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To the Chairman, Board of Directors Superannuation Funds Management Corporation of South Australia

Opinion

I have audited the financial report of the Superannuation Funds Management Corporation of South Australia (Funds SA) for the financial year ended 30 June 2023.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Superannuation Funds Management Corporation of South Australia as at 30 June 2023, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- Schedule 1: Asset Class Funds Under Management for the year ended 30 June 2023
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chairman, Board of Directors, the Chief Executive Officer, the Chief Operating Officer and the Chair, Audit and Risk Committee.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Superannuation Funds Management Corporation of South Australia. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Chief Executive Officer and Board of Directors for the financial report

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board of Directors is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 28 of the *Superannuation Funds Management Corporation of South Australia Act 1995*, I have audited the financial report of Superannuation Funds Management Corporation of South Australia for the financial year ended 30 June 2023.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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

- obtain 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 Superannuation Funds Management Corporation of South Australia's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer'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 entity'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's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with Chief Executive Officer and the Board of Directors about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson
Auditor-General

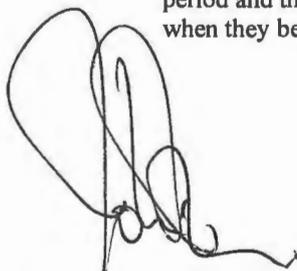
21 September 2023

Funds SA
Financial Statements for the year ended 30 June 2023

Certification of the Financial Statements

We certify that the:

- financial statements of Funds SA:
 - are in accordance with the accounts and records of Funds SA;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant Australian Accounting Standards; and
 - present a true and fair view of the financial position of Funds SA as at 30 June 2023 and the results of its operations and cash flows for the financial year.
- internal controls employed by Funds SA for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period and there are reasonable grounds to believe Funds SA will be able to pay its debts as and when they become due and payable.



John Piteo
Chief Operating Officer



Jo Townsend
Chief Executive Officer

Approved by a resolution of the Board of Directors dated 13th September 2023.



Kathryn Presser
Chair of Audit and Risk Committee



Paul Laband
Chairman, Board of Directors

Funds SA
Financial Statements for the year ended 30 June 2023

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2023

	Note No.	2023 \$'000	2022 \$'000
Income			
Administration fee revenue	2.1	21,273	22,131
Interest		278	-
Other income	2.2	-	17
Total Income		21,551	22,148
Expenses			
Employee benefits costs	3.3	14,283	12,734
Supplies and services	4.1	7,215	5,622
Depreciation	4.3	841	875
Lease interest expense	4.4	10	13
Total Expenses		22,349	19,244
Net (Deficit)/Surplus		(798)	2,904
Total Comprehensive Result		(798)	2,904
The Net Surplus and Comprehensive Result are attributable to the SA Government as owner			

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Funds SA
Financial Statements for the year ended 30 June 2023

STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

	Note No.	2023 \$'000	2022 \$'000
Current Assets			
Cash and cash equivalents	5.1	9,672	10,243
Receivables	5.2	6,105	5,873
Other assets	6.3	744	933
Total Current Assets		16,521	17,049
Non-Current Assets			
Property, plant and equipment	6.1	834	1,162
Right of use assets	7.1	987	1,425
Investments in Funds SA Unit Trusts	12	0	0
Total Non-Current Assets		1,821	2,587
Total Assets		18,342	19,636
Current Liabilities			
Payables	8.1	1,554	1,819
Employee benefits	3.4	1,092	1,059
Lease liabilities	7.2	456	436
Total Current Liabilities		3,102	3,314
Non-Current Liabilities			
Payables	8.1	142	119
Employee benefits	3.4	1,427	1,238
Lease liabilities	7.2	651	1,147
Total Non-Current Liabilities		2,220	2,504
Total Liabilities		5,322	5,818
Net Assets		13,020	13,818
Equity			
Retained earnings		13,020	13,818
Total Equity		13,020	13,818
The total equity is attributable to the SA Government as owner			

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Funds SA
Financial Statements for the year ended 30 June 2023

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2023

	Retained Earnings
	\$'000
Balance at 30 June 2021	10,914
Total comprehensive result for 2021-22	2,904
Balance at 30 June 2022	13,818
Total comprehensive result for 2022-23	(798)
Balance at 30 June 2023	13,020
Changes in equity are attributable to the SA Government as owner	

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Funds SA
Financial Statements for the year ended 30 June 2023

STATEMENT OF CASHFLOWS
For the year ended 30 June 2023

	Note No.	2023 \$'000	2022 \$'000
Cash flows from Operating Activities			
Cash inflows			
Fees and charges		23,302	24,458
Interest received		247	-
Other income		-	21
Cash generated from operations		23,549	24,479
Cash outflows			
Employee benefit payments		(13,996)	(12,770)
Supplies and services		(7,960)	(6,563)
GST paid to the ATO		(1,603)	(1,653)
Lease interest payments		(10)	(13)
Cash used in operations		(23,569)	(20,999)
Net cash provided by operating activities	9	(20)	3,480
Cash flows from Investing Activities			
Cash inflows			
Proceeds from sale of property, plant and equipment		-	1
Proceeds from lease incentives		-	-
Cash generated from investing activities		-	1
Cash outflows			
Purchase of property, plant and equipment		(76)	(73)
Cash used in investing activities		(76)	(73)
Net cash used in investing activities		(76)	(72)
Cash flows from financing activities			
Cash outflows			
Repayment of lease principal		(475)	(492)
Cash used in financing activities		(475)	(492)
Net cash used in financing activities		(475)	(492)

Funds SA
Financial Statements for the year ended 30 June 2023

STATEMENT OF CASHFLOWS
For the year ended 30 June 2023

	Note No.	2023 \$'000	2022 \$'000
Net increase (decrease) in cash and cash equivalents		(571)	2,916
Cash and cash equivalents at the beginning of the financial year		10,243	7,327
Cash and cash equivalents at the end of the financial year	5.1	9,672	10,243

The above Statement of Cashflows should be read in conjunction with the accompanying notes.

Funds SA

Financial Statements for the year ended 30 June 2023

SCHEDULE 1: ASSET CLASS FUNDS UNDER MANAGEMENT

This schedule provides information in relation to assets under Funds SA's management as at balance date. The disclosure of this information is voluntary. The basis of valuation of asset class investments is fair value as required under *AASB13 Fair Value Measurement*. The sources of valuations are provided below.

This schedule provides the following information:

- Statement of Income and Expenses of Assets Under Management
- Statement of Net Assets Under Management
- Fair Value of Financial Assets and Liabilities
- Financial Instruments and Management of Portfolio Risk

Income and Expenses Descriptions

Rent, Interest & Dividends

Rent

Rent received on the directly held real estate assets covered by Funds SA's Internally Managed Inflation Linked Securities.

Interest

Interest received on a range of directly held securities including cash at bank, term deposits, promissory notes, bonds and other debt related securities.

Dividends / Distributions

Dividends are received on directly held Australian and International shareholdings.

Distributions are received from investments in listed and unlisted unit trusts and private equity investments.

Realised Gains / (Losses)

Realised gains / (losses) represents realised gains and losses over either cost for those investments which had been acquired and disposed of within the financial period, or over market values previously brought to account where the investments disposed of were held at the commencement of the period.

Unrealised Gains / (Losses)

Unrealised gains / (losses) represents unrealised gains and losses, over either cost for those investments acquired during the period, or over market value at the commencement of the period for those investments acquired prior to the commencement of the period and held at balance date.

Expenses

Fees and charges directly invoiced and paid by each asset class or investment option for the reporting period, including accrued expenses. Expenses include directly paid fund manager base and performance fees, Funds SA administration fees, custody costs, asset consulting fees, legal fees, tax and audit costs.

Funds SA

Financial Statements for the year ended 30 June 2023

Investment Valuation Sources

Discretely Managed Portfolios

Discretely Managed Portfolios

Portfolios managed by external fund managers. Funds SA's custodian, Northern Trust, has valued each portfolio using market prices applicable at balance date.

Managed Funds and Private Equity

Pooled Funds / Unlisted Unit Trusts

Investments in pooled funds and other unlisted unit trusts have been valued by Funds SA's custodian in accordance with the valuations supplied by the relevant fund managers. Valuations used are the net asset values of the pooled funds and other unlisted units trusts at balance date.

Private Equity

The value of private equity investments is generally based on the most recent valuations supplied by the relevant fund managers (adjusted for cashflows). Investments included in this category include funds, co-investments and some private company debt securities.

Currency Hedge and Derivative Overlays

The values of the currency hedge and derivative overlays, as at balance date, are supplied by Funds SA's custodian and represents either the payable or receivable associated with closing out the contracts in place on balance date offset by any cash collateral posted.

Internally Managed Investments

Internally Managed Inflation Linked Securities

These investments, the returns of which are linked to movements in either the Consumer Price Index or Average Weekly Earnings, have been valued using the discounted cash flow method. The valuation as at balance date was performed by an independent valuer, ICE Data Services.

Changes from Prior Year

Investment Option Overlays

During the 2022-23 financial year derivative overlays were implemented at the investment option level to enable more precise implementation of asset allocation decisions for specific Investment Options. In addition, expenditure relating to Funds SA's Investment Options is now accrued and paid at this level also.

The balance of this line item in Schedule 1 reflects the unsettled profit and loss on derivative contracts as at balance date, as well as cash and accrued expenses posted at the Investment Option level.

Funds SA
Financial Statements for the year ended 30 June 2023
STATEMENT OF INCOME AND EXPENSES OF ASSETS UNDER MANAGEMENT
For the year ended 30 June 2023

Asset class	Rent, Interest & Dividends \$'000	Realised gains / (losses) \$'000	Unrealised gains / (losses) \$'000	Expenses \$'000	TOTAL \$'000
Australian Equities Tax-Exempt	261,717	203,172	530,678	(33,569)	961,998
Australian Equities Passive Tax-Exempt	3,666	293	6,631	(83)	10,507
Australian Equities Taxable	60,913	43,228	118,350	(7,822)	214,669
Australian Equities Passive Taxable	2,604	-	760	(61)	3,303
International Equities Tax-Exempt	196,456	56,089	1,302,421	(51,595)	1,503,371
International Equities Passive Tax-Exempt	21,046	(34,352)	99,043	(519)	85,218
International Equities Taxable	28,555	8,603	234,436	(9,645)	261,949
International Equities Passive Taxable	3,518	(1,693)	29,059	(220)	30,664
Property Tax-Exempt	8,242	7,202	(125,584)	(3,021)	(113,161)
Property Taxable	1,583	2,044	(25,609)	(622)	(22,604)
Private Markets Tax-Exempt	199,089	(180,636)	34,804	(3,563)	49,694
Core Infrastructure Tax-Exempt	28,459	(33,068)	95,570	(1,220)	89,741
Private Markets Taxable	21,872	(21,821)	953	(662)	342
Core Infrastructure Taxable	4,169	(7,604)	17,610	(274)	13,901
Defensive Alternatives	5,842	(1,297)	6,968	(746)	10,767
Credit	237,301	(140,297)	88,682	(8,709)	176,977
Investment Grade Credit	1,230	1,611	(3,921)	(90)	(1,170)
Growth Alternatives	1,586	(7,301)	(16,015)	(8,906)	(30,636)
Inflation Linked Securities Tax-Exempt	24,477	(4,145)	(14,258)	(1,302)	4,772
Inflation Linked Securities Taxable	25,316	(6,661)	22,992	(1,973)	39,674
Long Term Fixed Interest	40,763	(34,603)	(13,967)	(2,307)	(10,114)
Short Term Fixed Interest	38,236	7,226	1,812	(1,748)	45,526
Cash	27,640	63,176	11,601	(1,446)	100,971
Socially Responsible	5,472	6,232	26,053	(433)	37,324
Investment Option Overlays	(2,351)	(303)	48	(1,338)	(3,944)
TOTAL	1,247,401	(74,905)	2,429,117	(141,874)	3,459,739

Funds SA
Financial Statements for the year ended 30 June 2023

STATEMENT OF INCOME AND EXPENSES OF ASSETS UNDER MANAGEMENT
For the year ended 30 June 2022

