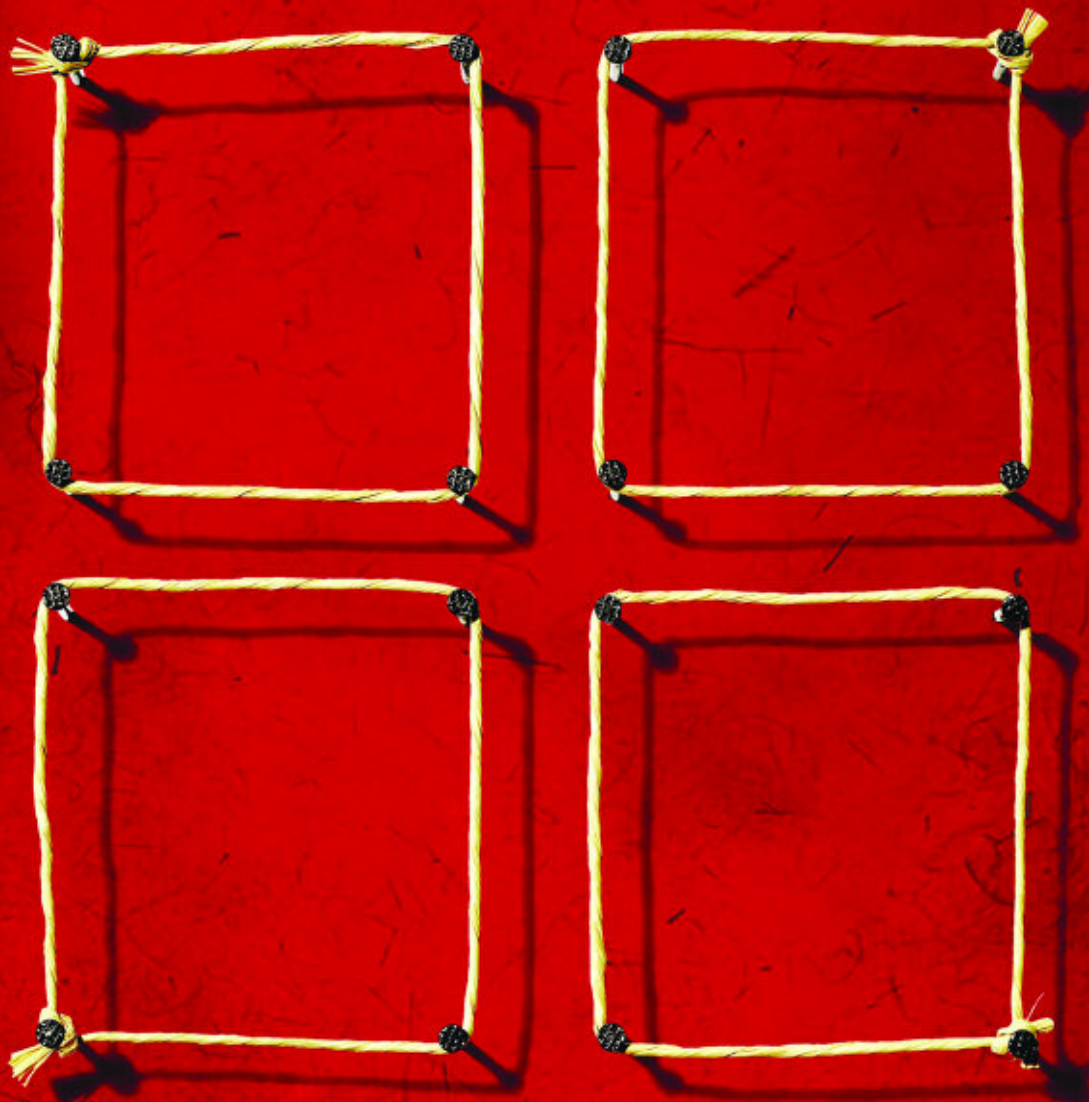




Statistics

Annual Superannuation Bulletin

June 2004 (issued 4 May 2005)



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Disclaimer

APRA collects these statistics from the financial services industry and publishes them to provide general information. APRA uses its best endeavours to present the information it receives accurately.

Forthcoming issues

This publication will be released according to the timetable published on the APRA website.

Notation

Except where indicated, amounts are expressed in millions of Australian dollars. Both the Australian-dollar denominated transactions and the Australian-dollar equivalent of foreign-currency denominated transactions are included.

The symbol '*' indicates that the data have been masked to maintain confidentiality.

The symbol 'SNR' means that the data are Statistically Not Reliable.

Glossary and explanatory notes

A set of explanatory notes is provided at the end of the publication to assist the reader in understanding the source and definitions of the data.

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Important notice

Users should be aware of particular limitations with certain information in this publication.

Comparison with Superannuation Trends

This publication is not directly comparable to APRA's previous publication, *Superannuation Trends*, due to:

- the introduction of a new reporting framework for superannuation entities that took effect on 1 July 2003; and
- changes to the functional classification of some superannuation entities. Details of the changes can be found in the *Classification of superannuation entities* document available from the Statistics section of APRA's web site.

Information on expenses

Information on expenses is generally understated and should be used for indicative purposes only. The understatement of expenses is mainly due to:

- entities were only required to report information on indirect investment expenses (including expenses associated with investments in life insurance companies and pooled superannuation trusts) where this information was readily available; and
- many entities, especially retail funds, did not provide information on entry and exit fees nor fees and commissions paid to financial advisors.

The breakdown of expenses, both investments and operating expenses, was not reported consistently by superannuation entities and should be used for indicative purposes only.

APRA has not calculated expense ratios where it believes the data are misleading due to incomplete information on expenses. Incomplete information on expenses does not materially affect the figure for return on assets since these are calculated net of expenses.

APRA intends to clarify its reporting forms and instructions and work with the industry in future to improve the data on expenses.

Information on tax

Superannuation entities have different approaches in recognising future tax liabilities and assets. This information should be used for indicative purposes only.

