and Assemblies of God in Australia, and of other Christian ministry organisations. Subsequent to obtaining public offer status on 1 April 2006, the Fund accepts contributions from a range of employers.

The Trustee (Christian Super Pty Limited) elected for the Fund to become a regulated Fund in accordance with the Superannuation Industry (Supervision) Act 1993 legislation with effect from 1 July 1994, and intends at all times to operate the Fund in accordance with the requirements of the legislation. In accordance with amendments to the Superannuation Industry (Supervision) Act 1993 the Fund was registered with the Australian Prudential Regulation Authority on 14 February 2006 (registration no R1004137).

Administration of the Fund is conducted by Australian Administration Services.

The Fund is incorporated and domiciled in Australia and the principal place of business of the Fund is:
1A, Rhodes Corporate Park
Homebush Bay Drive
Rhodes, NSW 2138

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements are a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board, the Superannuation Industry (Supervision) Act 1993 and regulations and the provisions of the Trust Deed.

The financial statements are presented in Australian dollars.

The Fund presents its statement of financial position in order of liquidity.

The Fund is a not-for-profit entity for the purpose of preparing financial statements.

The financial statements were approved by the Board of Directors of the Trustee, Christian Super Pty Limited on 25 September 2020.

2.2 New accounting standards and interpretations

Accounting standards and interpretations effective for the current financial year
The Fund applied for the first time certain standards and amendments which are effective for annual periods beginning on or after 1 July 2019. The adoption of these standards and amendments has not had any significant financial impact on the financial statements.

AASB Interpretation 23 - Uncertainty over Income Tax Treatments (applicable from 1 July 2019)

The Interpretation clarifies the application of the recognition and measurement criteria in AASB 112 Income Taxes when there is uncertainty over income tax treatments.

The Interpretation specifically addresses the following:
- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about
    - How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
    - How an entity considers changes in facts and circumstances.

The Fund takes a low risk conservative approach in all tax matters by considering significant transactions and issues and seeking professional advice to support its tax positions. As a result the Fund does not have particular uncertain tax positions. Therefore the adoption of this standard did not have a material impact to the financial statements.

AASB 16 Leases
AASB 16 Leases became effective for annual periods beginning on or after 1 January 2019. The new standard removes the current distinction between operating and financial leases and requires recognition of a right-of-use asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An exemption exists for short-term and low-value leases.

The adoption of this standard resulted in an increase of property, plant and equipment of $1,066,624 and the recognition of lease liabilities of $1,066,624 in the Statement of Financial Position as at 1 July 2019. It also resulted in an interest expense on the lease liability of $4,113 and depreciation charge for the right-of-use asset for the year of $275,303 in the Income Statement.

During the first-time application of AASB 16, the right to use the leased assets were measured at the amounts of the lease liabilities, using the discount rate at the time of the first-time application. The average discount rate as of 1 July 2019 was 3.25%. The comparative financial information for the financial year 2019 was not adjusted in the financial year 2020 in accordance with AASB 16.

Further information in relation to leases is provided in Note 2(n).

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2019 that had a material impact on the Fund.

2. Summary of significant accounting policies (continued)

Accounting standards and interpretations issued but not yet effective
Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Fund for the annual reporting period ended 30 June 2020.

Accounting Standard and Nature	Application Date of Standard	Application Date of Fund
AASB 2019-5 Amendments to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia This Standard amends AASB 1054 by adding a disclosure requirement for an entity intending to comply with IFRS Standards to disclose the information specified in paragraphs 30 and 31 of AASB 108 on the potential effect of an IFRS Standard that has not yet been issued by the AASB so that such entity complying with Australian Accounting Standards can assert compliance with IFRS Standards. The impact of the adoption of AASB 2019-5 is not material to the Fund.	1 Jan 2020	1 Jul 2020
AASB 2018-7 Amendments to AASs – Definition of Material The amendments align the definition of 'material' across AASB 101 Presentation of Financial Statements and AAS 108 Accounting Policies, Changes in Accounting Estimates and Errors, and clarify certain aspects of the definition. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. The impact of the adoption of AASB 2018-7 is not material to the Fund.	1 Jan 2020	1 Jul 2020
AASB 2020-4 Amendments to AASs – Covid-19-Related Rent Concessions This Standard amends AASB 16, allowing lessees to not account for COVID-19 rent concessions as lease modifications, provided certain conditions are met. The impact of the adoption of AASB 2020-4 is not material to the Fund.	1 Jun 2020	1 Jul 2020
AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-current This Standard amends AASB 101 to clarify the requirements for classifying liabilities as current or non-current. Specifically: - the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists; and - management's intention or expectation does not affect classification of liabilities. The impact of the adoption of AASB 2020-1 is not material to the Fund.	1 Jan 2022	1 Jul 2022

2.3 Significant accounting policies

The significant accounting policies have been consistently applied in the current financial year and the comparative period, unless otherwise stated. Where necessary, comparative information has been re-presented to be consistent with current period disclosures.

(a) Consolidation

The Fund is an investment entity and, as such, does not consolidate the entities it controls. Instead, interests in subsidiaries are classified as fair value through profit or loss and measured at fair value.

For further details refer to Note 2(l).

(b) Financial assets and liabilities

(i) Classification
The Fund classifies its financial assets and financial liabilities into the categories discussed below in accordance with AASB 9.
In applying that classification, a financial asset or financial liability is considered to be held for trading if:
- It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

2. Summary of significant accounting policies (continued)

(b) Financial assets and liabilities (continued)

Financial assets
Financial assets measured at Fair Value through Profit and Loss (FVPL).
A financial asset is measured at FVPL if:
- Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or
- It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Fund includes in this category:
- Financial instruments held for trading: this includes all instruments which are acquired principally for the purpose of generating a profit from short-term fluctuations in price. This category also includes derivative contracts in an asset position.
- Receivables: this includes short-term receivables.

Financial liabilities
Financial liabilities measured at FVPL.
A financial liability is measured at FVPL if it meets the definition of held for trading.
The Fund includes in this category derivative contracts in a liability position.

(ii) Recognition

The Fund recognises a financial asset or financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the timeframe generally established by regulation or convention in the marketplace regular way trades are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

(iii) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; or
- The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows full without material delay to a third party under a 'pass-through' arrangement; and
- Either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

(iv) Initial measurement

Financial assets and financial liabilities at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in the income statement.

Receivables and financial liabilities (other than those classified at fair value through profit or loss) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

For financial assets and liabilities where the fair value at initial recognition does not equal the transaction price, the Fund recognises the difference in the income statement, unless specified otherwise.

(v) Subsequent measurement

After initial measurement, the Fund measures financial instruments at fair value through profit or loss. Subsequent changes in the fair value of those instruments are recorded as 'changes in assets measured at fair value' through the income statement. Interest and dividends earned are recorded separately in ‘Interest revenue’ and ‘dividend revenue’ in the income statement.

(c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

2. Summary of significant accounting policies (continued)

(c) Fair value measurement (continued)

The principal or the most advantageous market must be accessible by the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

(d) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash at bank which represents the operational bank account held by the Fund.

(e) Receivables and payables

Receivables and payables are carried at nominal amounts due and payable which approximate fair value. Receivables and payables are normally settled on 30 day terms. Payables represent liabilities for goods and services provided to the Fund prior to the end of the financial year that are unpaid at year-end.

(f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognised:

Changes in assets measured at fair value
Changes in the fair value of financial instruments are calculated as the difference between the fair value at sale, or at balance date, and the fair value at the previous valuation point. All changes are recognised in the income statement.

Interest
Interest revenue on cash and other financial assets carried at fair value is recorded according to the terms of the contract and is recognised in the income statement.