Asset class	Rent, Interest & Dividends \$'000	Realised gains / (losses) \$'000	Unrealised gains / (losses) \$'000	Expenses \$'000	TOTAL \$'000
Australian Equities Tax-Exempt	332,078	45,846	(833,280)	(40,864)	(496,220)
Australian Equities Passive Tax-Exempt	7,003	1,664	(9,097)	(130)	(560)
Australian Equities Taxable	79,800	(5,786)	(187,092)	(8,999)	(122,077)
Australian Equities Passive Taxable	3,709	(475)	(2,924)	(76)	234
International Equities Tax-Exempt	191,952	(285,242)	(1,418,262)	(61,432)	(1,572,984)
International Equities Passive Tax-Exempt	13,964	2,112	(78,932)	(624)	(63,480)
International Equities Taxable	28,665	(51,596)	(234,956)	(10,646)	(268,533)
International Equities Passive Taxable	3,478	1,109	(18,112)	(270)	(13,795)
Property Tax-Exempt	20,235	3	378,483	(3,210)	395,511
Property Taxable	3,799	-	71,855	(661)	74,993
Private Markets Tax-Exempt	241,333	(31,800)	232,922	(3,497)	438,958
Core Infrastructure Tax-Exempt	6,018	(2,008)	91,023	(702)	94,331
Private Markets Taxable	35,821	(7,128)	40,644	(885)	68,452
Core Infrastructure Taxable	755	(790)	11,642	(145)	11,462
Defensive Alternatives	25,696	47,715	(25,279)	(4,938)	43,194
Credit	80,662	(102,615)	(330,113)	(4,062)	(356,128)
Growth Alternatives	741	(43,696)	115,076	(8,137)	63,984
Inflation Linked Securities Tax-Exempt	23,156	-	(56,633)	(963)	(34,440)
Inflation Linked Securities Taxable	24,472	(9,707)	(72,714)	(2,217)	(60,166)
Long Term Fixed Interest	41,184	(35,828)	(201,745)	(3,224)	(199,613)
Short Term Fixed Interest	26,148	(43,586)	(73,251)	(1,861)	(92,550)
Cash	2,199	1,249	52	(1,105)	2,395
Socially Responsible	4,457	(2,434)	(18,799)	(528)	(17,304)
TOTAL	1,197,325	(522,993)	(2,619,492)	(159,176)	(2,104,336)

Funds SA
Financial Statements for the year ended 30 June 2023

STATEMENT OF NET ASSETS UNDER MANAGEMENT
As at 30 June 2023

Asset class	Discretely Managed Portfolios \$'000	Managed Funds and Private Equity \$'000	Internally Managed Investments \$'000	Currency Hedge and Derivative Overlays \$'000	Other Assets \$'000	Liabilities \$'000	Total \$'000
Australian Equities Tax-Exempt	7,221,744	-	-	8,876	1,503	(8,586)	7,223,537
Australian Equities Passive Tax-Exempt	83,825	-	-	-	19	(36)	83,808
Australian Equities Taxable	1,618,705	-	-	1,428	261	(1,972)	1,618,422
Australian Equities Passive Taxable	-	26,590	-	-	12	(32)	26,570
International Equities Tax-Exempt	8,943,925	500,676	-	15,319	4,291	(12,071)	9,452,140
International Equities Passive Tax-Exempt	643,154	-	-	661	39	(203)	643,651
International Equities Taxable	1,601,083	90,229	-	4,632	570	(2,337)	1,694,177
International Equities Passive Taxable	189,010	-	-	34	28	(95)	188,977
Property Tax-Exempt	-	3,814,226	-	-	369	(714)	3,813,881
Property Taxable	-	748,403	-	-	122	(162)	748,363
Private Markets Tax-Exempt	-	2,495,951	-	(8,820)	36,007	(637)	2,522,501
Core Infrastructure Tax-Exempt	-	1,763,695	-	(909)	500	(323)	1,762,963
Private Markets Taxable	-	362,639	-	(954)	7,428	(192)	368,921
Core Infrastructure Taxable	-	322,270	-	(402)	518	(93)	322,293
Defensive Alternatives	-	781,387	-	-	365	(185)	781,567
Credit	1,719,441	897,910	-	(14,549)	425	(2,699)	2,600,528
Investment Grade Credit	178,937	-	-	-	27	(90)	178,874
Growth Alternatives	314,399	214,557	-	-	261	(2,212)	527,005
Inflation Linked Securities Tax-Exempt	-	-	242,698	-	6,040	(64)	248,674
Inflation Linked Securities Taxable	1,189,988	-	-	-	287	(487)	1,189,788
Long Term Fixed Interest	1,498,234	-	-	-	951	(717)	1,498,468
Short Term Fixed Interest	950,203	-	-	-	73	(379)	949,897
Cash	3,095,665	-	-	-	38,842	(415)	3,134,092
Socially Responsible	204,907	20,340	-	2,169	18	(129)	227,305
Investment Option Overlays	-	244	-	7,237	196	(152)	7,525
TOTAL	29,453,220	12,039,117	242,698	14,722	99,152	(34,982)	41,813,927

Funds SA
Financial Statements for the year ended 30 June 2023
STATEMENT OF NET ASSETS UNDER MANAGEMENT

As at 30 June 2022

Asset class	Discretely Managed Portfolios \$'000	Managed Funds \$'000	Internally Managed Investments \$'000	Currency Hedge and Derivative Overlays \$'000	Other Assets \$'000	Liabilities \$'000	Total \$'000
Australian Equities Tax-Exempt	6,637,267	-	-	18,983	401	(177,341)	6,479,310
Australian Equities Passive Tax-Exempt	73,257	-	-	-	25	(28)	73,254
Australian Equities Taxable	1,480,777	-	-	-	274	(1,997)	1,479,054
Australian Equities Passive Taxable	-	23,265	-	-	-	(25)	23,240
International Equities Tax-Exempt	8,061,438	626,600	-	(97,906)	-	(23,863)	8,566,269
International Equities Passive Tax-Exempt	532,109	-	-	(22,460)	18	(153)	509,514
International Equities Taxable	1,399,077	113,304	-	(6,101)	36,250	(2,859)	1,539,671
International Equities Passive Taxable	156,590	-	-	(1,511)	67	(79)	155,067
Property Tax-Exempt	-	4,318,920	-	-	-	(721)	4,318,199
Property Taxable	-	827,088	-	-	-	(162)	826,926
Private Markets Tax-Exempt	-	2,607,505	-	(132,553)	15,003	(938)	2,489,017
Core Infrastructure Tax-Exempt	-	1,286,665	-	(7,838)	-	(222)	1,278,605
Private Markets Taxable	-	403,111	-	(21,711)	2,260	(341)	383,319
Core Infrastructure Taxable	-	179,686	-	(1,385)	-	(61)	178,240
Defensive Alternatives	-	865,616	-	-	420	(187)	865,849
Credit	761,287	1,698,154	-	(149,882)	-	(1,781)	2,307,778
Growth Alternatives	396,680	149,699	-	-	-	(2,570)	543,809
Inflation Linked Securities Tax-Exempt	-	-	261,101	-	3,756	(4,381)	260,476
Inflation Linked Securities Taxable	1,084,691	-	-	-	273,636	(539)	1,357,788
Long Term Fixed Interest	1,442,483	-	-	2	45	(845)	1,441,685
Short Term Fixed Interest	1,254,137	-	-	2,333	37,875	(477)	1,293,868
Cash	2,338,207	-	-	-	32,350	(274)	2,370,283
Socially Responsible	168,374	17,953	-	(1,420)	-	(112)	184,795
TOTAL	25,786,374	13,117,566	261,101	(421,449)	402,380	(219,956)	38,926,016

Funds SA

Financial Statements for the year ended 30 June 2023

Fair Value Hierarchy

In accordance with the disclosure requirements under *AASB 13 Fair Value Measurement*, Funds SA has adopted the fair value hierarchy disclosures for the funds under management as at 30 June 2023. This requires the disclosure of investments using a fair value hierarchy that reflects the subjectivity of the inputs used in valuing the investments.

The fair value hierarchy adopted by Funds SA has the following levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Other - Although not specifically required by AASB 13, 'Other' includes accrued expenses and GST payable (to the ATO) / receivable (from the ATO) for each asset class and is included for completeness purposes only.

As per AASB 13 paragraph 73, "the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement". For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the investment.

The determination of what constitutes 'observable' requires judgement. Funds SA considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, and provided by independent sources that are actively involved in the relevant market.

The table below sets out Funds SA's investments measured at fair value according to the fair value hierarchy at 30 June 2023.

Inflation Linked Securities in the below table includes the externally and internally managed inflation linked securities from both the Inflation Linked Securities Tax-Exempt and Inflation Linked Securities Taxable asset classes.

There were no transfers of assets between Levels 1, 2 or 3 during the year ended 30 June 2023.

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Financial Statements for the year ended 30 June 2023

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES
As at 30 June 2023

Financial assets and liabilities through profit or loss	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Other \$'000	Total \$'000
Australian Equities Tax-Exempt	7,232,076	(2,185)	-	(6,354)	7,223,537
Australian Equities Passive Tax-Exempt	83,843	-	-	(35)	83,808
Australian Equities Taxable	1,620,380	(487)	-	(1,471)	1,618,422
Australian Equities Passive Taxable	11	26,591	-	(32)	26,570
International Equities Tax-Exempt	8,943,444	495,005	-	13,691	9,452,140
International Equities Passive Tax-Exempt	642,161	660	-	830	643,651
International Equities Taxable	1,602,707	89,813	-	1,657	1,694,177
International Equities Passive Taxable	188,774	34	-	169	188,977
Property Tax-Exempt	322	170,529	3,643,697	(667)	3,813,881
Property Taxable	113	32,705	715,698	(153)	748,363
Private Markets Tax-Exempt	36,009	(1,211)	2,488,340	(637)	2,522,501
Core Infrastructure Tax-Exempt	482	(910)	1,763,695	(304)	1,762,963
Private Markets Taxable	7,428	(955)	362,640	(192)	368,921
Core Infrastructure Taxable	515	(403)	322,271	(90)	322,293
Defensive Alternatives	365	781,387	-	(185)	781,567
Credit	99,174	2,504,039	-	(2,685)	2,600,528
Investment Grade Credit	25,888	153,076	-	(90)	178,874
Growth Alternatives	25,655	503,562	-	(2,212)	527,005
Inflation Linked Securities	1,365,610	(175,172)	242,698	5,326	1,438,462
Long Term Fixed Interest	1,508,544	(9,545)	-	(531)	1,498,468
Short Term Fixed Interest	14,847	935,367	-	(317)	949,897
Cash	2,742,609	391,873	-	(390)	3,134,092
Socially Responsible	206,870	26	20,340	69	227,305
Investment Option Overlays	7,331	52	244	(102)	7,525
Total	26,355,158	5,893,851	9,559,623	5,295	41,813,927

Funds SA
Financial Statements for the year ended 30 June 2023

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES
As at 30 June 2022

Financial assets and liabilities through profit or loss	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Other \$'000	Total \$'000
Australian Equities Tax-Exempt	6,485,443	(698)	-	(5,435)	6,479,310
Australian Equities Passive Tax-Exempt	73,275	-	-	(21)	73,254
Australian Equities Taxable	1,480,426	(157)	-	(1,215)	1,479,054
Australian Equities Passive Taxable	32	23,226	-	(18)	23,240
International Equities Tax-Exempt	8,043,703	519,751	-	2,815	8,566,269
International Equities Passive Tax-Exempt	531,422	(22,460)	-	552	509,514
International Equities Taxable	1,438,746	101,018	-	(93)	1,539,671
International Equities Passive Taxable	156,427	(1,511)	-	151	155,067
Property Tax-Exempt	1,012	279,251	4,038,540	(604)	4,318,199
Property Taxable	250	53,406	773,409	(139)	826,926
Private Markets Tax-Exempt	15,355	(132,549)	2,607,019	(808)	2,489,017
Core Infrastructure Tax-Exempt	226	(7,838)	1,286,411	(194)	1,278,605
Private Markets Taxable	2,257	(21,706)	403,077	(309)	383,319
Core Infrastructure Taxable	455	(1,385)	179,225	(55)	178,240
Defensive Alternatives	5,369	860,658	-	(178)	865,849
Credit	32,155	2,277,309	-	(1,686)	2,307,778
Growth Alternatives	43,525	502,825	-	(2,541)	543,809
Inflation Linked Securities	1,195,537	162,815	261,101	(1,189)	1,618,264
Long Term Fixed Interest	1,445,151	(2,843)	-	(623)	1,441,685
Short Term Fixed Interest	77,088	1,217,142	-	(362)	1,293,868
Cash	2,231,627	138,883	-	(227)	2,370,283
Socially Responsible	168,272	(1,420)	17,934	9	184,795
Total	23,427,753	5,943,717	9,566,716	(12,170)	38,926,016

Funds SA

Financial Statements for the year ended 30 June 2023

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.