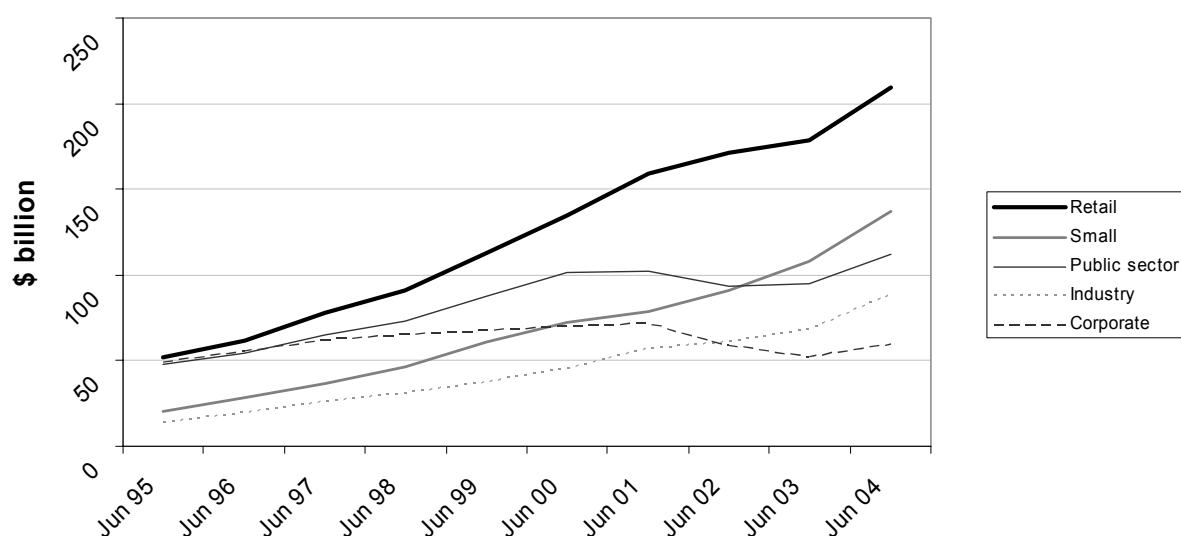
Highlights

Main features

Total superannuation assets increased by 17.3 per cent during the year to 30 June 2004 to stand at \$630.9 billion. Of this total, \$400.7 billion is from APRA-regulated entities and \$133.7 billion is regulated by the ATO. The remaining \$96.5 billion comprises exempt public sector superannuation schemes (\$71.1 billion) and the balance of life office statutory funds (\$25.3 billion). The latter represents annuity products, fund reserves and unallocated profits of life office statutory funds.

Industry funds showed the largest growth during the year to June 2004, with assets increasing by 29.7 per cent to stand at \$88.4 billion. Small funds also experienced strong growth during the year, increasing by 26.5 per cent to total \$136.9 billion. The assets in public sector funds increased by 18.0 per cent to \$111.6 billion and assets of retail entities increased by 17.1 per cent to \$209.5 billion. The assets in corporate funds increased by 13.0 percent during the year to total \$59.1 billion. The graph below shows the assets in each fund type from 1995 to 2004.

**Superannuation assets by fund type
1995-2004**



The return on assets for superannuation entities (excluding self-managed funds) was 11.3 per cent for the year to June 2004. Industry funds had the highest overall return on assets at 12.5 per cent, followed by public sector funds (12.4 per cent), corporate funds (12.2 per cent) and retail funds (10.0 per cent).

The number of superannuation entities increased by 10.7 per cent during the year to June 2004 to 291,296. The increase is largely due to the number of ATO-regulated self-managed superannuation funds which increased by 11.6 per cent (29,306 funds) during the year. The number of entities with five or more members decreased by 20.9 per cent (511 entities) highlighting consolidation in the industry as funds continue to wind up and merge with other superannuation entities.

The number of member accounts grew by 7.4 per cent during the year to June 2004. Small funds experienced the strongest growth, increasing by 11.8 per cent to 550,000. Member accounts of industry funds also experienced strong growth, increasing by 9.6 per cent to 8.8 million. The number of members of corporate funds increased by 6.5 per cent to 1.0 million and retail fund membership increased by 6.4 per cent to 14.0 million. The number of member accounts of public sector funds increased by 5.4 per cent during the year to total 2.7 million.

Superannuation contributions during the year to June 2004 totalled \$63.7 billion, with employers contributing \$38.7 billion and members contributing \$20.3 billion. Other contributions, including spouse contributions and government co-contributions, totalled \$4.7 billion over the same period.

Net contribution flows were \$45.3 billion, an increase of 37.0 percent on the previous year. The large increase in net contribution flows may partly be explained by other contributions, which includes appropriation for the major Commonwealth public sector superannuation schemes.

Investments

During the year to 30 June 2004, assets placed with investment managers and directly invested assets increased by 21.6 per cent and 21.9 per cent respectively, while the assets in life office statutory funds increased by 6.4 per cent. Assets placed with investment managers comprised 37.4 per cent (\$236.1 billion) of total superannuation assets at the end of June 2004, while directly invested assets accounted for 36.2 per cent (\$228.4 billion). Assets held in the statutory funds of life offices represented 26.4 per cent (\$166.4 billion) of total assets as at 30 June 2004.

Investment choice

Of entities with five or more members, 40.1 per cent offer investment choice to their members i.e. members can choose from a range of different investment options within the entity. This differs to 'Choice of Fund' where, from 1 July 2005, most superannuation members can choose their own superannuation entity. Retail funds offer the greatest number of investment choices to members, with an average of 59 options per entity. Industry funds have an average of 7 investment options per fund, public sector funds an average of 6 different investment choices and corporate funds an average of 4 options per fund.

Of entities with five or more members, 60.2 per cent of assets (\$281.9 billion) is held in the default investment strategy^a. At 30 June 2004, the majority of default strategy assets was held in equities: 33 per cent in Australian shares and 21 per cent in international shares. A further 15 per cent was in Australian fixed interest, 12 per cent was held as other assets, 7 per cent in cash, 6 per cent in international fixed interest and 6 per cent in property.

Structure of retirement benefits

Of funds with five or more members, the majority of assets, \$251.7 billion, is held by accumulation funds. The assets of accumulation funds have gradually increased over the last ten years from 43.7 per cent of total assets in June 1995 to 54 per cent of assets at June 2004. At June 2004, defined benefit funds held 4 per cent (\$16.6 billion) of superannuation assets, down from 22 per cent in June 1995. This shows the increasing preference for entities to provide defined contributions rather than defined benefits. The assets in hybrid funds (funds with accumulation and defined benefit members) comprised 43 per cent of superannuation assets (\$200.2 billion) at June 2004. The increase in hybrid fund assets is consistent with industry consolidation, with smaller defined benefit schemes merging into larger public offer superannuation funds as part of a master trust arrangement.

^a Not all funds are required to have a default investment strategy. Some funds that do not have a default strategy reported the asset allocation of the largest investment option.

Methodology behind APRA's new superannuation publications

APRA's statistics publications, *Annual Superannuation Bulletin* and *Quarterly Superannuation Performance*, provide the most accurate and independent overview of Australia's superannuation industry.

The publications are compiled primarily from information provided to APRA as part of superannuation entities' prudential reporting requirements. These requirements were modernised and expanded from 1 July 2003.

The statistics in the *Annual Superannuation Bulletin* and *Quarterly Superannuation Performance* are more comprehensive than data published in APRA's *Superannuation Trends*, which contains data collected under the old prudential reporting framework. These new publications replace *Superannuation Trends*.

APRA has also aligned data in the *Annual Superannuation Bulletin* and *Quarterly Superannuation Performance* with emerging issues and business practices across the superannuation industry, and where feasible, harmonised them with other prudentially regulated industries.

As a result, the statistics are more comprehensive and meaningful and directly reflect trends in the corporate, industry, public sector, retail and small superannuation sectors.

There are some differences between data published in the *Annual Superannuation Bulletin* and *Superannuation Trends*. This is a result of differences in entities' reporting requirements and improvements to the way in which APRA aggregates data. These differences are explained in the publication where possible.

There are also some differences between the *Annual Superannuation Bulletin* and *Quarterly Superannuation Statistics*. These inconsistencies are a result of differences in annual and quarterly reporting requirements and audit requirements for superannuation entities.

APRA proposes to investigate and address any significant differences as they occur and to work with industry to continually improve the quality of data in its superannuation statistics publications.