Dividends and distributions
Dividend and distribution revenue is recognised when the Fund's right to receive payment is established. Revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately as a tax expense in the income statement.

(g) Income tax

The Fund is a complying superannuation fund for the purposes of the provisions of the Income Tax Assessment Act 1997. Accordingly, the concessional tax rate of 15% has been applied to the Fund's taxable income.

Income tax in the income statement for the year comprises current and deferred tax.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

2. Summary of significant accounting policies (continued)

(g) Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except:

- Where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(h) Goods and services tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable; or
- When receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing activities, which is recoverable from, or payable to the taxation authority are classified as operating cash flows.

(i) Foreign currency

The functional and presentation currency of the Fund is Australian Dollars, which is the currency of the primary economic environment in which it operates. The Fund’s performance is evaluated and its liquidity managed in Australian Dollars. Therefore, the Australian Dollar is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Transactions in foreign currencies are initially recorded at the functional currency spot rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in a previous financial report, are recognised in the income statement in the period in which they arise.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(j) Member liabilities

Member liabilities are measured at the amount of accrued benefits. Defined contribution member liabilities are measured as the amount of member account balances as at the reporting date.

2. Summary of significant accounting policies (continued)

(k) Reserves

The Trustee maintains an operational risk reserve, insurance reserve, administration reserve and investment and taxation reserve to provide the Trustee with access to funds to protect members' interests and mitigate the impact of an adverse event. All reserves are operated in accordance with the Fund's Reserve Policy and are held at a Fund level.

(l) Significant accounting judgements and estimates and assumptions

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future.

The Trustee has considered the impact of COVID-19 and other market volatility in preparing its financial statements. While the specific areas of judgement are noted below, the impact of COVID-19 resulted in the application of further judgement within those identified areas. Given the dynamic and evolving nature of COVID-19 as well as limited recent experience of the economic and financial impacts of such a pandemic, changes to the estimates and outcomes that have been applied in the measurement of the Fund's assets and liabilities may rise in the future.

Fair value of Investments

When the fair values of the investments recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs in these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required to establish fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of these investments.

COVID-19 valuation uncertainty

Whilst all valuations contain some element of uncertainty, the impact of COVID-19 on the markets in which the Fund holds unlisted equity, property and infrastructure investments is not fully known due to limited transactional evidence since the outbreak of the pandemic.

As at 30 June 2020, the Fund has measured the fair value of its unlisted investments at their net asset value (NAV). This followed an extensive due diligence process to ensure NAVs reported by fund managers were a reasonable and appropriate reflection of the anticipated impact of COVID-19 on the investees' underlying assets, given updates to NAVs were applied by fund managers outside their most recent audit period.

For property and infrastructure assets held within trusts by the Fund, significant valuation uncertainty clauses have been incorporated into external valuation reports adopted for the NAV of these trusts as at 30 June 2020. This is consistent with global industry practice. This uncertainty does not mean the valuations adopted cannot be relied upon; however the clauses indicate the higher degree of valuer judgment in determining significant valuation assumptions.

As a result, the Fund has exercised a significantly higher degree of judgment in measuring the fair value of its unlisted investments as at 30 June 2020.

Assessment as investment entity

Entities that meet the definition of an investment entity within AASB 10 are required to measure their subsidiaries at fair value through profit or loss rather than consolidate them. The criteria which define an investment entity are, as follows:
- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Fund's product disclosure statement details its objective of providing services to members which includes investing in accordance with Biblical principles to ensure that member funds are managed responsibly while growing for their future needs.

The Fund reports to its members via an annual report, and to its management, via internal management reports, on a fair value basis. All investments are reported at fair value to the extent allowed by AASB 1056 in the Fund's annual report. The Fund has a clearly documented exit strategy for all of its investments.

The Trustee has also concluded that the Fund meets the additional characteristics of an investment entity, in that it has more than one investment; the investments are predominantly in the form of equities and similar securities; it has more than one investor and its investors are not related parties.

The Trustee has therefore concluded that the Fund meets the definition of an investment entity. These conclusions will be reassessed on an annual basis, if any of these criteria or characteristics change.

Refer to Note 19 for a list of the Fund's subsidiary.

2. Summary of significant accounting policies (continued)

(m) Property, plant and equipment
Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

(n) Leases

Leases are recognised, measured and presented in line with AASB 16 Leases.

Valuation of right-of-use assets and lease liabilities
The application of AASB 16 requires the Fund to make judgements that affect the valuation of right-of-use assets (refer Note 6) and the valuation of lease liabilities (refer Note 7). These include determining contracts within the scope of AASB 16, determining the contract terms and determining the interest rate used for discounting of future cash flows.

The lease terms determined by the Fund comprises non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Fund is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Fund is reasonably certain not to exercise that option. The lease terms are applied to determine the depreciation rate of right-of-use assets.

For leases with terms not exceeding twelve months and for leases of low-value assets (less than $5,000), the Fund has exercised the optional exemptions. The lease payments under these contracts are recognised on a straight-line basis over the lease term as other operating expenses.

In all other leases in which the Fund acts as the lessee, the present value of future lease payments is recognised as a financial liability.

Correspondingly, the right-of-use asset is recognised within property, plant and equipment at the present value of the lease liability.

The present value of the lease liability is determined using the discount rate representing the weighted average incremental borrowing rate. The weighted average incremental borrowing rate for the leased liabilities recognised as of 1 July 2019 was 3.25% p.a.

The right-of-use asset is depreciated on a straight-line basis over the lease term or, if shorter the useful life of the leased asset.

3. Member liabilities

Member account balances are determined by unit prices that are determined based on the underlying investment movements.

Members bear the investment risk relating to the underlying assets and unit prices used to measure the member liabilities.
Unit prices are updated weekly.

At 30 June 2020 $219,341 (2019: $618,411) has not been allocated to members at reporting date. The amount not yet allocated to members' accounts consists of contributions received by the Fund that have not been able to be allocated to members at reporting date less contribution tax on these unallocated contributions.

Refer to Note 17 for the Fund's management of the investment risks.

Members liabilities vest 100% to members.	**2020** **$**	**2019** **$**
Members liability at end of the financial year	1,643,738,972	1,585,463,719
As compared to net assets available for member benefits	1,656,306,675	1,602,922,311

4. Fair value of financial instruments

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

AASB 13 requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability. The following table shows financial instruments recognised at fair value, categorised between those whose fair value is based on:
- Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

4. Fair value of financial instruments (continued)

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

	30 June 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
	$	$	$	$
Other interest bearing securities				
Asset-backed securities	-	2,668,117	-	2,668,117
Government bonds	3,011,250	19,793,827	-	22,805,077
Mortgage backed securities	145,293	55,182,194	-	55,327,487
Debt securities	70,291,504	116,986,021	-	187,277,525
Term loans	-	32,793,481	-	32,793,481
	73,448,047	227,423,640	-	300,871,687
Australian equities				
Listed	355,057,841	2,778,785	-	357,836,626
Unlisted	-	-	3,070,000	3,070,000
	355,057,841	2,778,785	3,070,000	360,906,626
International equities				
Listed	348,669,455	104,097	-	348,773,552
Unlisted	-	-	-	-
	348,669,455	104,097	-	348,773,552
Units in unit trusts				
Property trusts	43,987,744	-	-	43,987,744
Limited partnerships	-	24,667,042	100,174,605	124,841,647
Domestic trusts	64,932,091	160,576,339	7,080,925	232,589,355
International trusts	43,140,231	54,453,432	10,304,446	107,898,109
	152,060,066	239,696,813	117,559,976	509,316,855
Derivative assets				
Futures	185,229	-	-	185,229
Forward foreign exchange contracts	-	23,016,710	-	23,016,710
Options	15,904	29,502	-	45,406
Swaps	-	1,731,182	-	1,731,182
Warrant	-	4,332	-	4,332
	201,133	24,781,726	-	24,982,859
Derivative liabilities				
Futures	(51,568)	-	-	(51,568)
Forward foreign exchange contracts	-	(2,235,820)	-	(2,235,820)
Options	-	(96,878)	-	(96,878)
Swaps	-	(508,913)	-	(508,913)
Repurchase Agreement	-	(2,669,737)	-	(2,669,737)
	(51,568)	(5,511,348)	-	(5,562,916)
Total	929,384,975	489,273,713	120,629,976	1,539,288,663