Level 3 Financial Assets and Liabilities	Opening Balance - 1 July 2022	Purchases	Disposals	Unrealised Gains / (Losses)	Closing Balance - 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000
Property Tax-Exempt	4,038,540	46,204	(304,921)	(136,126)	3,643,697
Property Taxable	773,409	7,601	(38,587)	(26,725)	715,698
Private Markets Tax-Exempt	2,607,019	366,606	(510,367)	25,082	2,488,340
Core Infrastructure Tax-Exempt	1,286,411	404,638	(23,833)	96,479	1,763,695
Private Markets Taxable	403,077	43,888	(84,832)	507	362,640
Core Infrastructure Taxable	179,225	128,666	(3,634)	18,014	322,271
Inflation Linked Securities	261,101	-	(1,273)	(17,130)	242,698
Socially Responsible	17,934	1,229	-	1,177	20,340
Investment Option Overlays	-	211	-	33	244
Total	9,566,716	999,043	(967,447)	(38,689)	9,559,623

Level 1

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, include listed equities and developed market nominal sovereign bonds. Level 1 also includes cash at bank, term deposits, bank bills, promissory notes and interest receivable on these investments.

Level 2

Investments that trade in markets that are not considered to be sufficiently active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include investment-grade corporate bonds, certain non-US sovereign bonds, over-the-counter derivatives (including the foreign currency hedge overlay) and certain unlisted unit trusts where the nature of the underlying investments allows for ready transaction of units at the observable price.

Level 3

Investments classified within Level 3 have significant unobservable inputs, as they are infrequently traded. As observable prices are not available for these investments, Funds SA has used industry standard valuation techniques to derive fair value. Level 3 investments include certain directly held non traded index-linked securities and unlisted unit trusts where the underlying investments have been valued using an appraisal methodology and the unit price is provided for predominantly valuation rather than transactional purposes.

Funds SA

Financial Statements for the year ended 30 June 2023

Other

Although not specifically required by AASB 13, 'Other' includes other asset class assets and liabilities that do not fit into the Level 1 -3 categories, this includes accrued expenses, payables and receivables (including GST and withholding tax reclaims) for each asset class and is included in the above disclosure for completeness purposes only.

Financial Instruments and Management of Portfolio Risk

Use of derivative financial instruments

Derivatives can be defined as financial contracts whose value depend on, or are derived from other underlying assets, liabilities, reference rates or indices.

Funds SA's key uses of derivatives includes managing portfolio risk and facilitating the implementation of investment strategies efficiently and cost effectively. Funds SA use a variety of derivative instruments, such as over the counter contracts, including currency forward rate agreements, options, swaps and exchange-traded futures. Derivatives are an authorised investment within overlay accounts via an execution agent and in certain mandates managed by Funds SA's external investment managers, for the purposes described above.

The fair value of all derivative positions as at 30 June 2023 is incorporated within the Statement of Net Assets Under Management in Schedule 1.

The following is a description of the main types of portfolio risk arising from the use of financial instruments and includes information on how Funds SA manages each type of risk.

Market Risk

Market risk is the risk that investment returns generated by the different financial markets will be volatile and will deviate from long-term expectations over the short / medium term.

Funds SA manages the risk of financial market volatility through the adherence to two principles:

- ensuring a diversity of exposures to different financial markets and sub-markets; and
- ensuring asset allocations for different investment options are consistent with the time horizon of each.

Liquidity Risk

Liquidity risk is the risk of being unable to meet obligations as they fall due or incurring significant transaction costs in meeting such obligations. Liquidity risk also includes the potential opportunity cost associated with not being able to maintain asset allocation at strategic weights.

Three types of liquidity risk are inherent in Funds SA's investment activities. The first is the risk that client redemption requests are unable to be satisfied due to the inability to liquidate investments. The second is the risk that significant transaction costs will be incurred in liquidating investments to meet clients' cash redemption requirements. The third is that investment returns may be below expectations due to the portfolio's asset positioning being negatively impacted.

Funds SA

Financial Statements for the year ended 30 June 2023

Funds SA manages liquidity risk as follows:

- by giving careful consideration to the expected net cashflow position of Funds SA's clients. The allocation to cash and highly liquid assets in the strategic asset allocation of each investment option is set at a level sufficient to manage expected cash redemptions;
- a large proportion of each investment option is invested in highly liquid investments such as actively traded equities, unit trusts or securities with short-term maturities;
- reporting and monitoring the liquidity of the fund on a daily basis to ensure prospective client cash outflows and switches can be met;
- by undertaking portfolio management and rebalancing activities, and
- by undertaking regular stress testing on liquidity positions to identify sources of liquidity strain before they are realised.

Currency Risk

Funds SA's foreign currency exposure arises from its investment in assets denominated in foreign currencies.

Funds SA's strategic policy for the management of its foreign currency exposure is as follows:

- Foreign currency exposures in the Private Markets Tax-Exempt, Private Markets Taxable, Core Infrastructure Tax-Exempt, Core Infrastructure Taxable, Credit, Investment Grade Credit, Long Term Fixed Interest and Inflation Linked Securities Taxable asset classes are fully hedged to Australian dollars.
- Foreign currency exposures over the developed markets component of the International Equities Tax-Exempt, International Equities Taxable, International Equities Passive Tax-Exempt and International Equities Passive Taxable asset classes are partly hedged to Australian dollars.

For the purpose of managing foreign currency risk, within defined constraints, the exposure to foreign currency can be varied from the strategic policy stated above.

Interest Rate Risk

Interest rate risk is the risk that a movement in interest rates will cause the value of interest rate sensitive securities to underperform expectations.

Funds SA manages interest rate risk through:

- ensuring asset allocations for different investment options are consistent with the time horizon of each; and
- the use of specialist external investment managers to manage Funds SA's cash and fixed interest portfolios.

Funds SA

Financial Statements for the year ended 30 June 2023

Counterparty risk

Counterparty risk, or credit risk is the risk that financial counterparties are unable to perform their contractual obligations.

Funds SA manages and mitigates this risk through the following measures:

- ensuring investment managers have adequate processes for and competence in monitoring and evaluating counterparty risk;
- the inclusion of criteria within Investment Management Agreements to ensure appropriate diversification with respect to counterparty risk;
- requiring the posting of collateral or progressive margin settlements to cover the extent to which over-the-counter derivative contracts are in a favourable financial position;
- restricting the use of futures contracts to recognised exchanges only;
- ensuring Funds SA's custodian is diligent in collecting distributions and dividends, and
- restricting the use of non-exchange traded derivatives to defined uses and mandates and ensuring managers have adequate capabilities and processes to monitor inherent counterparty risk.

Funds SA
Financial Statements for the year ended 30 June 2023

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Funds SA

Financial Statements for the year ended 30 June 2023

Note 1 About Funds SA

1.1 Reporting entity

The financial report covers the Superannuation Funds Management Corporation of South Australia (Funds SA or the Corporation) as an individual reporting entity. Funds SA is a statutory authority of the State of South Australia, established pursuant to the *Superannuation Funds Management Corporation of South Australia Act 1995* (hereinafter referred to as the Funds SA Act).

In accordance with *AASB 1054 Australian Additional Disclosures*, Funds SA has applied Australian Accounting Standards that are applicable to for-profit entities.

1.2 Objective

Under Section 5 of the Funds SA Act, the functions of Funds SA are:

- (a) to invest and manage -
 - (i) the public sector superannuation funds; and
 - (ii) the nominated funds of approved authorities, pursuant to strategies formulated by the Corporation;
- (ab) to invest and manage other funds (if any) established by the Corporation for the purposes of the operation of any Act pursuant to strategies formulated by the Corporation;
- (b) such other functions as are assigned to the Corporation by this or any other Act.

Under Section 7 of the Funds SA Act, the objective of the Corporation in performing its functions is to achieve the highest return possible on investment of the funds while having proper regard for -

- (a) the need to maintain the risks relating to investment at an acceptable level; and
- (b) the need for liquidity in the funds; and
- (c) such other matters as are prescribed by regulation.

1.3 Purpose of the financial statements

The purpose of the financial statements is to discharge Funds SA's reporting obligations in respect of its financial affairs under Section 26(1) of the Funds SA Act, and in respect of each of the funds, as required by Section 26(2) of the Funds SA Act.

As at 30 June 2023, Funds SA managed the following funds:

Public Sector Superannuation Funds:

- South Australian Superannuation Scheme:
 - South Australian Superannuation Fund (Old Scheme Division)
 - South Australian Superannuation Fund (New Scheme Division)
 - South Australian Superannuation Scheme - Employer Contribution Accounts
- Police Superannuation Scheme:
 - Police Superannuation Fund (Old Scheme Division)
 - Police Superannuation Scheme - Employer Contribution Account

Funds SA

Financial Statements for the year ended 30 June 2023

Purpose of the financial statements (continued)

- Southern State Superannuation Scheme:
 - Southern State Superannuation Fund
- Super SA Retirement Investment Fund:
 - Super SA Flexible Rollover Product
 - Super SA Income Stream
- Parliamentary Superannuation Scheme
- Judges' Pension Scheme
- Governors' Pension Scheme

Eligible Superannuation Funds:

- South Australian Ambulance Service Superannuation Scheme
- South Australian Metropolitan Fire Service Superannuation Scheme

Nominated Funds of Approved Authorities:

- South Australian Government Financing Authority
- Adelaide Cemeteries Authority
- Motor Accident Commission
- Lifetime Support Authority
- Health Services Charitable Gifts Board
- The University of Adelaide Endowment Fund
- Legal Services Commission
- Construction Industry Training Board

Other (Established by the Public Corporation (Southern Select Super Corporation) Regulations 2012)

- Super SA Select

1.4 Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Funds SA

Financial Statements for the year ended 30 June 2023

Basis of preparation (continued)

Funds SA's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accruals basis. The Statement of Cashflows has been prepared on a cash basis.

Cashflows are included in the Statement of Cashflows on a gross basis. However, the GST components of cash flows arising from investing and financing activities are recoverable from, or payable to, the ATO are classified as operating cash flows.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2023 and the comparative information presented.

1.5 Format and content of Funds SA's financial statements

The Statement of Financial Position does not incorporate the funds under management as assets of Funds SA. The Statement of Comprehensive Income does not incorporate the investment revenue and expenses.

The financial statements of the client funds are disclosed separately under Note 13 in accordance with section 26(2) of the Funds SA Act.

Unit trusts under Funds SA's Master Trust Deed have not been consolidated into Funds SA's Statement of Financial Position as they form part of the funds under management. Accordingly, they are incorporated within the financial information in Schedule 1.

1.6 Impact of new and revised accounting standards and policies

Funds SA has assessed the impact of new and changed Australian Accounting Standards for the 2022-23 reporting period and determined that there was no effect on Funds SA.

1.7 Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

1.8 Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where a specific Accounting Policy Statement or Australian Accounting Standard has required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

1.9 Assets and liabilities

Assets and liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Assets and liabilities that are to be consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Funds SA

Financial Statements for the year ended 30 June 2023

1.10 Insurance

Funds SA has arranged, through South Australian Financing Authority (SAFA), to insure all major risks of Funds SA. The excess payable under this arrangement varies depending on each class of insurance held.

1.11 Taxation

Funds SA is liable for payroll tax, fringe benefits tax and goods and services tax (GST).

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

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- payables and receivables, which are stated with the amount of GST included.

1.12 Significant transactions with related entities

Related party transactions

Funds SA is controlled by the SA Government. Related parties of Funds SA include all key management personnel and their close family members, all public authorities that are consolidated into the whole of government financial statements and other interests of the Government. Related party transactions are further disclosed at note 3.1.

Significant transactions with SA Government related entities

Significant transactions with SA Government related entities are identified throughout this report and in addition Funds SA has incurred expenses of \$643,000 (\$551,000) relating to Payroll tax. This amount is paid to Revenue SA, an entity within the SA Government.

Asset class funds under management

Funds SA's significant transactions with SA Government related client entities are disclosed in note 13. This relates to receipts and payments with Funds SA's clients.

Funds SA, in its capacity as manager of the funds under management, may enter into significant transactions with the SA Government as part of its ordinary investment activities. These transactions are reported through Schedule 1 and are arm's length in nature.

Funds SA
Financial Statements for the year ended 30 June 2023

Note 2 Income

2.1 Administration fee revenue

	2023	2022
	\$'000	\$'000
Administration fee revenue	21,273	22,131
Total administration fee revenue	21,273	22,131

The administration fee revenue is derived from the provision of funds management services to Funds SA clients. The administration fee rate is determined annually based upon cost recovery of Funds SA's budgeted administration expenses for the upcoming financial year. The fee is calculated as a percentage of average funds under management, for each quarter and is charged in arrears. The market value of the funds under management depends upon the performance of the underlying investments, which are linked to the performance of global financial markets. Funds SA's management of market risk in relation to the administration fee revenue is disclosed at note 11.1.

Payment terms are 30 days from the issue date of the invoice. Funds SA's performance obligations are satisfied on an ongoing basis. The revenue is recognised when it is probable that the flow of economic benefits to Funds SA will occur and can be reliably measured in accordance with *AASB15 Revenue From Contracts With Customers*.