Method of aggregation

More than 95 per cent of APRA-regulated superannuation assets have been captured in returns lodged by superannuation entities under the new superannuation reporting framework, however some APRA-regulated superannuation entities are yet to lodge a new annual return. Funds yet to lodge include early and late balancing superannuation entities (that have a substituted accounting period), funds in breach of their reporting requirements and funds that wound-up after 30 June 2004. Data in the *Annual Superannuation Bulletin* has been sourced from the most recent return lodged by these superannuation entities. Some data items have been estimated by applying concentration ratios to aggregate data in order to extrapolate values for the industry.

Exempt public sector superannuation schemes are required to submit information about their entity and membership profile to APRA, but do not have to lodge

annual returns. These funds have been required to lodge quarterly returns to APRA since September 2004. Data published in the *Annual Superannuation Bulletin* for these entities have been sourced from quarterly returns, the *Quarterly Survey of Superannuation* which has since been replaced by APRA's quarterly returns, and in some cases, estimated by applying proportions for APRA-regulated public sector funds to exempt scheme aggregates. A full year of data for these funds will be available and included in the next issue of the *Bulletin*.

The Australian Taxation Office (ATO) provides APRA with aggregate data on self-managed superannuation funds (SMSFs). Data for small funds are based on returns submitted to the ATO under the *Superannuation Industry (Supervision) Act 1993* and data on APRA-regulated small funds.

The balance of life office statutory fund assets are the remaining superannuation assets residing in these funds after the assets explicitly known to reside in other fund types have been allocated. These products are solely regulated under the *Life Insurance Act (1995)*.

Retirement savings account (RSA) providers must report to APRA under the *Retirement Savings Account Act (1997)* but are not required to lodge superannuation returns with APRA. The assets in RSAs have been included in Table 8 of the *Annual Superannuation Bulletin* but not elsewhere as the information is unavailable. Data for regulated superannuation entities offering an RSA style product - 'RSA look-alikes' - were included in *Superannuation Trends*. 'RSA look-alikes' have not been included in the new publications because APRA does not collect data on all the many different products offered by superannuation entities.

Quarterly Superannuation Performance is based on data from quarterly returns, which is reported on a year to date basis. APRA subsequently calculates and publishes data for discrete quarters which are then published in *Quarterly Superannuation Performance*.

Structure of the publications

Annual Superannuation Bulletin

Some tables in the *Annual Superannuation Bulletin* are based on the whole superannuation industry, while others are based on entities with more than four members. The variation is a result of differences in the returns lodged by funds with at least four members, and the returns lodged by those funds with less than five members. Returns lodged by SMSFs to the ATO are significantly different from APRA annual returns. Similarly, some data, including information on the default investment strategy, investment choice and membership profile of funds, are not available for APRA funds with less than five members.

Pooled superannuation trusts are not included in any financial aggregates as their assets are included in other superannuation fund categories.

Summary of tables

Table 1, 'Number of superannuation entities - trends' is based on the whole superannuation industry. The *Annual Superannuation Bulletin* provides a more detailed breakdown of the entities compared to *Superannuation Trends*, but this

breakdown is not available prior to June 2001. The new table is similar to Table 6 'Number of superannuation and approved deposit funds' in *Superannuation Trends*.

Table 2, 'Superannuation entity movements' is new and comprises data on the whole industry, excluding the balance of statutory funds. There is no similar table in *Superannuation Trends*.

Table 3, 'Number of member accounts' is based on the whole industry, excluding the balance of statutory funds. Table 3 provides a more detailed breakdown of entities than *Superannuation Trends* and is similar to Table 2a, 'Superannuation fund members' in *Superannuation Trends*.

Table 4, 'Age segmentation of member accounts' is new and is based on entities with greater than four members. There is no similar table in *Superannuation Trends*.

Table 5, 'Member accounts flows and types' is new and covers entities for funds with greater than four members. Table 2b - 2f 'Superannuation fund membership flows' in *Superannuation Trends* contains entrants and exits of funds in the survey on a quarterly basis. Some comparisons can be made between these tables and Table 5 of the new annual publication.

Table 6, 'Financial performance - trends' comprises data on the whole superannuation industry and is presented annually. This table is similar to Table 3, 'Income and expenditure for superannuation funds' in *Superannuation Trends*. Data in *Superannuation Trends* is presented on a quarterly basis.

Table 7, 'Financial performance' is a more detailed breakdown of Table 6 and covers entities with greater than four members.

Table 8, 'Superannuation assets - trends' comprises data on the whole of the superannuation industry and is similar to Table 1b, 'Superannuation assets - fund type' in *Superannuation Trends*.

Table 9, 'Financial position' provides a more detailed breakdown of Table 8 and includes the assets and liabilities for entities with greater than four members.

Table 10, 'Entity ratios by fund type' is new and covers entities with greater than four members.

Table 11, 'Manner of investment - trends' is based on the whole of the superannuation industry and is comparable to Table 1a 'Superannuation assets - manner of investment' in *Superannuation Trends*.

Table 12 and Table 13 provide data on the structure of retirement benefits (accumulation, defined benefit and hybrid) for entities with greater than four members. These tables are similar to Table 5a and 5b respectively of *Superannuation Trends*. Data submitted on new annual returns have resulted in revisions to the benefit structures for some funds. Clearer instructions on the form have also resulted in some funds re-classifying. These reclassifications are reflected in tables 12 and 13.

Table 14, 'Investment choice by fund type' and **Table 15, 'Asset allocation of default investment strategy'** are new and are based on entities with greater than four members.

Quarterly Superannuation Performance

Quarterly Superannuation Performance comprises data on entities with greater than four members that also have at least \$50 million in assets. Entities in the quarterly publication are described in terms of their functional or practical classification.

Data in *Quarterly Superannuation Performance* are based on quarterly reporting entities and include tables on financial performance, financial position, investments and performance ratios. Pooled superannuation trusts are not included in any financial aggregates. Separate tables on the financial performance and position of the quarterly reporting pooled superannuation trusts are provided.

Changes in the superannuation industry and increasing consolidation have impacted the reliability of aggregate statistics. APRA will no longer estimate quarterly data for non-quarterly reporting entities. The *Quarterly Superannuation Performance* contains a new series of data.

Key statistics

Distribution of entities - June 2004

	Number of entities	Number of members ('000)	Assets (\$billion)
<i>By fund type</i>			
Corporate	1,404	1,029	59.1
Industry	107	8,771	88.4
Public sector	40	2,659	111.6
Retail	235	13,956	209.5
Pooled superannuation trusts	143		40.2
Small funds (APRA)	8,069	11	3.2
Self-managed super funds	281,298	539	133.7
Balance of life office funds			25.3
Total	291,296	26,966	630.9
<i>By benefit structure</i>			
Accumulation ^a	290,659	19,552	388.7
Defined benefit	120	422	16.6
Hybrid	374	6,992	200.2
Total ^b	291,153	26,966	605.6

^a Funds with less than 5 members are assumed to be accumulation funds.

^b Does not include the \$25.4 billion of annuities and life office reserves.