4. Fair value of financial instruments (continued)

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

	30 June 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
	$	$	$	$
Other interest bearing securities				
Asset-backed securities	-	2,696,263	-	2,696,263
Government bonds	2,018,650	27,706,985	-	29,725,635
Mortgage backed securities	-	66,696,853	-	66,696,853
Debt securities	97,455,777	153,975,218	-	251,430,995
Term loans	-	60,146,212	-	60,146,212
	99,474,427	311,221,531	-	410,695,958
Australian equities				
Listed	348,797,209	233,647	-	349,030,856
Unlisted	-	-	1,570,000	1,570,000
	348,797,209	233,647	1,570,000	350,600,856
International equities				
Listed	292,426,467	72,023	-	292,498,489
Unlisted	-	-	-	-
	292,426,467	72,023	-	292,498,489
Units in unit trusts				
Property trusts	39,676,059	-	-	39,676,059
Limited partnerships	-	20,271,650	57,201,969	77,473,619
Domestic trusts	66,821,827	257,538,649	4,139,713	328,500,190
International trusts	42,363,386	57,874,338	5,257,706	105,495,430
	148,861,272	335,684,637	66,599,388	551,145,299
Derivative assets				
Futures	585,512	-	-	585,512
Forward foreign exchange contracts	-	3,859,602	-	3,859,602
Options	-	2,894	-	2,894
Swaps	-	1,225,156	-	1,225,156
Repurchase Agreement	-	12,648	-	12,648
	585,512	5,100,300	-	5,685,812
Derivative liabilities				
Futures	(450,239)	-	-	(450,239)
Options	-	(3,819,858)	-	(3,819,858)
Forward foreign exchange contracts	(10,509)	(11,860)	-	(22,369)
Swaps	-	(1,383,034)	-	(1,383,034)
Repurchase Agreement		(5,201,373)		(5,201,373)
	(460,747)	(10,416,125)	-	(10,876,872)
Total	889,684,139	641,896,013	68,169,388	1,599,749,542

4. Fair value of financial instruments (continued)

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

Valuation technique

Other interest bearing securities
The Fund invests in debt securities, term loans, corporate and government bonds. These investments have been classified as Level 1 and 2 as the significant inputs are observable such as closing prices on the last day of business of the reporting period which reflect recently transacted transactions. Other interest bearing securities are valued at the market closing price on the last day of business of the reporting period and include accrued interest.

The fair values of investments in asset-backed securities and mortgage backed securities have been classified as Level 1 and 2 as they have observable inputs regarding current rates of interest.

Listed equities
When fair values of publicly traded equity securities are based on quoted market prices, or binding dealer price quotations, in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy. The Fund values these investments at bid price for long positions and ask price for short positions.

Units in unit trusts
The Fund classifies unit trusts as Level 1 depending on whether there is a price quoted in an active market. The Fund classifies other unit trusts which are not quoted in an active market and which may be subject to restrictions on redemptions such as lock up periods, redemption gates and side pockets as either Level 2 or Level 3. The Fund considers the valuation techniques and inputs used in valuing these trusts as part of its due diligence prior to investing, to ensure they are reasonable and appropriate and therefore the net asset value ("NAV") of these trusts may be used as an input into measuring their fair value. The valuation of these trusts between Level 2 or Level 3 depends upon whether the inputs are observable or not.

Derivative assets and liabilities
The Fund uses widely recognised valuation models for determining fair values of interest rate swaps, credit default swaps, futures, options, forward foreign exchange contracts and repurchase agreements. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. Futures are classified as Level 1, while options are classified as both Level 1 and 2. For swaps, forward foreign exchange contracts and repurchase agreements, the significant inputs into models are market observable and these financial instruments are classified as Level 2.

Valuation process for Level 3 valuations

Valuations are the responsibility of the Trustee.

The investment committee, which is a sub-committee of the Trustee Board and reports directly to the Trustee, is responsible for the management of the Fund's financial instruments. The Trustee has an internal investment team and also uses asset consultants to advise on investment issues, including asset allocation, portfolio construction and manager selection and implementation.

The Fund's overall market positions are monitored via the investment custodian and the Investment Compliance and Operational Risk report. This quarterly report uses the best available information from the custodian and the investment managers at the point in time and will use observable methods (i.e. fair value) where available.

Given recent market volatility, the Trustee reviewed the appropriateness of the inputs to its valuations as well as performing out of cycle valuations. The impact of changes in valuation inputs has also been considered in terms of the classification of exposures in the fair value hierarchy, transfers within the fair value hierarchy and the level 3 sensitivity analysis. The determination of the investments' carrying value included a consideration of the impact of COVID-19.

For financial instruments classified in Level 3 in the fair value hierarchy some of the inputs to the valuation models are unobservable and therefore subjective in nature. The use of reasonably possible alternative assumptions could produce a different fair value measurement. The use of reasonably possible alternative assumptions could produce a different fair value measurement.

Quantitative information of significant unobservable inputs - Level 3:

Description	Level 3 $	Valuation technique	Significant unobservable inputs
Unlisted domestic equities	2020: $3,070,000 2019: $1,570,000	Held at cost	At cost
Units in unit trusts	2020: $117,559,975 2019: $66,599,388	Discounted cashflow valuation Net assets value based on value of underlying property or investments	Revenue multiple Market (EBITDA) Book value Terminal value Discount rate

4. Fair value of financial instruments (continued)

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

Sensitivity analysis to significant changes in unobservable inputs within Level 3 hierarchy:

Description	Input	Sensitivity used	Effect on fair value $
Unlisted domestic equities	At cost	+ / - 5%	2020: 153,500 / (153,500) 2019: 78,500 / (78,500)
Units in unit trusts	Revenue multiple	+/- 5%	2020: 771,150 / (771,150) 2019: 183,519 / (183,519)
	Market (EBITDA)	+/- 5%	2020: 4,752,802 / (4,752,802) 2019: 2,939,465 / (2,939,465)
	Book value	+/- 5%	2020: NA 2019: NA
	Terminal value	+/- 5%	2020: NA 2019: NA
	Discount rate	+/- 5%	2020: 354,046 / (354,046) 2019: 206,986 / (206,986)

If the impact of using those alternative assumptions would cause the fair value of Level 3 assets to be higher or lower by 5% of the net assets of the Fund then the result for the year would have been higher or lower by $153,500 (2019: $78,500) for unlisted equities and by $5,877,999 (2019: $3,329,969) for units in unit trusts.

(b) Level 3 reconciliation
The following table shows a reconciliation of the movement in the fair value of financial instruments categorised within Level 3 between the beginning and the end of the reporting period.