2.2 Other income

	2023	2022
	\$'000	\$'000
Advisory services revenue	-	17
Total other income	-	17

In the prior year, Funds SA provided advisory services to the Motor Accident Commission, on a cost recovery basis. There have been no advisory services provided during 2022-23.

Funds SA
Financial Statements for the year ended 30 June 2023

Note 3 Board, committees and employees

3.1 Key management personnel

The key management personnel are the Minister, the governing board of directors and executive management who have responsibility for the strategic direction and management of Funds SA. Total compensation for key management personnel was \$2,799,000 in 2022-23 and \$2,669,000 in 2021-22.

The following persons held positions of authority and responsibility for planning, directing and controlling the activities of Funds SA, directly or indirectly during the financial year.

Jo Townsend	Chief Executive Officer
John Piteo	Chief Operating Officer
Richard Friend	Chief Investment Officer
Jacki Kittel	Executive Manager, People & Organisational Performance
Tony Burrill	Executive Manager, Governance, Risk & Compliance
Tony Keenan	Executive Manager, Corporate Engagement

Refer to note 3.2 for the list of governing board directors.

Key management personnel remuneration

	2023	2022
	\$'000	\$'000
Salaries and other short-term employee benefits	2,534	2,419
Post-employment benefits	265	250
Total	2,799	2,669

Transactions with key management personnel and other related parties

During the 2022-23 year there were no other transactions with key management personnel and other related parties.

Funds SA
Financial Statements for the year ended 30 June 2023

3.2 Board and committee members

The following persons held the position of board director throughout the 2022-23 financial year.

Director	Funds SA Board	Sub-Committees ⁽¹⁾	
		Audit and Risk Committee	Human Resources Committee
Paul Laband	Chair	✓	✓
Jane Jeffreys	✓	-	Chair
Kathryn Presser	✓	Chair	-
Bill Griggs	✓	-	✓
Judith Smith	✓	✓	-
Leah York (ceased 15 March 2023)	✓	-	✓
Christopher Hall	✓	✓	-

(1) Sub-Committees

Funds SA has established 2 sub-committees where directors receive remuneration for their membership.

Board and committee remuneration

	Number of board directors	
The number of governing board directors whose remuneration received or receivable falls within the following bands:	2023	2022
\$0 - \$19,999	-	1
\$20,000 - \$39,999	1	1
\$40,000 - \$59,999	5	5
\$80,000 - \$99,999	1	1
Total number of governing directors	7	8

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$358,000 (2021-22: \$369,000).

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Financial Statements for the year ended 30 June 2023

3.3 Employee benefits expenses	2023	2022
	\$'000	\$'000
Salaries and wages	11,850	10,417
Board and committee fees	324	335
Employee leave entitlements	172	284
Employment on-costs	1,937	1,698
Total employee benefits expenses	14,283	12,734

Employee benefits expenses include all costs related to employment including wages and salaries, non-monetary benefits and leave entitlements. These are recognised when incurred.

Remuneration of employees

The number of employees whose remuneration received or receivable falls within the following bands:

	2023	2022
\$157 001 to \$160 000	1	1
\$160 001 to \$180 000	5	4
\$180 001 to \$200 000	4	4
\$200 001 to \$220 000	2	2
\$220 001 to \$240 000	3	4
\$240 001 to \$260 000	2	1
\$260 001 to \$280 000	4	2
\$280 001 to \$300 000	-	1
\$320 001 to \$340 000	1	1
\$340 001 to \$360 000	1	-
\$360 001 to \$380 000	1	3
\$380 001 to \$400 000	2	1
\$400 001 to \$420 000	1	1
\$420,001 to \$440,000	1	-
\$520 001 to \$540 000	-	1
\$540 001 to \$560 000	-	1
\$560 001 to \$580 000	2	-
Total number of employees	30	27

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Financial Statements for the year ended 30 June 2023

Employee benefits expenses (continued)

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received by these employees for the year was \$8,254,000 (\$7,480,000 for 2021-22).

3.4 Employee benefits liability

	2023	2022
	\$'000	\$'000
Current		
Annual leave	1,017	989
Long service leave	65	55
Skills and experience retention leave	10	15
Total current employee benefits	1,092	1,059
Non-Current		
Long service leave	1,427	1,238
Total non-current employee benefits	1,427	1,238
Total employee benefits	2,519	2,297

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the skills and experience retention leave liability are expected to be payable within twelve months and are measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

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Employee benefits liability (continued)

Long service leave

The liability for long service leave is measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 Employee Benefits requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 2022 (3.50%) to 2023 (4.00%).

The actuarial assessment performed by the Department of Treasury and Finance increased the salary inflation rate to 3.5% for long service leave liability in 2023 from 2022 (2.5%).

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$55,000 and employee benefits expense of \$55,000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions including the long-term discount rate.

This calculation is consistent with Funds SA's experience of employee retention and leave taken. Based on a survey of staff, the portion of the long service leave provision expected to be taken within 12 months of the reporting date is classified as current. The remaining portion of the long service leave provision is classified as non-current.

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Financial Statements for the year ended 30 June 2023

Note 4 Expenses

4.1 Supplies and services

	2023	2022
	\$'000	\$'000
Information technology expenses	4,536	3,324
Human resource expenses	285	322
Contractors and temporary staff	645	539
Board expenses	26	109
Staff development	254	170
Subscriptions and publications	389	291
Internal audit fees	177	137
External audit fees ⁽¹⁾	138	135
Travel and accommodation	423	198
Legal and advisory expenses	117	227
Tenancy outgoings	75	41
Office supplies and printing	66	54
Other	84	75
Total supplies and services	7,215	5,622

⁽¹⁾ Audit fees paid / payable to the Auditor-General's Department relating to work performed under the Public Finance Audit Act were \$138,200 (\$134,900). No other services were provided by the Auditor-General's Department.

Supplies and services generally represent day-to-day running costs incurred in the normal operations of Funds SA. These items are recognised as an expense in the reporting period in which they are incurred.

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Financial Statements for the year ended 30 June 2023

4.2 Consultants

**The number and dollar amount of
Consultancies paid/payable (included
in supplies & services expense) that
fell within the following bands:**

	No.	2023 \$'000	No.	2022 \$'000
Below \$10,000	11	50	1	3
Above \$10,000	8	440	13	492
Total	19	490	14	495

4.3 Depreciation

	2023 \$'000	2022 \$'000
Depreciation		
Computer and office equipment	131	164
Leasehold improvements	272	271
Right of use asset – Office lease – 25 Grenfell Street Adelaide	438	438
Right of use asset – Vehicle lease	-	2
Total depreciation	841	875

All non-current assets, having a limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

Review of accounting estimates

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

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Financial Statements for the year ended 30 June 2023

4.3 Depreciation (continued)

Useful life

Depreciation is calculated on a straight-line basis over the estimated useful life of the following classes of assets as follows:

Class of Asset	Useful Life (Years)
Leasehold improvements	Remaining Term of Lease
Computer and office equipment:	
▪ Computers and hardware	3 – 5 years
▪ Office furniture	10 years
Right of use assets	Term of lease

4.4 Lease interest expense

	2023	2022
	\$'000	\$'000
Interest expense on lease liabilities	10	13
Total lease interest expense	10	13

Funds SA
Financial Statements for the year ended 30 June 2023

Note 5 Financial Assets

5.1 Cash and cash equivalents

Cash is measured at nominal value.

	2023	2022
	\$'000	\$'000
Commonwealth Bank account	9,671	10,242
Cash on Hand	1	1
Total cash and cash equivalents	9,672	10,243

5.2 Receivables

Receivables arise in the normal course of providing services to clients. Receivables and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost. As at 30 June 2023 there are no indications of impairment.

	2023	2022
	\$'000	\$'000
Debtors*	6,105	5,873
Total receivables	6,105	5,873

*Debtors includes \$5,963,000 (\$5,873,000) from administration fee revenue receivable as at 30 June 2023.

Funds SA's management of credit risk is disclosed at note 11.1.

Funds SA
Financial Statements for the year ended 30 June 2023

Note 6 Non-financial assets

6.1 Property, plant and equipment

	2023	2022
	\$'000	\$'000
Leasehold improvements		
Leasehold improvements	1,926	1,926
Accumulated depreciation	(1,275)	(1,003)
Total leasehold improvements	651	923
Computer and office equipment		
Computer and office equipment	994	919
Accumulated depreciation	(811)	(680)
Total computer and office equipment	183	239
Total property plant and equipment	834	1,162

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental costs involved with the acquisition. Subsequently these assets are recognised at historical cost less accumulated depreciation, which is deemed to approximate fair value. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued. Detail about Funds SA's approach to fair value is set out in note 6.2 below.

Property, plant and equipment with a value equal to or in excess of \$1,000 is capitalised. Property, plant and equipment is assessed for impairment on an annual basis.

Property, plant and equipment includes \$450,943 of fully depreciated assets that are still in use as at 30 June 2023.

Funds SA
Financial Statements for the year ended 30 June 2023

6.1 Property, plant and equipment (continued)

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT
The following table shows the movement of property, plant and equipment during the year ended 30 June 2023

	Leasehold improvements \$'000	Computer and office equipment \$'000	Property, Plant and Equipment Total \$'000
Carrying amount at the beginning of the financial year	923	239	1,162
Additions	-	76	76
Depreciation	(272)	(132)	(404)
Carrying amount at the end of the financial year	651	183	834

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT
The following table shows the movement of property, plant and equipment during the year ended 30 June 2022

	Leasehold improvements \$'000	Computer and office equipment \$'000	Property, Plant and Equipment Total \$'000
Carrying amount at the beginning of the financial year	1,181	344	1,525
Additions	13	60	73
Disposals	-	(1)	(1)
Depreciation	(271)	(164)	(435)
Carrying amount at the end of the financial year	923	239	1,162

Funds SA

Financial Statements for the year ended 30 June 2023

6.2 Fair Value Hierarchy

Funds SA categorises non-financial assets measured at fair value into a hierarchy based on the level of inputs used in their valuation at 30 June 2023.

During the 2022-23 year, Funds SA had no valuations categorised into Level 1 or Level 2 and there were no transfers of assets between any of the fair value hierarchy levels.

Unobservable inputs used to derive Level 3 fair values are explained in Schedule 1. Although unobservable inputs were used in determining fair value, and are subjective, Funds SA considers that the overall valuation would not be materially affected by changes to existing assumptions. There were no changes in valuation techniques during 2022-23. The reconciliation of fair value measurements using significant unobservable inputs (Level 3) is represented by the reconciliation of property, plant and equipment above.

6.3 Other assets

Other assets include prepayments, these are prepaid amounts that relate to a benefit to be consumed in a later reporting period.

	2023	2022
	\$'000	\$'000
Prepayments	744	933
Total other assets	744	933

Funds SA
Financial Statements for the year ended 30 June 2023

Note 7 Leases

7.1 Right of use assets

	2023	2022
	\$'000	\$'000
Office lease – 25 Grenfell Street Adelaide		
Right of use assets	2,618	2,617
Accumulated depreciation	(1,631)	(1,192)
Total office lease – 25 Grenfell Street Adelaide	987	1,425
Total right of use assets	987	1,425

Right of use assets are measured by applying the cost model.

Funds SA has the following leases:

- An office lease of floor space in a building located at 25 Grenfell Street, Adelaide. The office lease is for a non-cancellable period of 5 years from August 2020, with an option to extend the lease term by a further 5 years. Fixed rent reviews occur annually, rental payments are monthly in advance.

Depreciation of the right of use assets is disclosed in note 4.3. The lease liabilities related to the right of use assets are presented in note 7.2 below.

Impairment

The right of use assets leased by Funds SA have been assessed for impairment. There was no indication of impairment. Accordingly, as at the reporting date, no impairment loss or reversal of impairment loss was recognised.

Funds SA
Financial Statements for the year ended 30 June 2023

7.2 Lease liabilities

	2023	2022
	\$'000	\$'000
Current		
Office lease – 25 Grenfell Street Adelaide		
Lease liability	456	436
Total current lease liabilities	457	436
Non-Current		
Office lease – 25 Grenfell Street Adelaide		
Lease liability	651	1,147
Total non- current borrowings	651	1,147
Total lease liabilities	1,108	1,583

Current lease liabilities represent the present value of future lease payments due in 12 months. Non-current lease liabilities represent lease payments not due within 12 months. The right of use assets related to these lease liabilities are presented at note 7.1 above. The lease liabilities represent the non-cancellable period of the lease only, lease extension options, discussed at note 7.3, are not reflected in the lease liabilities. Total cash outflows relating to the repayment of leases for the reporting period were \$524,000 (\$505,000). Lease interest payments are disclosed at note 4.4.

7.3 Office lease term

The lease term of the office lease is based on the remaining non-cancellable period. The lease allows for an option to extend the lease term by a further 5 years. Upon commencement of the lease, the lease term was assessed and it was deemed not reasonably certain that Funds SA would exercise the option, as a result the lease term is based on the non-cancellable period only. Should the option to extend the lease term be exercised in the future, expected cash outflows for the extension term would be an additional \$3,723,000.