Superannuation assets 2003-2004

	Assets (\$ billion)
Assets at 30 June 2003	537.8
<i>Contributions</i>	
Employer contributions	38.7
Member contributions	20.3
Other contributions	4.7
<i>Rollovers</i>	
Inward	40.2
Outward	27.9
<i>Benefit payments</i>	
Lump sums	24.3
Pensions	6.4
Net investment income	69.3
Total operating expenses	4.1
Other changes ^a	-7.2
Change in the balance of life office statutory funds	-10.2
Net growth	93.1
Assets at June 2004	630.9

^a Other changes are calculated using residual analysis based on net growth, net contribution flows, net investment income and operating expenses. Tax expense is included in other changes.

Superannuation entities - June 2004

	Number of entities	Assets (\$billion)	Average account balance ('\$000)
<i>APRA-regulated</i>			
Corporate	1,404	59.1	57.4
Industry	107	88.4	10.1
Public sector	22	40.5	43.3
Retail ^a	235	209.5	15.0
Pooled superannuation trusts ^b	143	40.2	
Small funds (APRA)	8,069	3.2	295.7
Total	9,980	400.7	
<i>ATO-regulated</i>			
Self-managed super funds	281,298	133.7	248.2
<i>Other</i>			
Exempt schemes	18	71.1	41.3
Balance of life office funds		25.3	
Total	291,296	630.9	

^a Excluding ERFs and ADFs, the average account balance for retail funds is \$21,179.

^b Pooled superannuation trusts are not included in total assets.

Asset allocation - default strategy ^a

	Assets (\$ billion)	Assets in default
Australian shares	93.1	33%
International shares	59.4	21%
Listed property	7.2	3%
Unlisted property	10.7	4%
Australian fixed interest	40.9	15%
International fixed interest	15.9	6%
Cash	19.5	7%
Other ^b	35.2	12%
Total	281.9	

^a Where the entity has multiple investment strategies, the asset allocation is of the default investment strategy.

Where there is no default strategy, the strategy of the largest option has been reported.

^b Other includes assets in alternative investments such as hedge funds and assets not included in any other category.

Other assets may also include assets in collective investments.

Manner of investment - June 2004

	Assets (\$ billion)	Proportion of total
Directly invested	228.4	36%
Investment managers	236.1	37%
Life office statutory funds	166.4	26%
Total	630.9	

Entities

Table 1 Number of superannuation entities - trends

	Jun 04	Jun 03	Jun 02	Jun 01	Jun 00	Jun 99	Jun 98	Jun 97
By functional classification								
Corporate	1,404	1,872	2,493	3,233	3,398	3,595	3,908	4,116
Industry	107	116	126	143	148	150	165	168
Public Sector ^a	40	57	74	79	79	80	74	76
Retail	235	235	255	275	293	308	327	352
Small	289,367	260,608	233,758	225,045	210,366	193,396	173,116	149,971
Pooled superannuation trusts	143	160	179	177				
Total	291,296	263,048	236,885	228,952	214,284	197,529	177,590	154,683
By regulatory classification								
Public offer super funds	296	331	381	428				
Non public offer super funds	1,425	1,882	2,491	3,220				
Exempt schemes	18	18	18	19				
Approved deposit funds	258	298	364	398				
Eligible rollover funds	15	14	10	10				
Small APRA funds	7,843	8,353	8,451	8,052				
Self-managed super funds	281,298	251,992	224,991	216,648				
Pooled superannuation trusts	143	160	179	177				
Total	291,296	263,048	236,885	228,952				
By functional and regulatory classification								
Corporate								
Public offer super funds	84	116	155	188				
Non public offer super funds	1,320	1,756	2,338	3,045				
Total	1,404	1,872	2,493	3,233				
Industry								
Public offer super funds	24	30	29	28				
Non public offer super funds	83	86	97	115				
Total	107	116	126	143				
Public sector								
Non public offer super funds	22	39	56	60				
Exempt schemes	18	18	18	19				
Total	40	57	74	79				
Retail								
Public offer super funds	188	185	197	212				
Eligible rollover funds	15	14	10	10				
Multi-member ADFs	32	36	48	53				
Total	235	235	255	275				
Small								
Small APRA funds	7,843	8,353	8,451	8,052				
Single-member ADFs	226	263	316	345				
Self-managed super funds	281,298	251,992	224,991	216,648				
Total	289,367	260,608	233,758	225,045				
Pooled superannuation trusts	143	160	179	177				
Total	291,296	263,048	236,885	228,952				

^a The decrease in public sector funds is largely due to fund re-classifications.

Table 2 Superannuation entity movements

1 July 2003 - 30 June 2004

	Number at June 2004	Entries ^a	Exits ^b	Number at June 2003
<i>By functional classification</i>				
Corporate	1,404	44	512	1,872
Industry	107	0	9	116
Public sector ^c	40	0	17	57
Retail	235	2	2	235
Small	289,367	32,040	3,281	260,608
Pooled superannuation trusts	143	1	18	160
Total	291,296	32,087	3,839	263,048
<i>By regulatory classification</i>				
Public offer super funds	296	2	37	331
Non public offer super funds	1,425	42	499	1,882
Exempt public sector schemes	18	0	0	18
Approved deposit funds	258	0	40	298
Eligible rollover funds	15	2	1	14
Small APRA funds	7,843	454	964	8,353
Self-managed super funds	281,298	31,586	2,280	251,992
Pooled superannuation trusts	143	1	18	160
Total	291,296	32,087	3,839	263,048

^a Entries include new entity elections and entities transferring between regulators.

^b Exits include entities that have wound up and entities transferring between regulators.

^c The decrease in public sector funds is largely due to fund re-classifications.

Members

Table 3 Number of member accounts - trends

(thousands)

	Jun 04	Jun 03	Jun 02	Jun 01	Jun 00	Jun 99	Jun 98	Jun 97
By functional classification								
Corporate	1,029	967	1,048	1,335	1,339	1,373	1,367	1,371
Industry	8,771	8,005	7,734	7,327	6,746	6,159	5,686	5,469
Public Sector ^a	2,659	2,524	2,470	2,413	2,522	2,582	2,636	2,594
Retail	13,956	13,111	12,203	11,266	10,538	9,288	8,257	7,569
Small	550	492	433	399	387	319	284	237
Total	26,966	25,099	23,887	22,740	21,531	19,720	18,230	17,240
By regulatory classification								
Public offer super funds	16,003	15,149	14,447	13,375				
Non public offer super funds	4,532	4,175	3,993	4,170				
Exempt schemes	1,723	1,686	1,774	1,733				
Approved deposit funds	38	40	52	55				
Eligible rollover funds	4,119	3,556	3,189	3,007				
Small APRA funds	11	11	10	10				
Self-managed super funds	539	482	422	389				
Total	26,966	25,099	23,887	22,740				
By functional and regulatory classification								
Corporate								
Public offer super funds	138	60	71	14				
Non public offer super funds	891	906	978	1,320				
Total	1,029	967	1,048	1,335				
Industry								
Public offer super funds	6,066	5,574	5,414	5,157				
Non public offer super funds	2,705	2,431	2,319	2,170				
Total	8,771	8,005	7,734	7,327				
Public sector								
Non public offer super funds	936	838	696	679				
Exempt schemes	1,723	1,686	1,774	1,733				
Total	2,659	2,524	2,470	2,413				
Retail								
Public offer super funds	9,799	9,514	8,962	8,204				
Eligible rollover funds	4,119	3,556	3,189	3,007				
Multi-member ADFs	38	40	52	55				
Total	13,956	13,111	12,203	11,266				
Small								
Small APRA funds and single member ADFs	11	11	10	10				
Self-managed super funds	539	482	422	389				
Total	550	493	432	399				
Total	26,966	25,099	23,887	22,740				

^a The number of members for public sector funds have been revised based on new information submitted to APRA.