30 June 2020	**Unlisted equities $**	**Units in unit trusts $**	**TOTAL $**
Opening balance	1,570,000	66,599,388	68,169,388
Total realised/unrealised gains and losses through income statement	-	(3,976,774)	(3,976,774)
Purchases/Applications	1,500,000	54,937,362	56,437,362
Closing Balance	3,070,000	117,559,976	120,629,976

30 June 2019	**Unlisted equities $**	**Units in unit trusts $**	**TOTAL $**
Opening balance	424,569	47,825,915	48,250,484
Total realised/unrealised gains and losses through income statement	82,538	5,605,092	5,687,630
Purchases/Applications	1,062,893	13,168,381	14,231,275
Closing Balance	1,570,000	66,599,388	68,169,388

Gains or losses included in the income statement are presented in change in assets measured at fair value as follows:

(c) Transfers between hierarchy levels
During the year the following unlisted unit trusts changed classifications:
- Partner GP Life change from level 2 to level 3
- Westpac Banking Corporate Subordinated change from level 2 to level 1
- Ausgrid Finance Pty Ltd SR Secured change from level 2 to level 1
- Network Finance Co Pty SR Secured change from level 2 to level 1
- Bendigo and Adelaide bank SR Unsecured change from level 1 to level 2
- Bank of Queensland Ltd Company Guarantee change from level 1 to level 2
- Westpac Banking Corporation SR Unsecured change from level 1 to level 2
- National Australia Bank SR Unsecured change from level 1 to level 2
- Commonwealth Bank Australia SR Unsecured change from level 1 to level 2

5. Receivables

	2020 $	2019 $
GST receivable	159,884	191,382
Prepayments	278,279	103,473
Sundry receivables	21,933	5,085
	460,096	299,940

The receivables are short-term in nature and their carrying value is assumed to approximate their fair value.

The maximum exposure to credit risk is the fair value of receivables. Information regarding credit risk exposure is set out in Note 17.

6. Property, plant and equipment

	2020 $	2019 $
Property, plant and equipment		
Cost	633,930	604,676
Accumulated depreciation	(296,992)	(164,150)
Net written down value	336,938	440,526
Right of use assets		
Cost	1,066,624	-
Accumulated depreciation	(275,303)	-
Net written down value	791,321	-
Total net written down value	1,128,259	440,526

7. Payables

	2020 $	2019 $
Due within 12 months		
Insurance premium payable	470,483	604,827
Trade and other creditors	3,755,517	1,066,202
Accrued expenses	631,038	529,577
	4,857,038	2,200,606
Lease liability		
Less than one year	274,671	-
More than one year	518,304	-
	792,975	-
Total payables	5,650,013	2,200,606

Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

Information regarding interest rate, foreign exchange and liquidity risk exposure is set out in Note 17.

8. Changes in assets measured at fair value

	2020 $	2019 $
Investments held at reporting date		
Cash and short term deposits	(3,097,338)	(22,701)
Other interest bearing securities	(1,654,806)	3,336,271
Australian equities	(27,247,953)	(9,414,685)
International equities	13,367,685	(46,831,501)
Units in unit trusts	(17,839,557)	22,055,627
Derivatives	8,730,224	26,482,061
Total unrealised gains	(27,741,745)	(4,394,928)

8. Changes in assets measured at fair value (continued)

	2020 $	2019 $
Investments realised during the year		
Cash and short term deposits	(132,687)	(6,611)
Other interest bearing securities	(71,257)	(2,021,886)
Australian equities	(4,839,971)	15,675,198
International equities	(3,117,871)	70,774,466
Units in unit trusts	13,521,185	(5,350,059)
Derivatives	(25,224,838)	(27,404,037)
Total realised gains	(19,865,439)	51,667,071
Changes in assets measured at fair value	(47,607,184)	47,272,143

The amounts recorded as 'realised gains/(losses)' above is the difference between the fair value at sale and the carrying amount at the beginning of the reporting period or when acquired, if acquired during the year.

9. Funding arrangements

During the year ended 30 June 2020, the employers contributed to the Fund on behalf of members as part of the Trust Deed, Award and Superannuation Guarantee Charge of 9.50%, (2019: 9.50%). Member and additional employer contributions are paid to the Fund at a rate determined by the member and/or employer.

10. Reserves

	2020 $	2019 $
Administration reserve	3,700,301	4,608,439
Investment and taxation reserve	2,534,081	8,185,334
Operational risk reserve	4,007,186	3,689,246
Insurance reserve	2,326,135	975,573
	12,567,703	17,458,592

The Fund maintains an operational risk reserve, in accordance with the requirements established by the Australian Prudential Regulatory Authority under Prudential Standard SPS 114 Operational Risk Financial Requirement, and also holds administration, investment and taxation and insurance reserves.

The purpose of the operational risk reserve is to provide protection to the Fund in the event that a loss is incurred from an operational risk event occurring. The use of the Operational risk reserve is governed by the requirements of SPS 114, which is applicable to all APRA-regulated funds.

The Trustee holds an administration reserve of $3,700,301 (2019:$4,608,439) in order to assist the Trustee in meeting obligations contained in its Adequacy of Resources policies as well as an Operational risk reserve of $4,007,186 (2019:$3,689,246) to ensure adequate resourcing to overcome any operational risks that might eventuate.

The Fund maintains an investment and taxation reserve of $2,534,081 (2019:$8,185,334) which is accrued by estimating tax obligations that arise from operating and investing activities and is used to fund tax liabilities as they arise.

The Fund maintains an insurance reserve that represents the profits from premium rebate received under the Fund's group insurance policies. It is established to ensure that any such profits are used in accordance with the Insurance in Superannuation Voluntary Code of Practice which the Fund has adopted, by which the reserve may only be used to meet insurance premium costs (being any costs that the Fund would be entitled to charge to members as insurance premiums). As at report date the insurance reserve was $2,326,135 (2019: $975,573).

11. Income tax

	2020 $	2019 $
(a) Major components of income tax (expense)/benefit for the year ended 30 June		
Income statement		
Current tax expense		
Current tax charge	3,841,664	1,106,878
Adjustments in respect of current income tax of previous years	(571,355)	1,013,065
Deferred tax		
Relating to origination and reversal of temporary differences	926,810	(5,035,380)
Total tax (expense)/benefit as reported in the income statement	4,197,119	(2,915,437)
(b) Reconciliation between income tax (expense)/benefit and the accounting profit before income tax		
Profit/(loss) before income tax	(9,088,008)	1,836,433
Income tax (expense)/benefit at 15%	1,363,201	(275,465)
Derecognition of temporary differences	5,454	(762,287)
Net benefits allocated to members' accounts	522,230	(13,309,691)
Capital gains/(losses) not assessable/(deductible)	(2,533,778)	31,402
Exempt pension income	(109,844)	1,314,014
Net imputation and foreign tax credits	5,193,295	9,073,525
Deferred Tax offsets	331,227	0
Deferred FITO exemption	(3,313)	0
Over/(under) provision in the previous year	(571,355)	1,013,065
	4,197,119	(2,915,437)

(c) Deferred tax

	Opening Balance $	2020 (Charged) / Credited to income $	Closing Balance $
Deferred tax assets			
Fund expenses accrued but not incurred	322,560	(21,338)	301,222
	322,560	(21,338)	301,222
Deferred tax liabilities			
Unrealised gains on investments	(16,849,716)	948,150	(15,901,566)
	(16,849,716)	948,150	(15,901,566)
Net deferred tax liability	(16,527,156)	926,810	(15,600,346)

(c) Deferred tax (continued)

	Opening Balance $	2019 (Charged) / Credited to income $	Closing Balance $
Deferred tax assets			
Fund expenses accrued but not incurred	276,404	46,156	322,560
	276,404	46,156	322,560
Deferred tax liabilities			
Unrealised gains on investments	(11,768,181)	(5,081,535)	(16,849,716)
	(11,768,181)	(5,081,535)	(16,849,716)
Net deferred tax liability	(11,491,777)	(5,035,380)	(16,527,157)

The Fund offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities.