Funds SA
Financial Statements for the year ended 30 June 2023

7.4 Maturity analysis

	Carrying Amount (Discounted) 30 June 2023	Total Contractual Maturities (Undiscounted) 30 June 2023	Contractual Maturities 30 June 2023		
			Within 1 year (\$'000)	1-5 years (\$'000)	More than 5 years (\$'000)
Lease liabilities	1,108	1,116	462	654	-

The maturity analysis is based on undiscounted cash payments expected over the remaining assessment of the lease term.

Funds SA
Financial Statements for the year ended 30 June 2023

Note 8 Liabilities

Employee benefit liabilities are disclosed in note 3.4.

8.1 Payables

	2023	2022
	\$'000	\$'000
Current		
Creditors	244	191
GST payable	894	902
Accrued expenses	239	558
Employment on-costs	177	168
Total current payables	1,554	1,819
Non Current		
Employment on-costs	142	119
Total non current payables	142	119
Total payables	1,696	1,938

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of Funds SA.

Accrued expenses represent goods and services provided by suppliers during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

Employment on-costs

Employment benefits on-costs include superannuation contributions and payroll tax with respect to outstanding liabilities for salaries and wages, long service leave, annual leave and skills and experience retention leave and are settled when the respective employee benefits that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave expected to be taken as leave has increased to 43% in 2023 from 42% in 2022. This rate is used in the employment on-cost calculation.

Interest rate and credit risk

All payables are measured at their nominal amount and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Funds SA
Financial Statements for the year ended 30 June 2023

Note 9 Cash flow reconciliation

	2023	2022
	\$'000	\$'000
Reconciliation of Net Cash provided by Operating Activities to Surplus:		
Net surplus	(798)	2,904
Add non-cash items		
Depreciation	841	875
(Gain) Loss on disposal of property, plant and equipment	-	-
Changes in Assets / Liabilities		
(Increase) / Decrease in receivables	(232)	66
Decrease / (Increase) in other assets	189	(438)
(Decrease) / Increase in payables	(242)	84
Increase / (Decrease) in employee benefits	222	(11)
Net cash (used)/ provided by operating activities	(20)	3,480

Funds SA
Financial Statements for the year ended 30 June 2023

Note 10 Outlook

10.1 Unrecognised contractual commitments

Commitments include operating commitments arising from contractual sources and are disclosed at their nominal value. Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

Funds SA has the following expenditure commitments as at 30 June 2023:

Expenditure Commitments

	2023	2022
	\$'000	\$'000
Within one year	1,534	1,313
Later than one year but not longer than five years	1,132	2,631
Total expenditure commitments	2,666	3,944

Funds SA's expenditure commitments are for agreements in relation to:

- Contracts with investment system providers, FactSet and Matrix

10.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Funds SA is not aware of any contingent assets or liabilities.

10.3 Impact of standards and statements not yet effective

Funds SA has assessed the impact of new and changed Australian Accounting Standards and Interpretations not yet effective and have concluded that there will be no significant impacts to Funds SA.

10.4 Events after the reporting period

There were no significant events after the reporting period.

Funds SA
Financial Statements for the year ended 30 June 2023

Note 11 Financial Instruments

11.1 Financial risk management

Financial risk management in relation to the client funds under management is disclosed in Schedule 1.

Financial risk management in relation to Funds SA's corporate activities is disclosed below.

Funds SA's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity risk and market risk

The administration fee that Funds SA charges to its clients to cover its administration expenses is calculated as a percentage of average funds under management valued at market value. The market value of these funds depends upon the valuation of the underlying investments, which are linked to the performance of global financial markets.

Funds SA manages this risk in three ways:

- Firstly, its administration fee is set at a level that conservatively allows for periods of prolonged low market values of funds under management; and
- Secondly, Funds SA has the ability to increase the administration fee should this action be necessary to cover administration expenses.
- Thirdly, Funds SA maintains adequate cash reserves to absorb corporate deficits should they arise over the short-term.

As Funds SA has the ability to amend the administration fee to ensure all administration expenses and liabilities of Funds SA are able to be satisfied as and when they fall due, the market risk is deemed to be immaterial and therefore a sensitivity analysis has not been undertaken.

Creditors are raised for all amounts billed but unpaid. Creditors are normally settled within 30 days. All payables are non-interest bearing. The carrying amount of payables approximates net fair value due to the amounts being payable on demand.

Credit risk

Receivables are normally settled within 30 days. Receivables and other assets are non-interest bearing. Based on past history, it is not anticipated that counterparties will fail to discharge their obligations as all counterparties are SA Government related entities. The carrying amount of receivables approximates fair value due to being receivable on demand. In addition, there is no concentration of credit risk.

11.2 Maturity analysis

Cash, receivables and payables all have a maturity of less than 12 months. Lease liabilities relate to Funds SA's office and vehicle leases and have a maturity greater than 12 months, refer to note 7.4. The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these financial instruments, refer to the table provided at note 11.3 below.

Funds SA
Financial Statements for the year ended 30 June 2023

11.3 Classification of financial instruments

Funds SA measures all financial instruments at amortised cost, the carrying amount is disclosed below.

	Carrying Amount 30 June 2023	Carrying Amount 30 June 2022
	\$'000	\$'000
Financial assets		
Receivables	6,105	5,873
Financial liabilities		
Payables	242	515
Lease liabilities	1,107	1,583

The receivable and payable amounts disclosed above exclude amounts relating to statutory receivables and payables (e.g. Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees).

Funds SA
Financial Statements for the year ended 30 June 2023

Note 12 Investments in Funds SA Unit Trusts

Funds SA have 28 unit trusts to manage the investments of Funds SA's tax-paying clients. A consolidated list of Funds SA's unit trusts is provided below.

Legal Name of Trust	Date established	Settled Sum
High Growth B Unit Trust	20 June 2008	\$10
Balanced B Unit Trust	20 June 2008	\$10
Moderate B Unit Trust	20 June 2008	\$10
Conservative B Unit Trust	20 June 2008	\$10
Capital Defensive B Unit Trust	20 June 2008	\$10
Cash Option B Unit Trust	20 June 2008	\$10
Australian Equities B Unit Trust	20 June 2008	\$10
International Equities B Unit Trust	20 June 2008	\$10
Property B Unit Trust	20 June 2008	\$10
Diversified Strategies Growth B Unit Trust	20 June 2008	\$10
Defensive Alternatives Unit Trust*	20 June 2008	\$10
Fixed Interest A&B Unit Trust	20 June 2008	\$10
Inflation Linked Securities A&B Unit Trust	20 June 2008	\$10
Cash A&B Unit Trust	20 June 2008	\$10
Socially Responsible Investment Asset Class Unit Trust	12 February 2010	\$10
Short Term Fixed Interest A&B Unit Trust	8 June 2010	\$10
Funds SA Property Holdings Trust	22 March 2016	\$10
Australian Equities Passive B Unit Trust	29 May 2019	\$10
International Equities Passive B Unit Trust	29 May 2019	\$10
Socially Responsible Investment Option Unit Trust	10 December 2020	\$10
DSG A Holdings Trust	15 February 2021	\$10
DSG B Holdings Trust	15 February 2021	\$10
Core Infrastructure Taxable Unit Trust	1 July 2021	\$10

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Investments in Funds SA Unit Trusts (continued)

Legal Name of Trust	Date established	Settled Sum
Credit Taxable Unit Trust	1 July 2021	\$10
Investment Grade Credit Unit Trust	1 July 2021	\$10
Core Infrastructure Tax-Exempt Holdings Trust Unit Trust	17 December 2021	\$10
Property Holdings 2 Unit Trust*	17 December 2021	\$10
University of Adelaide Strategy Unit Trust	17 December 2021	\$10
	Total	\$280

* The Core Infrastructure Taxable Holdings Trust Unit Trust changed its name to Property Holdings 2 Unit Trust on 22 June 2023.

Funds SA

Financial Statements for the year ended 30 June 2023

Note 13 Client Funds Under Management

Operation of Investment Portfolio

Funds SA operates a multi-layered unitisation structure to facilitate the administration of different investment strategies applying to the various client funds. For the year ending 30 June 2023, Funds SA managed a number of different investment options distinguished by differing strategic asset allocations, namely:

- High Growth
- Balanced
- Moderate
- Conservative
- Capital Defensive
- Cash
- Socially Responsible
- Lifetime Support Authority Strategy⁽¹⁾
- Defined Benefit Strategy
- SAFA Investment Strategy⁽¹⁾
- University of Adelaide Strategy⁽¹⁾

⁽¹⁾ These investment options are customised strategies available to the South Australian Government Financing Authority (SAFA), Lifetime Support Authority, and University of Adelaide only.

Each client fund holds units in an investment option, which in turn holds units in each of the asset classes according to the strategic asset allocation for the investment option. Units are issued and redeemed periodically as transactions occur at unit prices calculated having regard to the market value of underlying investments.

Under section 26(2) of the Funds SA Act, Funds SA is required to “prepare separate financial statements in a form approved by the Minister in respect of each fund or authority in respect of each financial year”. In compliance with the Funds SA Act, the format of these financial statements has been approved by the Minister.

These client fund financial statements are explained and disclosed below:

- Each client fund’s allocation of total net investment income is disclosed in the Statement of Receipts and Payments. The amounts disclosed in the payments and receipts include client placements and redemptions in investment options inclusive of switches between investment options.
- The interest which each client fund holds in the unitised investment portfolio is disclosed in the Statement of Funds Under Management - by Investment Option.
- The indirect interest which each client fund holds in the asset classes and investment option overlays is disclosed in the Statement of Funds Under Management - by Asset class and Other Assets. The exposure to the asset classes in the client fund financial statements is notional in nature and not a direct holding. Other assets represent the clients notional exposure to Investment Option Overlays, which contains the unsettled profit and loss on derivative overlay trades as well as cash and accrued expenses at the investment option level.
- Australian Equities Tax-exempt, Australian Equities Passive Tax-exempt, International Equities Tax-exempt, International Equities Passive Tax-exempt, Property Tax-exempt, Private Markets Tax-exempt, Core Infrastructure Tax-exempt, Growth Alternatives Tax-exempt and Inflation Linked Securities Tax-exempt asset classes are available to untaxed clients only, whereas Australian Equities Taxable, Australian Equities Passive Taxable, International Equities Taxable, International Equities Passive Taxable, Property Taxable, Private Markets Taxable and Core

Funds SA

Financial Statements for the year ended 30 June 2023

Client Funds Under Management (continued)

Infrastructure Taxable asset classes are available to taxed clients only. All other asset classes are available to both untaxed and taxed clients.

Note 13 provides financial statements in respect of each client fund under the management of Funds SA for the 2022-23 financial year.

The valuation of the investments of each client fund under management has been valued at fair value in accordance with *AASB 13 Fair Value Measurement*. Funds SA considers fair value to be the Net Asset Value of units held in each investment option and asset class. Net Asset Value excludes any impacts of buy and sell spreads applicable to each investment option and asset class and is consistent with the valuation methodology adopted in Schedule 1 above.