Table 4 Age segmentation of member accounts

Year end June 2004

Entities with greater than four members

(thousands)

	< 35 yrs	35 - 49 yrs	50 - 59 yrs	60 - 65 yrs	> 65 yrs	Total
<i>By functional classification</i>						
Corporate	404	405	173	33	14	1,029
Industry	4,557	2,781	1,146	231	56	8,771
Public sector	822	977	491	126	244	2,659
Retail	6,084	4,699	2,210	633	330	13,956
Total	11,868	8,862	4,020	1,023	643	26,416
<i>By functional classification</i>						
Corporate	39%	39%	17%	3%	1%	100%
Industry	52%	32%	13%	3%	1%	100%
Public sector	31%	37%	18%	5%	9%	100%
Retail	44%	34%	16%	5%	2%	100%
Total	45%	34%	15%	4%	2%	100%

Table 5 Member accounts: flows and types

Year end June 2004

Entities with greater than four members
(thousands)

	Corporate	Industry	Public sector	Retail	Total
Number of member accounts June 2003	967	8,005	2,524	13,111	24,606
Exits during the year					
Death	1	8	1	11	21
Retirement	8	78	10	79	175
Retrenchment / Redundancy	5	1	4	4	14
Disabilities	1	4	2	3	10
Resignations	63	260	40	255	619
To eligible rollover funds	23	399	6	240	668
Other	11	289	22	1,112	1,433
Total	111	1,040	85	1,705	2,940
Entrants during the year					
Personal members	9	27	1	822	858
Employer sponsored members	162	1,771	194	1,191	3,317
Other	3	10	25	537	574
Total	173	1,807	220	2,550	4,750
Net entrants	63	767	135	845	1,809
Number of member accounts June 2004	1,029	8,771	2,659	13,956	26,416

Financials

Table 6 Financial performance - trends

(\$ million)

	Jun 04	Jun 03	Jun 02	Jun 01	Jun 00	Jun 99 ^a	Jun 98	Jun 97
<i>Total assets at the beginning of the financial year</i>	537,781	518,100	519,030	484,223	411,411	360,280	321,052	261,910
Contributions								
Employer	38,681	34,676	28,574	27,416	25,955	31,299	21,642	19,122
Member	20,344	18,990	23,037	22,632	20,283	17,759	13,767	9,976
Other ^b	4,662							
Total contributions	63,687	53,666	51,612	50,047	46,237	49,059	35,409	29,098
Rollovers								
Inward	40,243	40,878	44,011	44,024	48,734	26,536	31,352	28,046
Outward	27,937	28,230	29,992	37,930	38,571	19,281	24,508	21,832
Net rollovers	12,306	12,648	14,019	6,094	10,163	7,256	6,844	6,213
Benefit payments								
Lump sum	24,300	26,125	25,717	24,144	22,289	18,705	17,625	14,534
Pensions	6,360	7,098	6,849	6,440	5,049	4,989	4,529	3,976
Total benefit payments	30,660	33,224	32,566	30,584	27,338	23,693	22,154	18,511
Net contribution flows	45,333	33,091	33,064	25,558	29,061	32,621	20,099	16,801
Net investment income	69,274	3,900	-9,817	18,687	40,816	25,265	22,572	32,525
Total operating expenses	4,123	4,081	3,864	3,509	3,273	2,587	2,271	2,092
Other changes ^c	-7,170	-6,035	-11,879	3,511	-9,244	3,993	-760	1,102
Change in the balance of life office statutory funds	-10,209	-7,193	-8,434	-9,440	15,451	-8,163	-412	10,807
Net growth	93,105	19,682	-930	34,807	72,812	51,130	39,228	59,142
<i>Total assets at the end of the financial year</i>	630,886	537,781	518,100	519,030	484,223	411,411	360,280	321,052

^a During June 1999 three public sector funds received \$8.4 billion in exceptional employer contributions.

^b Other contributions for June 2004 include appropriation for the major Commonwealth public sector superannuation schemes where benefits were paid directly from Commonwealth Consolidated Revenue.

^c Other changes are calculated using residual analysis based on net growth, net contribution flows, net investment income and operating expenses. Tax expenses and other items not included in this table are included in other changes.

Table 7 Financial performance by fund type

Year end June 2004

Entities with greater than four members

(\$ million)

	Corporate	Industry	Public sector	Retail	Total
<i>Total assets 2003</i>	52,291	68,169	94,607	178,962	394,029
Contributions					
Employer	4,948	10,333	7,301	10,860	33,441
Member	452	873	2,580	9,750	13,654
Other ^a	484	62	2,884	1,223	4,652
Total contributions	5,883	11,268	12,765	21,832	51,747
Contribution tax and surcharge	847	1,627	1,248	2,002	5,724
Rollovers					
Inward	2,491	4,233	1,236	26,199	34,158
Outward	4,398	2,318	1,400	18,861	26,976
Net rollovers	-1,907	1,915	-165	7,338	7,182
Benefit payments					
Lump sums	1,396	2,537	3,421	13,542	20,896
Pensions	312	211	3,120	2,303	5,946
Total benefit payments	1,708	2,749	6,541	15,845	26,842
Net contribution flows	2,269	10,434	6,059	13,324	32,087
Death and disability insurance					
Total proceeds on insurance policies	89	211	19	316	635
Cost of member benefit insurance	163	366	38	1,057	1,624
Investment income					
Investment income after doubtful debts	2,200	3,456	8,116	3,451	17,223
Gains / losses on investments	5,307	7,670	5,293	17,912	36,182
Total investment income	7,507	11,126	13,409	21,362	53,405
Investment expenses					
Investment management fees	87	179	172	215	653
Custodian fees	14	21	31	4	70
Property maintenance costs	17	4	9	0	30
Asset consultant fees	5	13	6	38	62
Other investment expenses	22	18	16	15	71
Total investment expenses	146	235	234	272	887
Net investment income	7,362	10,891	13,175	21,091	52,518
Operating expenses					
Interest expense	0	0	0	0	0
Management fees (non-investment)	27	22	3	372	424
Administration fees	112	282	51	905	1,350
Actuary fees	14	1	2	1	19
Directors/trustees fees & expenses	5	24	3	181	213
Total fees paid to audit firm	29	9	3	2	44
Other operating expenses	68	117	21	178	385
Total operating expenses	256	456	83	1,640	2,434
Other income	17	41	78	264	400
Net earnings	7,123	10,477	13,169	19,715	50,484
Tax expense on earnings	322	683	399	314	1,718
Net earnings after tax	6,801	9,793	12,770	19,402	48,766
Net operating performance after tax	8,149	18,444	17,563	29,983	74,140
Other changes ^b	-1,352	1,807	-548	537	444
Net growth	6,797	20,251	17,016	30,520	74,583
<i>Total assets 2004</i>	59,088	88,420	111,623	209,482	468,613

Notes:

Some indirect expenses have not been reported. Refer to the important notice at the beginning of the publication.