12. Operating expenses

	2020 $	2019 $
APRA & ASIC fees	139,782	127,746
Audit and taxation services	119,038	133,034
Professional fees	716,908	745,540
Catering & meals	26,681	28,985
Marketing, advertising and sponsorship	582,803	710,944
Premises costs	607,314	471,564
Salaries and on costs	4,558,430	3,967,562
Sundry expenses	591,766	498,301
Tenders	175,872	232,504
Travel & accommodation	131,851	218,758
Trustee and other liability insurance	39,108	47,843
	7,689,553	7,182,781

13. Auditor's remuneration

	2020 $	2019 $
Amount received or due and receivable by EY:		
Audit of the financial reports and compliance	113,630	130,735
	113,630	130,735

14. Cash flow statement reconciliation

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2020 $	2019 $
Cash and cash equivalents	7,427,401	3,623,249

Reconciliation of net cash from operating activities to net profit after income tax

	2020	2019
Loss after income tax	(4,890,889)	(1,079,004)
Adjustments for:		
Change in assets measured at fair value	47,607,184	(47,272,143)
Other non cash items	102,822	73,286
Interest and other income received on investments	(7,952,235)	(15,563,171)
Distributions and dividends reinvested	(40,139,702)	(41,559,216)
Investment expenses paid through investment portfolio	6,747,686	5,905,059
Decrease in insurance costs	(3,682,507)	(3,024,612)
Increase in receivables	(119,171)	(90,453)
Decrease in payables	(40,187)	(75,011)
Increase/(Decrease) in income tax payable	323,795	(1,955,316)
Increase/(Decrease) in net deferred income tax liability	(926,812)	5,035,379
Allocation to members' accounts	(3,481,543)	88,731,276
Net cash outflows from operating activities	(6,451,559)	(10,873,926)

15. Segment information

The Fund operates solely in one reportable business segment, being the provision of superannuation benefits to members. The Fund also operates from one reportable geographic segment, being Australia, from where its activities are managed. Revenue is derived from interest, dividends, gains on the sale of investments and unrealised changes in the value of investments. Whilst the Fund operates from Australia only, the Fund has investment exposures in different countries and across different industries.

16. Related party disclosures

(a) Trustee and key management personnel

The Trustee of Christian Super is Christian Super Pty Limited (ACN 065 040 619).
The directors and the following executives are considered the key management personnel.
The key management personnel of the Trustee company, who held office during part or all of the year are:

Employer Representatives	Member Representatives	Independent Representative
Neville Cox (Chair)	Graeme Janes	John Peberdy
Yvonne Boswarva	Lily Ng	
Ruth Limkin	Craig Kellock (appointed on 01/04/2020)	
Elizabeth Klein	Michael Anderson (appointed on 01/04/2020)	
	Paul Campey (resigned on 31/03/2020)	
	Ross Langford (resigned on 31/03/2020)	

Other key management personnel of the Fund are:

Ross Piper - Chief Executive Officer
Tim Macready - Chief Investment Officer
Nathan Buttigieg - Chief Operations and Product (appointed 20/04/2020)
Jeremy Wynn-Jones - Head of Governance, Risk & Compliance
Grace Kim - Finance Manager (resigned on 25/07/2019)
Alex Mok - Head of Finance (appointed on 25/11/2019)
Astrid Dare - Chief Member Experience Officer (appointed on 20/04/2020)

The RSE licence was granted on 14 February 2006 (Licence no L0000918).

(b) Compensation of key management personnel

	2020 $	2019 $
Short-term employee benefits (salaries, director fees)	1,541,014	1,542,792
Post-employment benefits (superannuation)	254,095	229,525
Total Compensation	1,795,109	1,772,317

(c) Related party transactions

During the year, the following transactions occurred between the Fund and its related parties:

Directors Transactions
Payments made to the employers of directors as a reimbursement for services provided by the directors.

Key management personnel and directors' financial interests
Certain key management personnel and directors are members of the Fund. Their membership has been entered into under terms and conditions no more favourable than those the Fund would have adopted if dealing with an at arm's length member.

Brightlight Group
Christian Super Pty Limited as Trustee for Christian Super is the founding parent of Brightlight Impact Holdings Pty Ltd.
Brightlight Group Pty Ltd is a wholly owned subsidiary of Brightlight Impact Holdings Pty Ltd.

Increase in subsidiary investment
<u>Brightlight Impact Holdings Pty Ltd ("BIH")</u>

On 9 March 2020 the Fund subscribed to 1,500,000 ordinary shares in BIH with a total issue price of $1,500,000 payable to Brightlight Group Pty Ltd ("BG"), as per the Share Subscription Agreement of the same date.

The shares were fully settled via a call notice on 10 March 2020 for $1,500,000 which was paid to BG on 13 March 2020.

Other related party transactions
During the year, in accordance with the signed investment consultancy agreement, the Fund has paid $415,871 (2019: $385,000) to Brightlight Impact Advisory Pty Ltd for investment consultancy services. Brightlight Impact Advisory Pty Ltd is a 100% subsidiary of Brightlight Group Pty Ltd.

The Fund has charged two management fees relating to the support and front offices of $68,857 (2019: $168,501) and Brightlight Group Pty Ltd has reimbursed the Fund of nil (2019: $163,416).

17. Financial risk management objectives and policies

The Trustee's robust risk management framework continues to be applied across the Fund's operations and the Trustee continues to monitor the impact of COVID-19 on the Fund's risk profile. Non-financial risks emerging from global and domestic movement restrictions, and remote working by our staff, conterparties, clients and suppliers, are being identified, assessed, managed and governed through timely application of the Trustee's risk management framework.

The Fund's financial instruments principally comprise units in collective investment vehicles and directly held securities managed under mandates. The main purpose of these financial instruments is to generate a return on investment. The Trustee has determined that investing via these types of instruments is appropriate for the Fund.

The Trustee has a policy that is applied when approved investment managers trade in derivatives. Investment managers (other than the asset overlay manager) are permitted to use derivatives for hedging purposes only but not as a core investment asset. Derivatives used by investment managers are monitored by the Trustee to reflect policy.

The Fund's investing activities expose it to the following risks from its use of financial instruments:
- Market risk (which includes currency risk, interest rate risk and price risk)
- Credit risk
- Liquidity risk.

These risks are described more fully on the following pages. Set out below is a general description of how investment risk is managed by the Trustee.

Risk management structure
The Trustee acknowledges that an integral part of its good governance practice is a sound and prudent risk management framework. The Fund maintains a documented Risk Management Framework which is subject to regular review both by management and the Board.

The Board of Directors of the Trustee has overall responsibility for the establishment and oversight of the Fund's Risk Management Framework. The Trustee's Audit & Compliance Committee and Risk Committee oversee how management monitors compliance with the Fund's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The Trustee's risk management policies are established to identify and analyse the risks faced by the Fund (including investment risks managed by the Fund's Investment Committee), to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The allocation of the investments of the Fund to the various types of asset classes is determined by the Fund's Investment Committee in consultation with its appointed investment consultant - JANA. Once allocated, they are invested in accordance with the Fund's published investment strategies for the various investment options available to members.

The Board's Investment Committee consists of selected Board Members with appropriate investment experience. The Investment Committee is responsible for developing and monitoring the Fund's risk management policies related to investment activities. This includes oversight of the allocation of investments to fund managers, evaluating their performance and providing recommendations to the Trustee which has ultimate responsibility for the oversight of investment strategy.

An external investment consultant is appointed to provide expert advice to the Trustee regarding the management of the Fund's investment portfolio in accordance with the various investment strategies for the Fund's various investment options. The Trustee, in consultation with the appointed investment consultant, undertakes extensive due diligence to ensure the appointed fund managers have the requisite skills and expertise. Investments are monitored on a weekly basis through evaluation of prevailing market conditions and benchmark analysis.