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Financial Statements for the year ended 30 June 2023

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Health Services Charitable Gifts Board – P F Beinke Charitable Trust – Daw Park Repatriation Hospital (Pastoral Care Chapel Account)	13(ab)
The University of Adelaide Endowment Fund	13(ac)
Legal Services Commission	13(ad)
Construction Industry Training Fund	13(ae)

Funds SA
Financial Statements for the year ended 30 June 2023

13(a) South Australian Superannuation Scheme – Employer Contribution Accounts

Statement of Receipts and Payments

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	2,624,076	2,952,942
Add: Receipts	386,918	372,738
Net Investment Income	201,941	(42,234)
	588,859	330,504
Less: Payments	(668,641)	(659,370)
Funds Under Management at 30 June	2,544,294	2,624,076

Statement of Funds Under Management - by Investment Option

Investment Option

Defined Benefit Strategy	2,544,294	2,624,076
Funds Under Management at 30 June	2,544,294	2,624,076

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	519,503	508,588
International Equities Tax-Exempt	757,660	714,878
Property Tax-Exempt	433,204	480,021
Private Markets Tax-Exempt	347,225	358,199
Core Infrastructure Tax-Exempt	123,901	127,422
Defensive Alternatives	51,706	60,373
Credit	157,447	144,309
Growth Alternatives	145,274	160,789
Cash	8,280	69,497
Investment Option Overlay	94	-
Funds Under Management at 30 June	2,544,294	2,624,076

Funds SA
Financial Statements for the year ended 30 June 2023

13(b) South Australian Superannuation Fund – Old Scheme Division

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	1,599,486	1,730,480
Add: Receipts	2,980	4,860
Net Investment Income	125,796	(27,344)
	<u>128,776</u>	<u>(22,484)</u>
Less: Payments	<u>(148,495)</u>	<u>(108,510)</u>
Funds Under Management at 30 June	1,579,767	1,599,486

Statement of Funds Under Management - by Investment Option

Investment Option

Defined Benefit Strategy	<u>1,579,767</u>	<u>1,599,486</u>
Funds Under Management at 30 June	1,579,767	1,599,486

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	322,562	310,006
International Equities Tax-Exempt	470,435	435,748
Property Tax-Exempt	268,979	292,593
Private Markets Tax-Exempt	215,594	218,338
Core Infrastructure Tax-Exempt	76,931	77,669
Defensive Alternatives	32,105	36,800
Credit	97,760	87,963
Growth Alternatives	90,202	98,008
Cash	5,141	42,361
Investment Option Overlay	58	-
Funds Under Management at 30 June	1,579,767	1,599,486

Funds SA
Financial Statements for the year ended 30 June 2023

13(c) South Australian Superannuation Fund – New Scheme Division

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	489,313	598,866
Add: Receipts	10,154	3,652
Net Investment Income	42,286	(32,690)
	<u>52,440</u>	<u>(29,038)</u>
Less: Payments	<u>(71,142)</u>	<u>(80,515)</u>
Funds Under Management at 30 June	470,611	489,313

Statement of Funds Under Management - by Investment Option

Investment Option

High Growth Tax-Exempt	2,163	685
Balanced Tax-Exempt	411,415	429,531
Moderate Tax-Exempt	18,583	18,719
Conservative Tax-Exempt	17,994	18,128
Capital Defensive Tax-Exempt	9,383	10,291
Cash Tax-Exempt	9,474	10,365
Socially Responsible Investment	1,599	1,594
Funds Under Management at 30 June	470,611	489,313

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	99,746	100,460
Australian Equities Passive Tax-Exempt	1,566	1,539
International Equities Tax-Exempt	124,502	128,714
International Equities Passive Tax-Exempt	11,765	10,468
Property Tax-Exempt	40,911	56,176
Property Taxable	201	212
Private Markets Tax-Exempt	23,365	26,150
Core Infrastructure Tax-Exempt	25,796	17,607
Defensive Alternatives	9,830	11,773
Credit	29,196	28,952
Investment Grade Credit Taxable	2,233	-
Inflation-Linked Securities Tax-Exempt	23,286	28,241
Long-Term Fixed Interest	23,622	25,748
Short-Term Fixed Interest	14,471	22,334
Cash	38,930	29,897
Socially Responsible	1,036	1,042
Investment Option Overlay	155	-
Funds Under Management at 30 June	470,611	489,313

Funds SA
Financial Statements for the year ended 30 June 2023

13(d) Southern State Superannuation Fund

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	21,991,552	23,396,050
Add: Receipts	1,629,456	1,797,952
Net Investment Income	2,087,420	(1,468,720)
	<u>3,716,876</u>	<u>329,232</u>
Less: Payments	<u>(1,781,604)</u>	<u>(1,733,730)</u>
Funds Under Management at 30 June	23,926,824	21,991,552

Statement of Funds Under Management - by Investment Option

Investment Option

High Growth Tax-Exempt	3,047,900	2,684,608
Balanced Tax-Exempt	18,889,256	17,350,371
Moderate Tax-Exempt	592,763	579,218
Conservative Tax-Exempt	437,625	449,864
Capital Defensive Tax-Exempt	200,205	221,138
Cash Tax-Exempt	553,040	552,694
Socially Responsible Investment	206,035	153,659
	<u>23,926,824</u>	<u>21,991,552</u>
Funds Under Management at 30 June	23,926,824	21,991,552

Statement of Funds Under Management -- by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	5,260,798	4,662,722
Australian Equities Passive Tax-Exempt	81,832	71,366
International Equities Tax-Exempt	6,587,495	6,021,559
International Equities Passive Tax-Exempt	629,767	497,493
Property Tax-Exempt	2,216,648	2,647,432
Property Taxable	25,887	20,432
Private Markets Tax-Exempt	1,245,804	1,244,865
Core Infrastructure Tax-Exempt	1,295,435	840,136
Defensive Alternatives	418,150	449,134
Credit	1,502,419	1,271,332
Investment Grade Credit Taxable	56,803	-
Inflation-Linked Securities Tax-Exempt	999,696	1,048,937
Long-Term Fixed Interest	1,035,608	997,944
Short-Term Fixed Interest	531,921	791,131
Cash	1,897,999	1,326,640
Socially Responsible	133,427	100,429
Investment Option Overlay	7,135	-
	<u>23,926,824</u>	<u>21,991,552</u>
Funds Under Management at 30 June	23,926,824	21,991,552

Funds SA

Financial Statements for the year ended 30 June 2023

13(e) Super SA Retirement Investment Fund – Super SA Flexible Rollover Product

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	1,782,423	1,742,837
Add: Receipts	567,503	660,134
Net Investment Income	147,612	(101,623)
	715,115	558,511
Less: Payments	(525,928)	(518,925)
Funds Under Management at 30 June	1,971,610	1,782,423

Statement of Funds Under Management - by Investment Option

Investment Option		
High Growth Taxable	251,025	237,920
Balanced Taxable	1,037,474	876,803
Moderate Taxable	221,326	207,630
Conservative Taxable	183,746	179,916
Capital Defensive Taxable	79,247	98,153
Cash Taxable	156,424	143,470
Socially Responsible Investment	42,368	38,531
Funds Under Management at 30 June	1,971,610	1,782,423

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class		
Australian Equities Taxable	391,572	347,871
Australian Equities Passive Taxable	6,591	5,699
International Equities Taxable	401,615	360,045
International Equities Passive Taxable	47,337	38,151
Property Taxable	170,643	190,249
Private Markets Taxable	85,216	87,989
Core Infrastructure Taxable	73,918	42,279
Defensive Alternatives	37,010	44,822
Credit	117,684	115,024
Investment Grade Credit Taxable	21,988	-
Inflation-Linked Securities Taxable	86,565	109,821
Long-Term Fixed Interest	95,799	90,806
Short-Term Fixed Interest	82,259	102,720
Cash	325,984	221,764
Socially Responsible	27,438	25,183
Investment Option Overlay	(9)	-
Funds Under Management at 30 June	1,971,610	1,782,423

Funds SA

Financial Statements for the year ended 30 June 2023

13(f) Super SA Retirement Investment Fund – Super SA Income Stream

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	4,410,304	4,504,109
Add: Receipts	1,198,338	1,336,563
Net Investment Income	360,781	(257,965)
	1,559,119	1,078,598
Less: Payments	(1,130,117)	(1,172,403)
Funds Under Management at 30 June	4,839,306	4,410,304

Statement of Funds Under Management - by Investment Option

Investment Option

High Growth Taxable	421,800	376,049
Balanced Taxable	2,291,781	2,039,205
Moderate Taxable	973,120	867,154
Conservative Taxable	629,231	605,738
Capital Defensive Taxable	182,125	187,413
Cash Taxable	241,514	246,727
Socially Responsible Investment	99,735	88,018
	4,839,306	4,410,304
Funds Under Management at 30 June	4,839,306	4,410,304

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	933,930	844,115
Australian Equities Passive Taxable	16,084	13,861
International Equities Taxable	965,876	869,105
International Equities Passive Taxable	113,024	91,357
Property Taxable	417,831	465,484
Private Markets Taxable	198,686	205,563
Core Infrastructure Taxable	175,646	98,966
Defensive Alternatives	104,731	125,521
Credit	302,649	306,650
Investment Grade Credit Taxable	76,241	-
Inflation-Linked Securities Taxable	239,577	320,391
Long-Term Fixed Interest	265,915	248,747
Short-Term Fixed Interest	248,196	290,100
Cash	716,351	472,917
Socially Responsible	64,588	57,527
Investment Option Overlay	(19)	-
	4,839,306	4,410,304
Funds Under Management at 30 June	4,839,306	4,410,304

Funds SA

Financial Statements for the year ended 30 June 2023

13(g) Parliamentary Superannuation Scheme

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	268,865	289,951
Add: Receipts	14,574	8,561
Net Investment Income	21,671	(6,773)
	36,245	1,788
Less: Payments	(31,815)	(22,874)
Funds Under Management at 30 June	273,295	268,865

Statement of Funds Under Management - by Investment Option

Investment Option		
High Growth Tax-Exempt	15,098	11,695
Balanced Tax-Exempt	24,171	27,671
Moderate Tax-Exempt	1,524	980
Conservative Tax-Exempt	525	1
Capital Defensive Tax-Exempt	1,058	2,296
Cash Tax-Exempt	2,858	-
Socially Responsible Investment	1,261	940
Defined Benefit Strategy	226,800	225,282
	273,295	268,865
Funds Under Management at 30 June	273,295	268,865

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class		
Australian Equities Tax-Exempt	56,124	52,994
Australian Equities Passive Tax-Exempt	151	143
International Equities Tax-Exempt	79,949	73,506
International Equities Passive Tax-Exempt	1,190	1,009
Property Tax-Exempt	43,104	46,696
Property Taxable	158	125
Private Markets Tax-Exempt	33,317	33,284
Core Infrastructure Tax-Exempt	13,325	12,653
Defensive Alternatives	5,199	5,954
Credit	16,856	15,063
Investment Grade Credit Taxable	143	-
Growth Alternatives	12,950	13,804
Inflation-Linked Securities Tax-Exempt	1,391	1,864
Long-Term Fixed Interest	1,636	1,866
Short-Term Fixed Interest	938	1,672
Cash	6,029	7,618
Socially Responsible	817	614
Investment Option Overlay	18	-
	273,295	268,865
Funds Under Management at 30 June	273,295	268,865

Funds SA
Financial Statements for the year ended 30 June 2023

13(h) Judges' Pension Scheme

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	308,337	323,099
Add: Receipts	2,670	2,130
Net Investment Income	24,706	(5,502)
	<u>27,376</u>	<u>(3,372)</u>
Less: Payments	<u>(13,182)</u>	<u>(11,390)</u>
Funds Under Management at 30 June	322,531	308,337

Statement of Funds Under Management - by Investment Option

Investment Option

Defined Benefit Strategy	<u>322,531</u>	<u>308,337</u>
Funds Under Management at 30 June	322,531	308,337

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	65,856	59,761
International Equities Tax-Exempt	96,044	84,000
Property Tax-Exempt	54,916	56,404
Private Markets Tax-Exempt	44,016	42,089
Core Infrastructure Tax-Exempt	15,707	14,973
Defensive Alternatives	6,555	7,094
Credit	19,959	16,957
Growth Alternatives	18,416	18,893
Cash	1,050	8,166
Investment Option Overlay	<u>12</u>	<u>-</u>
Funds Under Management at 30 June	322,531	308,337

Funds SA
Financial Statements for the year ended 30 June 2023

13(i) Governors' Pension Scheme

Statement of Receipts and Payments

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	2,865	3,292
Add: Receipts	35	-
Net Investment Income	217	(45)
	252	(45)
Less: Payments	(453)	(382)
Funds Under Management at 30 June	2,664	2,865

Statement of Funds Under Management - by Investment Option

Investment Option

Defined Benefit Strategy	2,664	2,865
Funds Under Management at 30 June	2,664	2,865

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	544	555
International Equities Tax-Exempt	793	780
Property Tax-Exempt	453	524
Private Markets Tax-Exempt	364	391
Core Infrastructure Tax-Exempt	130	139
Defensive Alternatives	54	66
Credit	165	158
Growth Alternatives	152	176
Cash	9	76
Investment Option Overlay	0	-
Funds Under Management at 30 June	2,664	2,865

Funds SA
Financial Statements for the year ended 30 June 2023

13(j) South Australian Ambulance Service Superannuation Scheme

Statement of Receipts and Payments

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	292,747	320,722
Add: Receipts	8,090	5,150
Net Investment Income	26,929	(16,953)
	<u>35,019</u>	<u>(11,803)</u>
Less: Payments	<u>(34,453)</u>	<u>(16,172)</u>
Funds Under Management at 30 June	293,313	292,747

Statement of Funds Under Management - by Investment Option

Investment Option

Balanced Taxable	<u>293,313</u>	<u>292,747</u>
Funds Under Management at 30 June	293,313	292,747

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	72,812	73,707
Australian Equities Passive Taxable	1,178	1,198
International Equities Taxable	72,806	74,941
International Equities Passive Taxable	8,631	8,033
Property Taxable	26,200	35,058
Private Markets Taxable	15,577	20,028
Core Infrastructure Taxable	13,936	9,546
Defensive Alternatives	5,757	7,987
Credit	18,754	15,524
Inflation-Linked Securities Taxable	14,304	14,903
Long-Term Fixed Interest	14,323	14,828
Short-Term Fixed Interest	5,866	10,282
Cash	23,169	6,712
Investment Option Overlay	<u>0</u>	<u>-</u>
Funds Under Management at 30 June	293,313	292,747