^a Other contributions for June 2004 include appropriation for the major Commonwealth public sector superannuation schemes where benefits were paid direct from Commonwealth Consolidated Revenue.

^b Other changes include movements in liabilities over the year and any other reconciling items.

Table 8 Superannuation total assets - trends

(\$ billion)

	Jun 04	Jun 03	Jun 02	Jun 01	Jun 00	Jun 99	Jun 98	Jun 97
By functional classification								
Corporate	59.1	52.3	58.3	71.1	69.7	67.7	65.3	61.9
Industry	88.4	68.2	60.7	56.9	45.7	37.6	31.2	25.8
Public Sector	111.6	94.6	93.6	102.1	101.6	87.7	73.0	65.3
Retail	209.5	179.0	171.5	158.8	134.3	112.5	91.2	78.2
Small	136.9	108.2	91.2	79.0	72.3	60.9	46.2	36.1
<i>Sub total</i>	605.6	502.2	475.4	467.9	423.6	366.3	307.0	267.3
Balance of statutory funds	25.3	35.5	42.7	51.2	60.6	45.2	53.3	53.7
Total	630.9	537.8	518.1	519.0	484.2	411.4	360.3	321.1
By regulatory classification								
Public offer super funds	257.9	216.1	204.0	184.5				
Non public offer super funds	134.6	115.6	117.5	135.0				
Exempt schemes	71.1	58.2	58.7	65.3				
Approved deposit funds	0.7	0.6	0.9	1.0				
Eligible rollover funds	4.3	3.6	3.4	3.1				
Small APRA funds	3.1	2.6	2.6	2.2				
Self-managed super funds	133.7	105.5	88.5	76.7				
Pooled superannuation trusts	40.2	37.9	35.9	32.3				
Balance of statutory funds	25.3	35.5	42.7	51.2				
Total	630.9	537.8	518.1	519.0				
By functional and regulatory classification								
Corporate								
Public offer super funds	5.6	5.0	5.6	2.9				
Non public offer super funds	53.5	47.3	52.7	68.1				
Total	59.1	52.3	58.3	71.1				
Industry								
Public offer super funds	47.7	36.3	31.0	26.9				
Non public offer super funds	40.7	31.9	29.8	30.0				
Total	88.4	68.2	60.7	56.9				
Public sector								
Non public offer super funds	40.5	36.4	35.0	36.8				
Exempt schemes	71.1	58.2	58.7	65.3				
Total	111.6	94.6	93.6	102.1				
Retail								
Public offer super funds	204.5	174.8	167.4	154.7				
Eligible rollover funds	4.3	3.6	3.4	3.1				
Multi-member ADFs	0.6	0.6	0.8	1.0				
Total	209.5	179.0	171.5	158.8				
Small								
Small APRA funds	3.1	2.6	2.6	2.2				
Single member ADFs	0.1	0.1	0.1	0.1				
Self-managed super funds	133.7	105.5	88.5	76.7				
Total	136.9	108.2	91.2	79.0				
Balance of statutory funds	25.3	35.5	42.7	51.2				
Total	630.9	537.8	518.1	519.0				
Pooled superannuation trusts	40.2	37.9	35.9	32.3				
Retirement savings accounts	1.1	0.9	0.5	0.4				

Table 9 Financial position by fund type

Year end June 2004

Entities with greater than four members

(\$ million)

	Corporate	Industry	Public sector	Retail	Total
Assets					
Receivables	856	1,172	2,002	1,249	5,279
Investments					
Cash and deposits	2,885	2,637	5,242	3,935	14,698
Placements and loans	3,571	10,983	19,204	3,029	36,787
Equities	14,541	27,412	56,186	6,035	104,175
Derivatives	6	132	351	9	498
Property holdings	1,177	1,659	820	9	3,664
<i>Investment managers:</i>					
Pooled super trusts	8,777	3,424	1,250	18,723	32,174
Wholesale trusts	19,669	36,785	22,259	52,254	130,967
Life office funds	5,413	1,645	3,824	116,213	127,095
Unlisted public offer unit trusts	1,664	2,473	826	7,852	12,815
Other investments	485	52	-422	70	185
Deferred tax assets	46	45	80	104	277
Total assets	59,088	88,420	111,623	209,482	468,613
Liabilities					
Derivative financial instruments	2	11	*	37	*
Borrowings	7	0	*	3	*
Current tax liabilities	213	471	*	982	*
Deferred tax liabilities	181	690	*	201	*
Sundry creditors	795	1,110	*	398	*
Total liabilities	1,198	2,283	2,919	1,621	8,020
Net assets to pay benefits	57,891	86,138	108,704	207,862	460,594
<i>of which:</i>					
Liability for allocated accrued benefits	55,582	84,522	88,821	206,649	435,574
Reserves (unallocated benefits)	162	980	*	1,051	*
Excess/deficiency of assets	2,147	637	*	161	*

Table 10 Entity ratios by fund type

Year end June 2004

Entities with greater than four members

	Corporate	Industry	Public sector	Retail	Total
<i>Entities with greater than four members</i>					
Net investment income (\$m)	7,362	10,891	13,175	21,091	52,518
Other income (\$m)	17	41	78	264	400
Total operating expense (\$m)	256	456	83	1,640	2,434
Tax expense on earnings (\$m)	322	683	399	314	1,718
Net earnings after tax (\$ m)	6,801	9,793	12,770	19,402	48,766
Average assets (\$m)	55,689	78,295	103,115	194,222	431,321
Return on assets (%) ^a	12.2%	12.5%	12.4%	10.0%	11.3%
Total investment expense (\$m)	146	235	234	272	887
Total operating expense (\$m)	256	456	83	1,640	2,434
Average assets (\$m)	55,689	78,295	103,115	194,222	431,321
Expense ratio (%) ^b	0.7%	0.9%	0.3%	SNR	SNR
Total assets (\$m) for entities with greater than four members	59,088	88,420	111,623	209,482	468,613
Total member accounts ('000) for entities with greater than four members	1,029	8,771	2,659	13,956	26,416
Average account balance (\$) ^c	57,398	10,081	41,976	15,010	17,740

^a The return on assets should not be used to infer annual crediting rates.

^b Some indirect expenses have not been reported. Refer to the important notice at the beginning of the publication.
Expenses incurred by employer sponsors that are not passed to members have not been reported.

^c Excluding ERFs and ADFs, the average account balance for retail funds is \$21,179.

Table 11 Manner of investment - trends

(\$ million)

	Directly invested	Placed with an investment manager	Invested in life office statutory funds	Total
June 1995	68,559	74,450	86,056	229,065
June 1996	84,066	83,526	94,318	261,910
June 1997	80,908	123,901	116,244	321,052
June 1998	98,027	140,229	122,024	360,280
June 1999	118,867	155,323	137,221	411,411
June 2000	144,488	186,905	152,829	484,223
June 2001	158,576	201,440	159,014	519,030
June 2002	170,121	191,099	156,880	518,100
June 2003	187,378	194,115	156,288	537,781
June 2004	228,398	236,131	166,358	630,886

Notes:

Data for superannuation assets placed with investment managers are sourced from the ABS.

