



25 March 2014

To all RSE licensees

## **SUPERANNUATION REPORTING STANDARDS - MINOR REVISIONS**

In 2013, APRA released a suite of 37 final reporting standards applying to the superannuation industry.

Since the commencement of the new reporting requirements, APRA has received industry feedback on some of these standards, seeking clarification and guidance on interpretation. As a result APRA has publicly released a number of FAQs which are available on the APRA website.

Some FAQs provide transition guidance, however APRA considers that a number of the matters raised by industry participants and covered in FAQs should be included in the reporting standards, forms and instructions on an ongoing basis.

These minor amendments will somewhat simplify the superannuation industry's reporting obligations, but do not impose any new obligations.

APRA has identified six reporting standards which would benefit from minor amendment, largely with respect to the reporting instructions. The affected reporting standards are:

- *Reporting Standard SRS 320.0 Statement of Financial Position;*
- *Reporting Standard SRS 330.0 Statement of Financial Performance;*
- *Reporting Standard SRS 520.0 Responsible Persons Information;*
- *Reporting Standard SRS 530.1 Investments and Investment Flows;*
- *Reporting Standard SRS 533.0 Asset Allocation (SRS 533.0); and*
- *Reporting Standard SRS 702.0 Investment Performance (SRS 702.0)*

Attachment A of this letter summarises the changes that have been made to these six reporting standards. Revised versions of the reporting standards, forms and instructions, with the changes indicated, have also been released with this letter.

As the amendments have either been previously communicated to the superannuation industry through FAQs or are of a minor or machinery nature, APRA is issuing these reporting standards as final. The relevant FAQs will be archived on the APRA website with a note to indicate that the content has been included in the latest version of the relevant reporting standard.

The revised reporting standards take effect from 1 April 2014, which means that RSE licensees will be required to comply with these revised reporting standards in respect of reporting periods ending on or after 30 June 2014.

APRA encourages RSE licensees to report to APRA in accordance with the revised reporting standards in respect of the March 2014 quarter to the extent practicable.

The revisions, where relevant, will be incorporated in the D2A forms so that RSE licensees will be able to submit data for the June quarter based on the latest versions of the reporting standards. Note that RSE licensees will be able to continue to report via D2A using the current versions of the reporting forms for the March quarter (i.e. forms that do not reflect the amendments in the revised reporting standards).

### ***Upcoming revisions to reporting standards***

APRA originally proposed that SRS 533.0 and SRS 702.0 apply to both MySuper investment options and select investment options. APRA subsequently released FAQ #47 in 2013 notifying RSE licensees that the requirements of SRS 533.0 and SRS 702.0, as they apply to select investment options, would be reconsidered as part of future consultation on reporting related to choice product dashboard requirements. This was to allow for alignment between the product dashboard for choice products and APRA's reporting requirements for select investment options.

APRA now proposes to consult on asset allocation and investment performance reporting for select investment options via separate reporting standards. SRS 533.0 and SRS 702.0 will therefore only apply to MySuper investment options. APRA has issued a separate letter outlining the approach for consultation on the content of the separate reporting standards for select investment option reporting.

As a result, SRS 533.0 has been re-determined to apply only to MySuper investment options.

APRA also intends to amend *Reporting Standard SRS 001.0 Profile and Structure (Baseline)* (SRS 001.0) to clarify issues in the form and instructions that have been reported to APRA since the form commenced in April 2013. These amendments are essential as SRS 001.0 affects how reporting forms are allocated to RSE licensees.

Changes to SRS 001.0 will be communicated prior to the next annual submission date of 30 June 2014.

Industry is encouraged to continue to contact APRA with queries about the new reporting collection via email at [super.statistic@apra.gov.au](mailto:super.statistic@apra.gov.au).

Yours sincerely



Helen Rowell  
Member

## **Attachment A - Detail of revisions to each reporting standard**

The six reporting standards have been updated as outlined below. The changes are also indicated on the revised versions of the reporting standards released with this letter.

### ***Reporting Standard SRS 320.0 Statement of Financial Position (SRS 320.0)***

- Additional detail about how to report members' benefits for hybrid members (i.e. members with DB and DC interests).
- Clarity on reporting liability for members' benefits in respect of a pooled superannuation trust.
- Clarity on reporting directly held derivatives, including how this reporting should reconcile with other forms.

### ***Reporting Standard SRS 330.0 Statement of Financial Performance (SRS 330.0)***

- Confirmation that investment income and investment expenses should be reported on a gross basis (i.e. not netted off against each other).
- Additional detail to clarify reporting on fee rebates.
- Clarity about the treatment of lump sum benefit payments and insurance related inflows.
- Consistency between the instructions and the form, including correction of a derivation calculation.

### ***Reporting Standard SRS 520.0 Responsible Persons Information (SRS 520.0)***

- Correction of cross-references to the relevant paragraphs in *Prudential Standard SPS 520 Fit and Proper*.

### ***Reporting Standard SRS 530.1 Investments and Investment Flows (SRS 530.1)***

- Improvements to definitions such as look-through, equity investments and the domicile for assets and investment vehicles.
- Further detail about reporting currency hedging ratios and the market exposure of indirectly held derivatives.
- Improvement to the collection of life insurance company related investments through corrections to definitions.

### ***Reporting Standard SRS 533.0 Asset Allocation (SRS 533.0)***

- Minor change to the D2A form to ensure consistent reporting about the level of strategic and actual currency hedging under SRS 530.1 and SRS 533.0.
- Further detail about reporting currency hedging ratios and the market exposure of indirectly held derivatives.
- Improvements to definitions such as look-through, equity investments and the domicile for assets and investment vehicles.
- Improvement to the collection of life insurance company related investments through corrections to definitions.

***Reporting Standard SRS 702.0 Investment Performance (SRS 702.0)***

- Clarity regarding look-through reporting in the context of reporting investment fees and costs, as well as reporting gross of tax.
- Clarity regarding reporting on MySuper investment options that start on a date other than the first day of the reporting year (usually 1 July), and collection of the actual start date on the form.