Funds SA
Financial Statements for the year ended 30 June 2023

13(k) Police Superannuation Scheme – Employer Contribution Account

Statement of Receipts and Payments

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	1,647,887	1,710,015
Add: Receipts	42,112	53,282
Net Investment Income	131,986	(29,605)
	174,098	23,677
Less: Payments	(95,325)	(85,805)
Funds Under Management at 30 June	1,726,660	1,647,887

Statement of Funds Under Management - by Investment Option

Investment Option

Defined Benefit Strategy	1,726,660	1,647,887
Funds Under Management at 30 June	1,726,660	1,647,887

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	352,555	319,388
International Equities Tax-Exempt	514,177	448,934
Property Tax-Exempt	293,990	301,447
Private Markets Tax-Exempt	235,641	224,945
Core Infrastructure Tax-Exempt	84,085	80,020
Defensive Alternatives	35,090	37,913
Credit	106,850	90,624
Growth Alternatives	98,589	100,973
Cash	5,619	43,643
Investment Option Overlay	64	-
Funds Under Management at 30 June	1,726,660	1,647,887

Funds SA
Financial Statements for the year ended 30 June 2023

13(l) Police Superannuation Fund – Old Scheme Division

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	630,436	670,973
Add: Receipts	-	-
Net Investment Income	50,068	(11,027)
	<u>50,068</u>	<u>(11,027)</u>
Less: Payments	<u>(32,240)</u>	<u>(29,510)</u>
Funds Under Management at 30 June	<u>648,264</u>	<u>630,436</u>

Statement of Funds Under Management - by Investment Option

Investment Option

Defined Benefit Strategy	<u>648,264</u>	<u>630,436</u>
Funds Under Management at 30 June	<u>648,264</u>	<u>630,436</u>

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	132,365	122,189
International Equities Tax-Exempt	193,044	171,750
Property Tax-Exempt	110,377	115,325
Private Markets Tax-Exempt	88,470	86,058
Core Infrastructure Tax-Exempt	31,569	30,613
Defensive Alternatives	13,174	14,504
Credit	40,116	34,670
Growth Alternatives	37,015	38,630
Cash	2,110	16,697
Investment Option Overlay	24	-
Funds Under Management at 30 June	<u>648,264</u>	<u>630,436</u>

Funds SA
Financial Statements for the year ended 30 June 2023

13(m) South Australian Government Financing Authority (SAFA – Insurance Fund 1)

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	524,566	640,969
Add: Receipts	60,000	14,000
Net Investment Income	43,178	(20,403)
	<u>103,178</u>	<u>(6,403)</u>
Less: Payments	<u>(20,000)</u>	<u>(110,000)</u>
Funds Under Management at 30 June	607,744	524,566

Statement of Funds Under Management - by Investment Option

Investment Option

SAFA Strategy	<u>607,744</u>	<u>524,566</u>
Funds Under Management at 30 June	607,744	524,566

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	117,749	96,369
International Equities Tax-Exempt	176,660	133,367
Property Tax-Exempt	81,156	74,701
Private Markets Tax-Exempt	55,342	54,036
Core Infrastructure Tax-Exempt	18,145	15,876
Defensive Alternatives	15,227	14,714
Credit	43,405	33,977
Growth Alternatives	38,395	34,871
Inflation-Linked Securities Tax-Exempt	35,985	31,861
Long-Term Fixed Interest	23,704	20,927
Cash	1,978	13,867
Investment Option Overlay	<u>(2)</u>	<u>-</u>
Funds Under Management at 30 June	607,744	524,566

Funds SA
Financial Statements for the year ended 30 June 2023

13(n) South Australian Government Financing Authority (SAFA – Insurance Fund 2)

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	14,211	15,259
Add: Receipts	-	-
Net Investment Income	779	(1,048)
	779	(1,048)
Less: Payments	(6,000)	-
Funds Under Management at 30 June	8,990	14,211

Statement of Funds Under Management - by Investment Option

Investment Option

Conservative Tax-Exempt	8,990	14,211
Funds Under Management at 30 June	8,990	14,211

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	812	1,345
Australian Equities Passive Tax-Exempt	16	21
International Equities Tax-Exempt	1,184	1,723
International Equities Passive Tax-Exempt	75	84
Property Tax-Exempt	748	1,270
Private Markets Tax-Exempt	203	-
Core Infrastructure Tax-Exempt	387	-
Defensive Alternatives	366	614
Credit	653	1,896
Investment Grade Credit Taxable	550	-
Inflation-Linked Securities Tax-Exempt	789	2,152
Long-Term Fixed Interest	608	1,143
Short-Term Fixed Interest	1,258	2,219
Cash	1,341	1,744
Investment Option Overlay	0	-
Funds Under Management at 30 June	8,990	14,211

Funds SA
Financial Statements for the year ended 30 June 2023

13(o) South Australian Government Financing Authority (SAFA – Insurance Fund 3)

Statement of Receipts and Payments

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	45,811	49,188
Add: Receipts	5,000	-
Net Investment Income	2,938	(3,377)
	<u>7,938</u>	<u>(3,377)</u>
Less: Payments	<u>-</u>	<u>-</u>
Funds Under Management at 30 June	53,749	45,811

Statement of Funds Under Management - by Investment Option

Investment Option

Conservative Tax-Exempt	<u>53,749</u>	<u>45,811</u>
Funds Under Management at 30 June	53,749	45,811

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	4,855	4,336
Australian Equities Passive Tax-Exempt	97	67
International Equities Tax-Exempt	7,083	5,555
International Equities Passive Tax-Exempt	447	271
Property Tax-Exempt	4,472	4,093
Private Markets Tax-Exempt	1,214	-
Core Infrastructure Tax-Exempt	2,313	-
Defensive Alternatives	2,186	1,979
Credit	3,902	6,113
Investment Grade Credit Taxable	3,287	-
Inflation-Linked Securities Tax-Exempt	4,717	6,938
Long-Term Fixed Interest	3,638	3,684
Short-Term Fixed Interest	7,521	7,152
Cash	8,016	5,623
Investment Option Overlay	<u>1</u>	<u>-</u>
Funds Under Management at 30 June	53,749	45,811

Funds SA

Financial Statements for the year ended 30 June 2023

13(p) South Australian Government Financing Authority (SAFA – Insurance Fund 4)

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	111,376	131,373
Add: Receipts	-	-
Net Investment Income	4,350	(7,997)
	4,350	(7,997)
Less: Payments	(21,000)	(12,000)
Funds Under Management at 30 June	94,726	111,376

Statement of Funds Under Management - by Investment Option

Investment Option

Capital Defensive Tax-Exempt	94,726	111,376
Funds Under Management at 30 June	94,726	111,376

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	4,748	5,168
Australian Equities Passive Tax-Exempt	97	82
International Equities Tax-Exempt	5,514	5,328
International Equities Passive Tax-Exempt	101	1
Property Tax-Exempt	5,795	6,531
Private Markets Tax-Exempt	1,106	-
Core Infrastructure Tax-Exempt	4,298	-
Defensive Alternatives	3,804	4,796
Credit	2,901	13,726
Investment Grade Credit Taxable	5,821	-
Inflation-Linked Securities Tax-Exempt	8,331	16,818
Long-Term Fixed Interest	10,179	12,304
Short-Term Fixed Interest	24,618	29,645
Cash	17,413	16,977
Investment Option Overlay	0	-
Funds Under Management at 30 June	94,726	111,376

Funds SA
Financial Statements for the year ended 30 June 2023

13(q) Adelaide Cemeteries Authority

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	8,066	6,825
Add: Receipts	1,900	1,800
Net Investment Income	919	(559)
	<u>2,819</u>	<u>1,241</u>
Less: Payments	<u>-</u>	<u>-</u>
Funds Under Management at 30 June	10,885	8,066

Statement of Funds Under Management - by Investment Option

Investment Option

High Growth Tax-Exempt	7,002	4,902
Balanced Tax-Exempt	827	754
Moderate Tax-Exempt	1,868	1,289
Conservative Tax-Exempt	1,188	1,121
	<u>10,885</u>	<u>8,066</u>
Funds Under Management at 30 June	10,885	8,066

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	2,426	1,704
Australian Equities Passive Tax-Exempt	38	26
International Equities Tax-Exempt	3,156	2,263
International Equities Passive Tax-Exempt	296	187
Property Tax-Exempt	1,291	1,119
Private Markets Tax-Exempt	597	452
Core Infrastructure Tax-Exempt	517	308
Defensive Alternatives	123	108
Credit	789	630
Investment Grade Credit Taxable	129	-
Inflation-Linked Securities Tax-Exempt	252	351
Long-Term Fixed Interest	265	219
Short-Term Fixed Interest	313	312
Cash	693	387
Investment Option Overlay	0	-
	<u>10,885</u>	<u>8,066</u>
Funds Under Management at 30 June	10,885	8,066

Funds SA
Financial Statements for the year ended 30 June 2023

13(r) Motor Accident Commission Compulsory Third Party Fund

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	9,630	21,431
Add: Receipts	-	-
Net Investment Income	397	(1,150)
	<u>397</u>	<u>(1,150)</u>
Less: Payments	-	(10,651)
Funds Under Management at 30 June	10,027	9,630

Statement of Funds Under Management - by Investment Option

Investment Option

Capital Defensive Tax-Exempt	<u>10,027</u>	<u>9,630</u>
Funds Under Management at 30 June	10,027	9,630

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	503	447
Australian Equities Passive Tax-Exempt	10	7
International Equities Tax-Exempt	584	461
International Equities Passive Tax-Exempt	11	-
Property Tax-Exempt	613	565
Private Markets Tax-Exempt	117	-
Core Infrastructure Tax-Exempt	455	-
Defensive Alternatives	403	415
Credit	307	1,186
Investment Grade Credit Taxable	616	-
Inflation-Linked Securities Tax-Exempt	882	1,454
Long-Term Fixed Interest	1,077	1,064
Short-Term Fixed Interest	2,606	2,563
Cash	1,843	1,468
Investment Option Overlay	0	-
Funds Under Management at 30 June	10,027	9,630

Funds SA
Financial Statements for the year ended 30 June 2023

13(s) Motor Accident Commission Retained Premium Component

Statement of Receipts and Payments

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	6,355	6,788
Add: Receipts	-	-
Net Investment Income	244	(433)
	244	(433)
Less: Payments	(6,599)	-
Funds Under Management at 30 June	-	6,355

Statement of Funds Under Management - by Investment Option

Investment Option

Capital Defensive Tax-Exempt	-	6,355
Funds Under Management at 30 June	-	6,355

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	-	295
Australian Equities Passive Tax-Exempt	-	5
International Equities Tax-Exempt	-	304
Property Tax-Exempt	-	372
Defensive Alternatives	-	274
Credit	-	783
Inflation-Linked Securities Tax-Exempt	-	960
Long-Term Fixed Interest	-	702
Short-Term Fixed Interest	-	1,691
Cash	-	969
Investment Option Overlay	0	-
Funds Under Management at 30 June	-	6,355

Funds SA
Financial Statements for the year ended 30 June 2023

13(t) South Australian Metropolitan Fire Service Superannuation Scheme

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	478,734	522,954
Add: Receipts	61,391	75,219
Net Investment Income	43,158	(28,091)
	<u>104,549</u>	<u>47,128</u>
Less: Payments	<u>(68,361)</u>	<u>(91,348)</u>
Funds Under Management at 30 June	514,922	478,734

Statement of Funds Under Management - by Investment Option

Investment Option

High Growth Taxable	349,811	333,959
Balanced Taxable	10,717	9,117
Moderate Taxable	8,126	8,411
Conservative Taxable	127,198	108,887
Capital Defensive Taxable	6,582	7,570
Cash Taxable	12,488	10,790
	<u>514,922</u>	<u>478,734</u>
Funds Under Management at 30 June	514,922	478,734

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	118,875	109,716
Australian Equities Passive Taxable	1,984	1,790
International Equities Taxable	125,606	120,045
International Equities Passive Taxable	14,982	12,968
Property Taxable	60,715	65,749
Private Markets Taxable	29,168	28,487
Core Infrastructure Taxable	20,989	13,821
Defensive Alternatives	5,654	6,075
Credit	37,211	38,945
Investment Grade Credit Taxable	8,146	-
Inflation-Linked Securities Taxable	12,756	19,035
Long-Term Fixed Interest	10,446	10,698
Short-Term Fixed Interest	20,219	20,034
Cash	48,173	31,371
Investment Option Overlay	(2)	-
	<u>514,922</u>	<u>478,734</u>
Funds Under Management at 30 June	514,922	478,734