Superannuation assets invested in life office statutory funds are sourced from Life Insurance returns submitted to APRA under the *Life Insurance Act (1995)*.

Table 12 Structure of retirement benefits

Year end June 2004

Entities with greater than four members

	Accumulation	Defined benefit	Hybrid	Total
Entities				
<i>Total for entities with greater than four members</i>	1,292	120	374	1,786
Members ('000)				
<i>Total for entities with greater than four members</i>	19,002	422	6,992	26,416
Assets (\$m)				
<i>Total for entities with greater than four members</i>	251,739	16,633	200,241	468,613

Table 13 Structure of retirement benefits (assets) - trends

(\$ million)

Entities with greater than four members

	Accumulation	Defined benefit	Hybrid	Total
June 1995	71,164	35,216	56,108	162,488
June 1996	89,284	39,369	62,126	190,779
June 1997	111,404	33,083	86,699	231,186
June 1998	129,428	36,194	95,177	260,799
June 1999	152,385	27,166	125,805	305,357
June 2000	179,375	24,262	147,689	351,326
June 2001	208,290	24,188	156,420	388,898
June 2002	218,112	18,600	147,504	384,217
June 2003	220,815	17,642	155,572	394,029
June 2004	251,739	16,633	200,241	468,613

Investment choice

Table 14 Investment choice by fund type

Year end June 2004

Entities with greater than four members

	Corporate	Industry	Public sector	Retail ^a	Total
Number of entities with greater than four members	1,404	107	40	235	1,786
Number of entities offering investment choice	430	83	24	179	716
Proportion of entites offering investment choice	30.7%	77.8%	60.0%	76.0%	40.1%
Average number of investment choices offered per entity ^b	4	7	6	59	23
Total assets (\$m)	59,088	88,420	111,623	209,482	468,613
Assets of entities offering investment choice (\$m)	43,649	86,615	63,049	184,534	399,865
Assets in entities offering investment choice	73.9%	98.0%	56.5%	88.1%	85.3%
Assets in default investment strategy ^c (\$m)	38,494	61,846	71,053	110,524	281,917

^a Excluding approved deposit funds and eligible rollover funds, 83 per cent of retail superannuation funds have investment choice.

^b The average number of investment choices offered per entity refers to those entities that have investment choice.

^c Not all superannuation entities are required to have a default investment strategy. Where there is no default strategy, the strategy of the largest option is reported (or the total entity where there is no investment choice).

Table 15 Asset allocation of default investment strategy

Year end June 2004

Entities with greater than four members

(\$ million)

	Corporate	Industry	Public sector	Retail	Total
Australian shares	14,041	21,569	24,790	32,676	93,076
International shares	8,231	14,168	20,097	16,934	59,431
Listed property	1,364	2,196	2,062	1,591	7,214
Unlisted property	1,326	3,571	5,335	481	10,713
Australian fixed interest	3,677	7,135	5,893	24,184	40,889
International fixed interest	1,896	4,071	4,488	5,435	15,890
Cash	2,555	3,325	5,579	8,019	19,478
Other ^a	5,404	5,810	2,808	21,203	35,226
Total default strategy assets	38,494	61,846	71,053	110,524	281,917
Total assets	59,088	88,420	111,623	209,482	468,613

Proportion of assets

	Corporate	Industry	Public sector	Retail	Total ^a
Australian shares	36%	35%	35%	30%	33%
International shares	21%	23%	28%	15%	21%
Listed property	4%	4%	3%	1%	3%
Unlisted property	3%	6%	8%	0%	4%
Australian fixed interest	10%	12%	8%	22%	15%
International fixed interest	5%	7%	6%	5%	6%
Cash	7%	5%	8%	7%	7%
Other ^a	14%	9%	4%	19%	12%
Total	100%	100%	100%	100%	100%

Notes:

^c Not all superannuation entities are required to have a default investment strategy. Where there is no default strategy, the strategy of the largest option is reported (or the total entity where there is no investment choice).

^a Other includes assets in alternative investments such as hedge funds and assets not included in any other category. Other assets may also include assets in collective investments.

Other statistics and information

Key dates affecting the superannuation statistics

- 1986: 3 per cent superannuation payment introduced for those employed under certain Awards.
- 1992: Superannuation Guarantee introduced.
- 1993: *Superannuation Industry (Supervision) Act 1993* introduced.
- 1999: Superannuation preservation rules amended.
- 2002: Superannuation guarantee increased to 9 per cent.
- 2003: Superannuation Guarantee required to be paid quarterly.
- 2003: Introduction of Government co-contributions.
- 2004: Government policy on superannuation co-contributions extended.

Super Guarantee Rates (where employer's base payroll is above \$1 million)

Year	Rate
<i>1992/93</i>	5%
<i>1993/94</i>	5%
<i>1994/95</i>	5%
<i>1995/96</i>	6%
<i>1996/97</i>	6%
<i>1997/98</i>	6%
<i>1998/99</i>	7%
<i>1999/00</i>	7%
<i>2000/01</i>	8%
<i>2001/02</i>	8%
<i>2002/03 and subsequent years</i>	9%

Superannuation Coverage

90 % of all employed persons.

Source: Australian Taxation Office, April 2005.

Further sources of information

Australian Taxation Office (ATO)

www.ato.gov.au

Australian Securities and Investments Commission (ASIC)

www.asic.gov.au

Australian Bureau of Statistics (ABS)

www.abs.gov.au

Explanatory notes

Source

APRA's *Annual Superannuation Bulletin* comprises statistics on the superannuation industry in Australia. APRA also produces a quarterly publication based on entities that have assets of at least \$50 million.

The statistics in this publication have been prepared from the following sources:

- superannuation returns submitted to APRA under the *Financial Sector (Collection of Data) Act 2001*;
- data from quarterly returns submitted to APRA by select exempt public sector superannuation schemes in Australia. There are 18 exempt public sector schemes that report to APRA under a Heads of Government agreement between the Commonwealth and each of the State and Territory Governments;
- data provided by the ATO in respect of self-managed superannuation funds (SMSFs);
- data provided by the ABS on superannuation assets held with investment managers. The specific figures used are derived from the ABS publication 5655.0 - Managed Funds in Australia;
- returns submitted to APRA under the *Life Insurance Act 1995* by registered life companies in Australia; and
- returns submitted to APRA by retirement savings account providers under the *Retirement Savings Account Act (1997)*.

Comparison with *Superannuation Trends*

The *Annual Superannuation Bulletin* together with the new quarterly publications, replace the historical publication, *Superannuation Trends*. *Superannuation Trends* was a quarterly publication containing information on the superannuation industry. It was based on data from the *Quarterly Survey of Superannuation* (completed by funds with at least \$60 million in assets) and estimates were calculated for the rest of the industry. The new annual publication primarily contains data from audited APRA annual returns, but also from exempt public sector superannuation schemes, ATO-regulated SMSFs, retirement savings accounts (RSAs) and the balance of life office statutory funds. APRA's quarterly publication contains information from entities that report quarterly to APRA (including exempt public sector schemes). These funds account for more than 95 per cent of assets of entities with at least four members and 72 per cent of total superannuation assets.