The Investment Committee receives quarterly reports from the Fund's Chief Investment Officer and in turn advises quarterly to the Board of Directors of the Trustee on its activities. Divergence from target asset allocations and the composition of the portfolio is monitored by the Fund's Chief Investment Officer on a weekly basis. Reports from the Fund's Chief Investment Officer include the following:
- details of the controls in place to monitor compliance with the Fund's various investment strategies;
- current asset allocations against target positions;
- investment performance against benchmarks; and
- fund manager compliance reporting.

Excessive risk concentration
Concentration indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentration of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The Fund does not have any significant exposure to any individual counterparty or industry. Its assets are invested by individual investment managers.

17. Financial risk management objectives and policies (continued)

Risk Management Structure (continued)

Market risk
Market risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument (or its issuer) or factors affecting all instruments in the market. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return on risk.

Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Fund has exposure to currency risk through its investments in Australian domiciled registered funds that invest in international cash and short term deposits, other interest bearing securities, listed equities, unit trusts, and derivatives. The Trustee's strategy for managing currency risk in respect of these exposures includes the appointment of a specialist foreign currency manager who manages a portfolio of currency exposures (i.e. "a currency overlay"), designed to partially hedge the changes in the market values of those funds' investments arising from foreign currency movements. The Fund's currency overlay comprises forward foreign exchange contracts across a range of currencies.

Foreign exchange summary

The Fund's direct exposure to foreign currency exchange rates at 30 June was as follows:

2020
AUD equivalents

Assets	US Dollars	Euro	Japanese Yen	British Pound	Other Currencies	Total
Cash and short term deposits	4,563,383	117,894	190,353	25,029	273,682	5,170,340
Other Interest bearing securities	86,035,015	58,868,592	3,042,062	5,521,927	6,895,319	160,362,915
Listed equities	231,286,962	35,628,277	35,923,237	14,664,617	31,270,459	348,773,552
Unit trusts	193,181,628	33,635,197	422,803	3,635,914	7,838,212	238,713,753
Total Assets	515,066,989	128,249,959	39,578,455	23,847,486	46,277,672	753,020,561
Derivatives *	17,814,915	(2,482,297)	845,225	1,595,517	1,505,924	19,279,284
Net Exposure	532,881,904	125,767,662	40,423,680	25,443,003	47,783,596	772,299,845

* These represent the net position on forward exchange contracts, repurchase agreements, options, swaps and future positions

2019
AUD equivalents

Assets	US Dollars	Euro	Japanese Yen	British Pound	Other Currencies	Total
Cash and short term deposits	8,813,180	(312,926)	368,767	389,065	183,392	9,441,478
Other Interest bearing securities	164,075,115	56,415,082	4,027,355	5,393,302	9,118,536	239,029,391
Listed equities	192,230,045	33,304,588	29,921,098	10,416,214	26,626,545	292,498,489
Unit trusts	145,898,168	33,888,700	281,096	1,749,759	10,756,903	192,574,626
Total Assets	511,016,509	123,295,443	34,598,316	17,948,340	46,685,375	733,543,984
Derivatives *	(4,807,194)	62,525	(514,423)	57,172	17,709	(5,184,211)
Net Exposure	506,209,315	123,357,968	34,083,893	18,005,513	46,703,085	728,359,773

* These represent the net position on forward exchange contracts, options, swaps and future positions

17. Financial risk management objectives and policies (continued)

Currency risk **(continued)**

Sensitivity analysis - Currency risk

In accordance with industry practice, the Fund considers a 20% movement in the Australian Dollar (depending on the foreign currency) reasonably possible for the 2019/20 or subsequent reporting period. This analysis is performed on the same basis for the prior year and is not guaranteed.

A strengthening/weakening of the AUD to the extent indicated against the currencies listed below at 30 June would have increased/(decreased) the profit before income tax and the net assets available to pay benefits by the amounts shown.

Note that the analysis does not take into account the impact of movements in exchange rates on the value of foreign currency assets held in Australian denominated collective investment vehicles. The potential effects of such movements is included in the sensitivity analysis under "other price risk".

Effects in AUD

30 June 2020	**US Dollars**	**Euro**	**Japanese Yen**	**British Pound**	**Other Currencies**	
Rate Change (Increases)	20.00%	20.00%	20.00%	20.00%	20.00%	Total
Net exposure	532,881,904	125,767,662	40,423,680	25,443,003	47,783,596	772,299,845
Profit before income tax	(106,576,381)	(25,153,532)	(8,084,736)	(5,088,601)	(9,556,719)	(154,459,969)
Net assets available to pay benefits	(106,576,381)	(25,153,532)	(8,084,736)	(5,088,601)	(9,556,719)	(154,459,969)
Rate Change (Decreases)	20.00%	20.00%	20.00%	20.00%	20.00%	Total
Net exposure	532,881,904	125,767,662	40,423,680	25,443,003	47,783,596	772,299,845
Profit before income tax	106,576,381	25,153,532	8,084,736	5,088,601	9,556,719	154,459,969
Net assets available to pay benefits	106,576,381	25,153,532	8,084,736	5,088,601	9,556,719	154,459,969

Effects in AUD

30 June 2019	**US Dollars**	**Euro**	**Japanese Yen**	**British Pound**	**Other Currencies**	
Rate Change (Increases)	9.09%	4.76%	4.76%	4.76%	4.76%	Total
Net exposure	506,209,315	123,357,968	34,083,893	18,005,513	46,703,085	728,359,773
Profit before income tax	(46,018,983)	(5,874,184)	(1,623,041)	(857,405)	(2,223,955)	(56,597,568)
Net assets available to pay benefits	(46,018,983)	(5,874,184)	(1,623,041)	(857,405)	(2,223,955)	(56,597,568)
Rate Change (Decreases)	-9.09%	-4.76%	-4.76%	-4.76%	-4.76%	Total
Net exposure	506,209,315	123,357,968	34,083,893	18,005,513	46,703,085	728,359,773
Profit before income tax	46,018,983	5,874,184	1,623,041	857,405	2,223,955	56,597,568
Net assets available to pay benefits	46,018,983	5,874,184	1,623,041	857,405	2,223,955	56,597,568

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates.

The majority of the Fund's financial instruments are non-interest bearing with only cash and cash equivalents, short-term deposits and interest bearing securities being directly subject to interest rate risk. As a result, the Fund is subject to limited direct exposure to interest rate fluctuations in prevailing levels of market interest rates. The Fund is indirectly exposed to fluctuations in market interest rates through its investments in collective investment vehicles, which invest in a variety of short and long term interest bearing securities.

The interest rate risk disclosures have not been prepared on a look through basis for investments held indirectly through collective investment vehicles. Consequently, the disclosure of interest rate risk in this note does not represent a comprehensive interest rate risk profile of the Fund.

The Fund's interest rate risk is monitored on a weekly basis by the Fund's investment consultant in accordance with the policies and procedures in place including monitoring of exposure to interest rates and assessment of actual interest rates against the relevant benchmarks. The internal investment team also has the authority to transfer excess cash to short-term deposits.

17. Financial risk management objectives and policies (continued)

Interest rate risk (continued)

Currently, cash at bank and on deposit is held with Westpac Bank and National Australia Bank which have an AA rating as reported by Moody's. The ratings of these banking institutions are reviewed by the Chief Investment Officer on a regular basis. Any change in transactional banking arrangements requires the approval of the Trustee Board.