Funds SA
Financial Statements for the year ended 30 June 2023

13(u) Super SA Select

Statement of Receipts and Payments

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	48,943	33,305
Add: Receipts	10,831	29,614
Net Investment Income	3,776	(2,901)
	14,607	26,713
Less: Payments	(28,455)	(11,075)
Funds Under Management at 30 June	35,095	48,943

Statement of Funds Under Management - by Investment Option

Investment Option

Balanced Taxable	32,426	47,051
Cash Taxable	2,669	1,892
	35,095	48,943
Funds Under Management at 30 June	35,095	48,943

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	8,050	11,846
Australian Equities Passive Taxable	130	193
International Equities Taxable	8,049	12,045
International Equities Passive Taxable	954	1,291
Property Taxable	2,896	5,634
Private Markets Taxable	1,722	3,219
Core Infrastructure Taxable	1,541	1,534
Defensive Alternatives	636	1,284
Credit	2,073	2,495
Inflation-Linked Securities Taxable	1,581	2,395
Long-Term Fixed Interest	1,583	2,383
Short-Term Fixed Interest	649	1,653
Cash	5,231	2,971
Investment Option Overlay	0	-
	35,095	48,943
Funds Under Management at 30 June	35,095	48,943

Funds SA

Financial Statements for the year ended 30 June 2023

13(v) Lifetime Support Authority

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	1,268,226	1,175,950
Add: Receipts	106,000	110,000
Net Investment Income	104,064	(17,724)
	210,064	92,276
Less: Payments	-	-
Funds Under Management at 30 June	1,478,290	1,268,226

Statement of Funds Under Management - by Investment Option

Investment Option

Lifetime Support Authority Strategy	1,478,290	1,268,226
Funds Under Management at 30 June	1,478,290	1,268,226

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Tax-Exempt	282,395	232,984
International Equities Tax-Exempt	433,854	337,398
Property Tax-Exempt	257,225	232,929
Private Markets Tax-Exempt	230,126	200,212
Core Infrastructure Tax-Exempt	69,969	61,187
Defensive Alternatives	29,957	29,162
Credit	88,125	69,760
Growth Alternatives	86,014	77,665
Cash	616	26,929
Investment Option Overlay	9	-
Funds Under Management at 30 June	1,478,290	1,268,226

Funds SA
Financial Statements for the year ended 30 June 2023

13(w) Health Services Charitable Gifts Board – Pool Investment

Statement of Receipts and Payments

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	112,037	112,504
Add: Receipts	3,250	51,854
Net Investment Income	9,565	(7,343)
	12,815	44,511
Less: Payments	-	(44,978)
Funds Under Management at 30 June	124,852	112,037

Statement of Funds Under Management - by Investment Option

Investment Option

Balanced Taxable	49,760	43,918
Moderate Taxable	74,577	67,619
Cash Taxable	515	500
	124,852	112,037
Funds Under Management at 30 June	124,852	112,037

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	25,539	22,844
Australian Equities Passive Taxable	457	375
International Equities Taxable	26,736	23,135
International Equities Passive Taxable	3,008	2,403
Property Taxable	10,530	11,893
Private Markets Taxable	5,009	5,738
Core Infrastructure Taxable	4,461	2,791
Defensive Alternatives	3,134	3,722
Credit	8,710	7,889
Investment Grade Credit Taxable	2,163	-
Inflation-Linked Securities Taxable	6,754	9,764
Long-Term Fixed Interest	8,193	7,012
Short-Term Fixed Interest	6,157	7,325
Cash	14,001	7,146
Investment Option Overlay	0	-
	124,852	112,037
Funds Under Management at 30 June	124,852	112,037

Funds SA
Financial Statements for the year ended 30 June 2023

13(x) Health Services Charitable Gifts Board – Ray and Shirl Norman Cancer Research Trust

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	7,385	8,296
Add: Receipts	7,435	600
Net Investment Income	677	(388)
	8,112	212
Less: Payments	(7,896)	(1,123)
Funds Under Management at 30 June	7,601	7,385

Statement of Funds Under Management - by Investment Option

Investment Option

High Growth Taxable	-	4,294
Balanced Taxable	7,601	-
Moderate Taxable	-	2,704
Cash Taxable	-	387
	7,601	7,385
Funds Under Management at 30 June	7,601	7,385

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	1,886	1,680
Australian Equities Passive Taxable	31	27
International Equities Taxable	1,887	1,807
International Equities Passive Taxable	224	194
Property Taxable	679	958
Private Markets Taxable	404	463
Core Infrastructure Taxable	361	226
Defensive Alternatives	149	101
Credit	486	513
Inflation-Linked Securities Taxable	371	301
Long-Term Fixed Interest	371	191
Short-Term Fixed Interest	152	231
Cash	600	693
Investment Option Overlay	0	-
	7,601	7,385
Funds Under Management at 30 June	7,601	7,385

Funds SA
Financial Statements for the year ended 30 June 2023

13(y) Health Services Charitable Gifts Board – DE Brown Trust

Statement of Receipts and Payments

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	232	294
Add: Receipts	1	-
Net Investment Income	13	(16)
	14	(16)
Less: Payments	(1)	(46)
Funds Under Management at 30 June	245	232

Statement of Funds Under Management - by Investment Option

Investment Option

Conservative Taxable	245	232
Funds Under Management at 30 June	245	232

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	24	25
Australian Equities Passive Taxable	1	-
International Equities Taxable	28	26
International Equities Passive Taxable	3	3
Property Taxable	20	21
Private Markets Taxable	5	-
Core Infrastructure Taxable	6	-
Defensive Alternatives	10	11
Credit	18	30
Investment Grade Credit Taxable	14	-
Inflation-Linked Securities Taxable	22	35
Long-Term Fixed Interest	17	19
Short-Term Fixed Interest	34	36
Cash	43	26
Investment Option Overlay	0	-
Funds Under Management at 30 June	245	232

Funds SA
Financial Statements for the year ended 30 June 2023

13(z) **Health Services Charitable Gifts Board – P F Beinke Charitable Trust – Flinders Medical Centre (Pastoral Care Account)**

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	254	273
Add: Receipts	1	-
Net Investment Income	15	(18)
	16	(18)
Less: Payments	(9)	(1)
Funds Under Management at 30 June	261	254

Statement of Funds Under Management - by Investment Option

Investment Option

Conservative Taxable	261	254
Funds Under Management at 30 June	261	254

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	25	27
Australian Equities Passive Taxable	1	-
International Equities Taxable	30	29
International Equities Passive Taxable	4	3
Property Taxable	22	22
Private Markets Taxable	5	-
Core Infrastructure Taxable	6	-
Defensive Alternatives	10	12
Credit	19	33
Investment Grade Credit Taxable	15	-
Inflation-Linked Securities Taxable	23	38
Long-Term Fixed Interest	18	21
Short-Term Fixed Interest	36	40
Cash	47	29
Investment Option Overlay	0	-
Funds Under Management at 30 June	261	254

Funds SA
Financial Statements for the year ended 30 June 2023

**Health Services Charitable Gifts Board – P F Beinke Charitable Trust – Royal Adelaide
13(aa) Hospital (The Chapel Fund)**

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	253	274
Add: Receipts	1	-
Net Investment Income	15	(18)
	<u>16</u>	<u>(18)</u>
Less: Payments	<u>(5)</u>	<u>(3)</u>
Funds Under Management at 30 June	264	253

Statement of Funds Under Management - by Investment Option

Investment Option

Conservative Taxable	<u>264</u>	<u>253</u>
Funds Under Management at 30 June	264	253

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	26	27
Australian Equities Passive Taxable	1	1
International Equities Taxable	30	29
International Equities Passive Taxable	4	3
Property Taxable	22	22
Private Markets Taxable	6	-
Core Infrastructure Taxable	6	-
Defensive Alternatives	10	12
Credit	20	33
Investment Grade Credit Taxable	16	-
Inflation-Linked Securities Taxable	23	38
Long-Term Fixed Interest	18	20
Short-Term Fixed Interest	37	39
Cash	45	29
Investment Option Overlay	0	-
Funds Under Management at 30 June	264	253

Funds SA
Financial Statements for the year ended 30 June 2023

**13(ab) Health Services Charitable Gifts Board – P F Beinke Charitable Trust – Daw Park
 Repatriation Hospital (Pastoral Care Chapel Account)**

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	254	273
Add: Receipts	1	-
Net Investment Income	15	(18)
	16	(18)
Less: Payments	(4)	(1)
Funds Under Management at 30 June	266	254

Statement of Funds Under Management - by Investment Option

Investment Option

Conservative Taxable	266	254
Funds Under Management at 30 June	266	254

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	26	27
Australian Equities Passive Taxable	1	-
International Equities Taxable	30	29
International Equities Passive Taxable	4	3
Property Taxable	22	22
Private Markets Taxable	6	-
Core Infrastructure Taxable	6	-
Defensive Alternatives	10	12
Credit	20	33
Investment Grade Credit Taxable	16	-
Inflation-Linked Securities Taxable	23	39
Long-Term Fixed Interest	18	21
Short-Term Fixed Interest	37	39
Cash	47	29
Investment Option Overlay	0	-
Funds Under Management at 30 June	266	254

Funds SA
Financial Statements for the year ended 30 June 2023

13(ac) The University of Adelaide Endowment Trust

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	211,879	229,039
Add: Receipts	1,259	227,819
Net Investment Income	21,806	(10,637)
	<u>23,065</u>	<u>217,182</u>
Less: Payments	-	(234,342)
Funds Under Management at 30 June	<u>234,944</u>	<u>211,879</u>

Statement of Funds Under Management - by Investment Option

Investment Option

University of Adelaide Strategy	<u>234,944</u>	<u>211,879</u>
Funds Under Management at 30 June	<u>234,944</u>	<u>211,879</u>

Statement of Funds Under Management – by Asset Class and Other Assets

Australian Equities Taxable	59,154	61,397
International Equities Taxable	84,627	72,212
Property Taxable	29,169	27,523
Private Markets Taxable	31,589	30,325
Core Infrastructure Taxable	30,207	8,342
Cash	212	12,080
Investment Option Overlay	(14)	-
Funds Under Management at 30 June	<u>234,944</u>	<u>211,879</u>

13(ad) Legal Services Commission**Statement of Receipts and Payments**

	2023	2022
	\$'000	\$'000
Funds Under Management at 1 July	7,802	8,308
Add: Receipts	-	-
Net Investment Income	327	(506)
	<u>327</u>	<u>(506)</u>
Less: Payments	<u>-</u>	<u>-</u>
Funds Under Management at 30 June	8,129	7,802

Statement of Funds Under Management - by Investment Option**Investment Option**

Capital Defensive Taxable	<u>8,129</u>	<u>7,802</u>
Funds Under Management at 30 June	8,129	7,802

Statement of Funds Under Management – by Asset Class and Other Assets

Australian Equities Taxable	385	381
Australian Equities Passive Taxable	10	8
International Equities Taxable	413	395
International Equities Passive Taxable	55	30
Property Taxable	496	445
Private Markets Taxable	88	-
Core Infrastructure Taxable	192	-
Defensive Alternatives	317	368
Credit	252	940
Investment Grade Credit Taxable	483	-
Inflation-Linked Securities Taxable	715	1,178
Long-Term Fixed Interest	871	865
Short-Term Fixed Interest	2,111	2,075
Cash	1,741	1,117
Investment Option Overlay	0	-
Funds Under Management at 30 June	8,129	7,802

13(ae) Construction Industry Training Fund

Statement of Receipts and Payments

	2023 \$'000	2022 \$'000
Funds Under Management at 1 July	21,705	22,942
Add: Receipts	-	-
Net Investment Income	2,097	(1,237)
	<u>2,097</u>	<u>(1,237)</u>
Less: Payments	-	-
Funds Under Management at 30 June	23,802	21,705

Statement of Funds Under Management - by Investment Option

Investment Option

High Growth Taxable	16,575	14,996
Moderate Taxable	7,227	6,709
Funds Under Management at 30 June	23,802	21,705

Statement of Funds Under Management – by Asset Class and Other Assets

Asset class

Australian Equities Taxable	6,115	5,389
Australian Equities Passive Taxable	102	88
International Equities Taxable	6,443	5,829
International Equities Passive Taxable	749	629
Property Taxable	2,873	3,076
Private Markets Taxable	1,442	1,507
Core Infrastructure Taxable	1,018	735
Defensive Alternatives	209	250
Credit	1,782	1,568
Investment Grade Credit Taxable	210	-
Inflation-Linked Securities Taxable	419	747
Long-Term Fixed Interest	559	475
Short-Term Fixed Interest	500	574
Cash	1,381	838
Investment Option Overlay	0	-
Funds Under Management at 30 June	23,802	21,705