Some of the tables in the new annual publication are similar to data published in *Superannuation Trends*. The time series in the publication has been constructed from data published in *Superannuation Trends*. Similarities and differences between the publications are outlined in 'Methodology behind APRA's new superannuation publications'.

Classification of funds

Data in this publication have been broken down by the regulatory classifications under the *Superannuation Industry (Supervision) Act 1993* (SIS Act), the funds' functional description and the type of benefit structure. The classifications under the SIS Act are subject to different prudential and legislative requirements, whereas the functional descriptions reflect how superannuation funds operate and how they describe themselves. APRA recently reviewed the classification of superannuation entities. Details of this review can be found on APRA's web site at www.apra.gov.au/superannuation/statistics. Some funds have been re-classified and this may impact the aggregate statistics. This should be considered when making inferences and conclusions about the data and when comparing it with data from *Superannuation Trends*.

Pooled superannuation trusts (PSTs) have not been included in financial aggregates because PST assets are from other regulated superannuation funds and are reported elsewhere. RSAs are not included in financial aggregates as much of the information is not collected.

Glossary

Definitions

Accumulation funds are superannuation entities where all members make defined contributions (accumulated benefits). The assets of the fund are invested and any earnings (or losses) are credited/debited to the member's account less any charges such as administration fees and insurance premiums. Members bear the full effect of fluctuation in investment earnings.

Approved deposit funds (ADFs) can receive, hold and invest certain types of rollovers until such funds are withdrawn or a condition of release is satisfied (depending on the preservation status of the assets). ADFs can be either single-member or multi-member.

Average account balance is *total assets* divided by the total number of *member accounts*.

Average assets is the average of the opening and closing balance of *total assets* over the period.

Balance of life office statutory funds refers to superannuation assets held in the statutory funds of life insurance companies after the assets known to reside in other fund types have been allocated.

Contributions tax and surcharge represents the tax expense in relation to taxable contributions made to the superannuation entity during the period (contributions tax) and the surcharge amount on contributions (contributions surcharge).

Corporate funds are regulated superannuation entities with greater than four members established for the benefit of employees of a particular entity or a group of related entities, with joint member and employer control.

Defined benefit funds are superannuation entities where all members have defined benefits. In defined benefit funds, the member's benefit is calculated based on a formula specified in the trust deed. Usually the member's final benefit depends on years of service with an employer (or years of membership of the fund) and level of salary near retirement.

Eligible rollover funds (ERFs) are superannuation funds or approved deposit funds which are eligible to receive benefits automatically rolled over from other funds. ERFs typically accept superannuation monies from other funds where the member has become 'lost'.

Entities with greater than four members are superannuation entities regulated by APRA and *exempt schemes* that have greater than four members.

Entities with less than four members (small funds) are superannuation entities regulated by APRA that have less than five members and superannuation entities regulated by the ATO.

Exempt public sector schemes are unregulated public sector superannuation schemes that are required to report to APRA under an agreement between the Commonwealth Government and each of the State and Territory Governments.

Expense ratio is the sum of *operating expenses* and *investment expenses* divided by *average assets*.

Fees and commissions are fees and commissions earned by the superannuation entity and include income for *scrip lending* and *underwriting activities*.

Hybrid funds are superannuation entities that have a combination of both accumulation and defined benefit members.

Investment expenses are all expenses which are associated with the generation of income on the investment portfolio of the superannuation entity.

Investment income is income generated from the investment portfolio of the superannuation entity.

Industry funds are regulated superannuation entities with greater than four members that provide for employees working in the same industry.

Leased assets are any assets which are leased (i.e. leases under which the lessor effectively transfers to the lessee substantially all the risks and benefits incident to ownership of the leased asset and where legal ownership may eventually be transferred).

Member accounts are the total number member of accounts of the superannuation entity.

Net contribution flows is *total contributions* plus net rollovers less *benefit payments* and are gross of *contributions tax and surcharge*.

Net earnings is the sum of *net investment income* and *other income* less *operating expenses* and *tax expense on earnings* divided by *average assets*.

Net growth is the difference between the opening and closing balance of *total assets* over the period.

Net investment income is *investment income* less *investment expenses*.

Net operating performance is the net income (income less expenses) generated during the year.

Net rollovers is the difference between *rollovers inwards* and *rollovers outwards*. Rollovers inward include assets transferred from regulated superannuation entities as well as from the balance of life office statutory funds and from *RSAs*. The assets transferred out of the balance of life office statutory funds and from *RSAs* are not captured in *net rollovers*.

Operating expenses include expenses incurred which are not ordinarily directly associated with the generation of *investment income* (i.e. expenses that are not directly related to the investment portfolio of the superannuation entity, but more toward the administration of the superannuation entity).

Other APRA regulated superannuation funds (non public offer) are superannuation funds regulated by APRA that have greater than four members but are not open to the public.

Other contributions refer to contributions other than *employer* or *member contributions* and include spouse contributions. Other contributions are net of *repatriation to employer sponsors*.

Other income includes any amounts that do not fall into the other categories. Other income also includes *fees and commissions* earned by the superannuation entity during the period.

Other investments include *securities purchased under agreement to resell* and *leased assets*.

Other member entrants includes member entrants (transfers) from other fund types and entrants where the reason is unknown.

Other member exits includes member exits (transfers) to other fund types and exits where the reason is unknown.

Pooled superannuation trusts (PSTs) are trusts in which superannuation funds, approved deposit funds and other PSTs invest in. PSTs are not included in total assets as their assets are captured in other superannuation entity categories. Member accounts for PSTs are not applicable.

Public offer superannuation funds (public offer) are superannuation funds regulated by APRA that offer or intend to offer superannuation interests to the public on a commercial basis.

Public sector funds (or 'schemes') are superannuation entities with greater than four members that provide benefits for Government employees, or are schemes established by a Commonwealth, State or Territory law.

Repatriation to employer sponsors is the amount repatriated to employer sponsors by the superannuation entity.

Retirement savings accounts (RSAs) are licensed authorised deposit taking institutions, life insurance companies and prescribed financial institutions that offer a capital guaranteed product for retirement savings.

Retail funds are superannuation entities with greater than four members that offer superannuation products to the public on a commercial basis.

Return on assets is *net earnings* after tax divided by the *average assets* for the period.

Scrip lending refers to the situation where the superannuation entity buy/borrows securities from another party in exchange for cash. The superannuation entity agrees to return the securities to the other party in the future for the return of the cash (plus an additional amount of earnings, fees or commissions).

Securities purchased under agreement to resell are assets where the superannuation entity buys/borrows securities from another party in exchange for cash. The superannuation entity agrees to return the securities to the other party in the future in exchange for the return of the cash (plus interest).

Self-managed superannuation funds (SMSFs) are superannuation entities regulated by the Australian Taxation Office that have less than five members, all of whom are trustees.

Small funds (APRA) are superannuation funds regulated by APRA with less than five members.

Tax expense on earnings represents the tax associated with operating performance. It includes the tax on investment earnings but excludes *contributions tax and surcharge* .

Total assets is the sum of total assets.

Underwriting activities are when the superannuation entity provides or guarantees to underwrite the issue of securities.



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