At the reporting date the profile of the Fund's interest bearing financial instruments was:

30 June 2020	**Interest Bearing**
Assets	**$**
Cash and cash equivalents	7,427,401
Investments	
Cash and short term deposits	129,015,383
Other interest bearing securities	300,871,687
	437,314,472

30 June 2019	**Interest Bearing**
Assets	**$**
Cash and cash equivalents	3,623,249
Investments	
Cash and short term deposits	16,975,793
Other interest bearing securities	410,695,958
	431,295,000

Sensitivity analysis - Interest rate risk

Following analysis of historical data over the past 5 years and expected interest rate movement during the 2020 financial year together with consultation with the investment consultant, the Fund anticipates a 100 basis point movement in interest rates is reasonably possible for the 2019/20 reporting period. This analysis assumes that all other variables, in particular foreign currency rates, remain constant and all interest rates are variable. The analysis is performed on the same basis for the prior year and is not guaranteed.

An increase/decrease of 25 basis points (FY2019: 100 basis points) in interest rates at the reporting date would have increased/decreased the change in net assets available to pay member liabilities and the income statement by the amounts below.

	Carrying Amount	**Income Statement**		**Net assets avaliable to pay member liabilities**	
		-25bps	+25bps	-25bps	+25bps
30 June 2020					
Cash	136,442,784	(341,107)	341,107	(341,107)	341,107
Other interest bearing securities	300,871,687	(752,179)	752,179	(752,179)	752,179
	437,314,472	(1,093,286)	1,093,286	(1,093,286)	1,093,286
		-100bps	+100bps	-100bps	+100bps
30 June 2019					
Cash	20,599,042	(205,990)	205,990	(205,990)	205,990
Other interest bearing securities	410,695,958	(4,106,960)	4,106,960	(4,106,960)	4,106,960
	431,295,000	(4,312,950)	4,312,950	(4,312,950)	4,312,950

Other market price risk

Other market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

As all of the Fund's financial instruments are carried at fair value with changes recognised in the income statement, changes in market conditions affecting fair value will be recognised in the Income statement. As the investments of the Fund (other than cash held for liquidity purposes) comprise a combination of directly held securities and units in collective investment vehicles, the Fund's exposure to other market risk is therefore limited to the market price movement of these investments. The Fund's exposure at year end to other market price is detailed below.

17. Financial risk management objectives and policies (continued)

Sensitivity Analysis - Other market price risk

In consultation with the investment consultant, the Fund considers the following movements in other market price risk are reasonably possible for the 2020 financial year:

Australian equities	+ / - 20%
International equities	+ / - 20%
Units in unit trusts	+ / - 20%

The increase/decrease in the market price against the investments of the Fund at 30 June would have increased/(decreased) the profit/(loss) before tax by the amounts shown below. The analysis assumes that all other variables, in particular, interest rates and foreign exchange rates remain constant. The analysis is performed on the same basis for the prior year and is not guaranteed.

			Income Statement	
Assets	**%**	**Carrying Amount**	**Decrease**	**Increase**
30 June 2020		**$**	**$**	**$**
Australian equities	20	360,906,626	(72,181,325)	72,181,325
International equities	20	348,773,552	(69,754,710)	69,754,710
Units in unit trusts	20	509,316,855	(101,863,371)	101,863,371
		1,218,997,033	(243,799,406)	243,799,406

Assets		**Carrying Amount**	**Decrease**	**Increase**
30 June 2019		**$**	**$**	**$**
Australian equities	10	350,600,856	(35,060,086)	35,060,086
International equities	10	292,498,489	(29,249,849)	29,249,849
Units in unit trusts	10	551,145,299	(55,114,530)	55,114,530
		1,194,244,644	(119,424,465)	119,424,465

Credit Risk
Credit risk is the risk that a counterparty to a financial instrument will cause a loss to the other party by failing to discharge an obligation. The Fund has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis by the Fund's investment consultant. The credit policy provides guidelines as to the appropriate terms and conditions of transactions entered into and the escalation procedures to follow when the recovery of assets is considered doubtful.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the reporting date. No collateral is held as security nor do other credit enhancements exist for financial assets held. No financial assets are considered past due as all payments are considered recoverable when contractually due.

For direct fixed income and cash investments, credit risk is mitigated through maintaining a strict mandate of investing in investment-grade credit only. In addition, potential direct credit investments are analysed by the Investment Research Analyst, evaluated by the Senior Investment Analyst and authorised by the internal investment team, before being considered for investment. The Fund has also adopted the policy of spreading direct fixed income and cash investments amongst approved counterparties with appropriate credit qualities, as a means of mitigating the risk of financial loss.

Credit exposure positions are evaluated on an ongoing basis in regard to the financial strength and quality of underlying corporate and government securities. The Fund has no direct exposure to subprime securities. A review of the direct fixed income and cash investment mandates is carried out annually including mandates associated with credit risk.

Credit risk arising from collective investments through appointed fund managers is mitigated through extensive due diligence prior to a manager's appointment and benchmark analysis on existing fund managers’ investments on a monthly basis.

Credit risk arising from direct investments is mitigated through the Trustee’s formal due diligence process prior to the investment decision. A risk assessment framework is part of this due diligence process. The risk assessment framework involves consideration of both the likelihood of the risk event occurring and the impact of the identified risk on the Trustee if the event occurred.

Credit risk associated with receivables is considered low, as there is usually a short settlement period.

17. Financial risk management objectives and policies (continued)

Credit Risk (continued)

All of the investments and derivatives of the Fund are held through the custodian, State Street Australia Limited. The Fund monitors its risk by monitoring the credit quality and financial position as reported by the custodian.

Liquidity risk
Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as and when they fall due. The Fund's approach to managing liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund has developed a Cash Flow and Liquidity Policy and an Adequacy of Resources Statement that covers cash flow management, solvency and both statutory and practical liquidity requirements for the Fund.
This policy prescribes the projection of liquidity requirements to meet anticipated withdrawals from the Fund on a quarterly basis (i.e. at least 1.0 times cover). As at reporting date, liquid or quick assets (cash, deposits, and fixed interest bonds) represented 16.10 times (2019: 14.40 times) total liabilities.

The Fund's Trust Deed and Product Disclosure Statement provide for the daily withdrawal of benefits and it is therefore exposed to the liquidity risk of meeting members' withdrawals at any time.

The Fund's liquidity risk is managed on a weekly basis by the internal investment team in accordance with policies and procedures in place and the Fund's investment strategy. The Fund's overall liquidity risks are monitored on a monthly basis by the Trustee.

The following table shows the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

	Carrying Amount	Contractual Cash Flows	Less Than 1 Month	1 to 3 Months
30 June 2020				
Payables	4,857,038	4,857,038	4,857,038	-
Member liabilities	1,643,738,972	1,643,738,972	1,643,738,972	-
Derivative liabilities	5,562,916	5,562,916	-	5,562,916
	1,654,158,926	1,654,158,926	1,648,596,010	5,562,916
30 June 2019				
Payables	2,200,606	2,200,606	2,200,606	-
Member liabilities	1,585,463,719	1,585,463,719	1,585,463,719	-
Derivative liabilities	10,876,872	10,876,872	-	10,876,872
	1,598,541,197	1,598,541,197	1,587,664,325	10,876,872

Member liabilities have been included in the less than one month column, as this is the amount that the Fund could be required to pay in members' benefits, however, members may not necessarily call upon amounts due to them during this time.

18. Insurance

The Fund provides death, disability and income protection benefits to members. These benefits are greater than the members' vested benefits. The Trustee has taken out insurance to cover that part of members' benefits in excess of vested benefits.

19. Subsidiary

Name of Entity	Country of Incorporation	2020 Ownership interest	2019 Ownership interest
Brightlight Group	Australia	100%	100%

The Fund has adopted AASB 2013-5 "Amendments to Australian Accounting Standards - Investment Entities". As a result, the Fund does not consolidate its subsidiary, the Brightlight Group; however, it is required to provide certain disclosures, as outlined above.

20. Commitments and contingent liabilities

The Fund has outstanding capital commitments in relation to the purchase of additional units in unlisted investments. The Fund has no contingent liabilities as at 30 June 2020.

Commitments contracted for at the reporting date but not recognised as liabilities are as follows:

30 June 2020	**Total Commitment**	**Amount Drawn 30 June 2020**	**Outstanding Commitment**
	USD	**USD**	**USD**
Resolution Life	18,530,763	11,757,989	6,772,774
Siguler Guff Small Buyout Opportunities Fund III	20,000,000	13,620,000	6,380,000
Siguler Guff Small Buyout Opportunities Fund IV	20,000,000	350,000	19,650,000
Wollemi Co Investment Fund	20,000,000	13,330,528	6,669,472
LGT Crown Asia-Pacific Private Equity IV	10,000,000	2,600,000	7,400,000
Patamar Capital LLC	5,000,000	1,500,000	3,500,000
Sovereign's Capital, LP	900,000	864,000	36,000
Sovereign's Capital II, LP	3,543,000	3,055,605	487,395
Leapfrog Finance Fund II LP	4,500,000	4,348,765	151,235
Leapfrog Finance Fund III LP	10,000,000	3,621,070	6,378,930
IFC Catalyst Fund, LP	5,000,000	4,549,819	450,181
Livelihood Impact Fund	3,500,000	3,342,326	157,674
Abraaj Growth Markets health Fund	5,000,000	3,663,020	1,336,980
Brookfields	15,000,000	6,022,350	8,977,650
Sovereign's Capital III, LP	5,000,000	-	5,000,000
	145,973,763	72,625,473	73,348,290
	AUD	**AUD**	**AUD**
New Forests Australia New Zealand Forestry Fund III	10,000,000	7,105,042	2,894,958
Bright Energy Fund	20,000,000	10,000,000	10,000,000
Brightlight Real Estate Impact Fund	20,000,000	2,848,000	17,152,000
	50,000,000	19,953,042	30,046,958
	Euro	**Euro**	**Euro**
Partners Group Life	5,000,000	828,088	4,171,912
European Diversified Infrastructure Fund III	12,000,000	-	12,000,000
	17,000,000	828,088	16,171,912
	GBP	**GBP**	**GBP**
Circularity Eurpoean Growth Fund I LP	4,186,975	2,002,295	2,184,680
	4,186,975	2,002,295	2,184,680

30 June 2019	**Total Commitment**	**Amount Drawn 30 June 2019**	**Outstanding Commitment**
	USD	**USD**	**USD**
Stafford Sustainable Capital Fund	22,000,000	20,411,639	1,588,361
MicroVest II A LP Offshore Fund	6,600,000	6,336,000	264,000
Leapfrog Finance Fund II LP	4,500,000	4,167,029	332,971
Leapfrog Finance Fund III LP	10,000,000	3,336,212	6,663,788
Sovereign's Capital, LP	900,000	855,912	44,088
Sovereign's Capital II, LP	3,543,000	2,690,678	852,322
IFC Catalyst Fund, LP	5,000,000	4,080,421	919,579
Livelihood Impact Fund	3,500,000	3,189,026	310,974
Patamar Capital LLC	5,000,000	700,000	4,300,000
Abraaj Growth Markets health Fund	5,000,000	2,920,380	2,079,620
Siguler Guff Small Business Opportunities Fund III	20,000,000	10,450,457	9,549,543
LGT Capital Partners Crown Co-Investments Opportunities II	20,000,000	12,349,525	7,650,475
LGT Crown Asia-Pacific Private Equity IV	10,000,000	8,600,000	1,400,000
Renaissancere Medici Fund Ltd	20,000,000	2,700,000	17,300,000
	136,043,000	82,787,279	53,255,721

20. Commitments and contingent liabilities (continued)

30 June 2019

	Total Commitment	Amount Drawn 30 June 2019	Outstanding Commitment
	AUD	**AUD**	**AUD**
New Forests Australia New Zealand Forestry Fund III	10,000,000	4,352,590	5,647,410
Bright Energy Fund	20,000,000	10,000,000	10,000,000
Compass Social Impact Bond	750,000	375,000	375,000
	30,750,000	14,727,590	16,022,410

30 June 2019

	Total Commitment	Amount Drawn 30 June 2018	Outstanding Commitment
	Euro	**Euro**	**Euro**
GEEREF,LP	7,000,000	6,707,702	292,298
Partners Group Private Markets Credit Strategies – 2017 (IX) EUR	25,000,000	21,250,000	3,750,000
Partners Group Life	5,000,000	150,398	4,849,602
	37,000,000	28,108,100	8,891,900
	GBP	**GBP**	**GBP**
Circularity Eurpoean Growth Fund I LP	4,186,975	3,275,959	911,016
	4,186,975	3,275,959	911,016

21. Early release payments

COVID 19 was declared a world wide pandemic by the World Health Organisation in March 2020. COVID 19, despite measures to slow the spread of the virus, has since had a significant impact on global economies and equity, debt and commodity markets.
On 22 March 2020 the federal government announced a temporary measure due to the effects of coronavirus on the economy.
This new rule allowed individuals to access up to $10,000 of their superannuation in 2019/20 and a further $10,000 in 2020/21.
For the year ended 30 June 2020 the Fund paid out 1,406 COVID-19 claims totalling $11,041,039 in benefits to members seeking early access to their super.

22. Significant events after balance date

As the impact of COVID-19 continues, there is heightened uncertainty in terms of the severity and duration of economic recession and volatility in the investment markets, early withdrawal benefits cost, and business disruption. The Fund will continue to manage and respond to these risks presented and importantly support our members.

Since 30 June 2020 there have been no other matters or circumstances which have arisen that have significantly affected or may significantly affect the financial position or operating results of the Fund.

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Building a better working world

Part 1 – Independent Auditor's report on financial statements

Independent Auditor's report approved form for an RSE which is a reporting entity

Christian Super
ABN 66 628 776 348

Report by the RSE Auditor to the trustees and members

Opinion
I have audited the financial statements of Christian Super for the year ended 30 June 2020 comprising the statement of financial position, income statement, statement of changes in member benefits, statement of cash flows and statement of changes in reserves.

In my opinion, the financial statements present fairly, in all material respects, in accordance with Australian Accounting Standards the financial position of Christian Super as at 30 June 2020 and the results of its operations, cash flows, changes in reserves and changes in members' benefits for the year ended 30 June 2020.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities* section of my report. I am independent of the entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter: Impact of Coronavirus (COVID-19) outbreak on Valuation of Unlisted Investments

We draw attention to Notes 2(l) and 4(a) of the financial statements which describe the impact of the COVID-19 pandemic on the determination of the fair value of unlisted investments and how this has been considered by the Trustee in the preparation of the financial statements. Due to the increased valuation uncertainty, fair value may change significantly and unexpectedly over a relatively short period of time. Our opinion is not modified in respect of this matter.

Responsibilities of the trustee for the Financial Statements

The RSE's trustee is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the requirements of the *Superannuation Industry (Supervision) Act 1993* (SIS Act) and the *Superannuation Industry (Supervision) Regulations 1994* (SIS Regulations). The trustee is also responsible for such internal control as the trustee determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the ability of the RSE to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the RSE or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Australian Auditing Standards, I exercised professional judgment and maintained professional scepticism throughout the audit. I also:

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the RSE's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee
- Concluded on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the RSE's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my auditor opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the RSE to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicated with the trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identified during my audit.

RDaSilva

Rita Da Silva
Ernst & Young
Sydney

25 September 2020