



FIRE AND EMERGENCY SERVICES

SUPERANNUATION BOARD

ANNUAL REPORT

2011

ABN 55 476 454 384
AFS Licence No. 259671
APRA Licence No. L0001700
APRA Registration No. R1055917

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To the Honourable Rob Johnson MLA

Minister for Police; Emergency Services; Road Safety

In accordance with Section 63 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of the Fire and Emergency Services Superannuation Board for the financial year ended 30 June 2011.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006.



D E BARTON

CHAIRMAN

9 September 2011



A B RUTTER

CHIEF FINANCE OFFICER

9 September 2011

FIRE AND EMERGENCY SERVICES

SUPERANNUATION BOARD

REPORT ON OPERATIONS FOR YEAR ENDING 30 JUNE 2011

CONSTITUTION

The Fire and Emergency Services Superannuation Board was constituted on 3 November 1986 to administer the Fire and Emergency Services Superannuation Fund.

MINISTER

The responsible Minister is the Minister for Police; Emergency Services; Road Safety who, at 30 June 2011 was:

The Hon. Rob Johnson MLA
Minister for Police; Emergency Services; Road Safety
20th Floor
197 St George's Terrace
PERTH WA 6000 Phone: (08) 9222 9211

ENABLING LEGISLATION

The administration of the Superannuation Fund is established under the Fire and Emergency Services Superannuation Act 1985 and Fire and Emergency Services (Superannuation Fund) Regulations 1986.

LEGISLATION ADMINISTERED

The Board is responsible for the administration of the enabling legislation.

LEGISLATION IMPACTING ON THE BOARD'S ACTIVITIES

State

The Board is responsible for complying with a wide range of State legislation, which primarily sets minimum prudential standards of conduct. These include:

Anti-Corruption Commission Act 1988
Auditor General Act 2006
Corporations (Western Australia) Act 1990
Electoral Act 1907
Equal Opportunity Act 1984
Financial Management Act 2006
Fire and Emergency Services Superannuation Act 1985
Freedom of Information Act 1992
Industrial Relations Act 1979
Interpretation Act 1984
Minimum Conditions of Employment Act 1993
Occupational Safety and Health Act 1984
Public Sector Management Act 1994
Stamp Act 1921
State Records Act 2000
State Supply Commission Act 1991
Trustees Act 1962
Workers' Compensation and Injury Management Act 1981

Federal

The Commonwealth legislative compliance requirements are comprised of the following:

Anti-Money Laundering and Counter-Terrorism Financing Act 2006
Australian Prudential Regulation Authority Act 1998
Corporations Act 2001
Family Law Act 1975
Financial Sector (Collection of Data) Act 2001
Financial Services Reform Act 2001
Income Tax Assessment Act 1936
Privacy Act 1988
Sex Discrimination Act 1984
Superannuation Contributions Tax (Assessment and Collection) Act 1997
Superannuation Guarantee (Administration) Act 1992
Superannuation Guarantee Charge Act 1992
Superannuation Industry (Supervision) Act 1993
Superannuation (Resolution of Complaints) Act 1993

OBJECTIVES AND FUNCTIONS OF THE BOARD

The objectives and functions of the Board are to administer, invest and manage the Fire and Emergency Services Superannuation Fund in the best interests of members at all times.

ACCOUNTABLE AUTHORITY

The Accountable Authority is the Fire and Emergency Services Superannuation Board.

OPERATIONAL STRUCTURE

The Board is responsible for the management of the Fund and in accordance with the provisions of the Act, a Secretary to the Board is appointed. The Secretary is nominated as the Chief Finance Officer under the provisions of the Financial Management Act 2006. The administration of the Fund is carried out by the staff of the Superannuation Board, who are:

Secretary: Mr A B Rutter - appointed 8 May 2001
Administration Officer: Mrs S L Handley

MEMBER ENQUIRIES

Members should address correspondence and enquiries to:

The Secretary
Fire and Emergency Services Superannuation Board
242 Rokeby Road
SUBLACO WA 6008

Telephone: – (08) 9382 8444
Email: – admin@fessuper.com.au

Facsimile: – (08) 9382 8464

PERSONS OR SECTIONS OF COMMUNITY SERVED BY THE BOARD

Membership of the Fire and Emergency Services Superannuation Fund, which primarily is a lump sum defined benefit fund, is compulsory for all permanent employees of the:

- Fire and Emergency Services Authority of Western Australia; (**unless the employee is eligible to become or remain a member of the Government Employees Superannuation Scheme:**)
- Fire and Emergency Services Superannuation Board;
- United Firefighters Union of Western Australia; and
- Western Australian Volunteer Fire and Rescue Services Association (Inc).

BOARD MEMBERS

The three members appointed by the Fire and Emergency Services Authority of Western Australia as at 30 June 2011 are:

- MR D BARTON** (Chairman) – Actuary and Investment Consultant – has been a member since 3 November 1986 and his current appointment expires on 18 August 2011.
- MR D FULCHER** Employee of the Fire and Emergency Services Authority of Western Australia – has been a member since 19 August 2008 and his current appointment expires on 18 August 2012.
- MR F SCIARRONE** Financial Planner – has been a member since 4 April 2011 and his current appointment expires on 18 August 2013.

The three members elected by the members of the Fund as at 30 June 2011 are:

- MR G CLIFFORD** Retired Station Officer – has been a member since 19 August 1993 and his current appointment expires on 18 August 2011.
- MR B LONGMAN** Station Officer – has been a member since 19 August 2009 and his current appointment expires on 18 August 2012.
- MR B WEIR** Station Officer – has been a member since 19 August 2004 and his current appointment expires on 18 August 2013.

ALTERNATE MEMBERS

The three alternate members appointed by the Fire and Emergency Services Authority of Western Australia as at 30 June 2011 are:

- MR F FORTUNA** Employee of the Fire and Emergency Services Authority of Western Australia – appointed from 19 August 2008 and his current appointment expires on 18 August 2013.
- MR F PASQUALE** Employee of the Fire and Emergency Services Authority of Western Australia – appointed from 27 August 2007 and his current appointment expires on 18 August 2012.
- MR D WATKINS** Employee of the Fire and Emergency Services Authority of Western Australia – appointed from 19 August 2008 and his current appointment expires on 18 August 2011.

The two alternate members elected by the members of the Fund as at 30 June 2011 are:

- MR A BROWN** Senior Firefighter – was elected for the year to 18 August 2011.
- MR G MAUND** Station Officer – was elected for the year to 18 August 2011.

CONSULTANTS TO THE BOARD

The Board retains the following consultants to provide advice as and when required:

Jones Lang LaSalle – Direct Property Advice.
Vantage Wealth Management – Fixed Interest Securities Advice.
PricewaterhouseCoopers – Actuarial and General Investment Advice.
Sharyn Long Chartered Accountants – Accounting and Taxation Advice.

TAXATION & COMPLIANCE

The Superannuation Industry (Supervision) Act 1993 and Regulations (SIS) came into effect on 1 July 1994. The Board has made an irrevocable election for the Fund to be regulated under the SIS legislation. The Fund's auditors have not identified any breaches to the requirements and thus the concessional taxation treatment of the Fund remains in place.

AUDIT

The Office of the Auditor General audits the Fund's Accounts and Performance Indicators under the provisions of the Financial Management Act 2006.

TRUSTEE INDEMNITY INSURANCE

The Directors and Employees of the Board are covered by an indemnity insurance policy to cover possible claims made against them as Directors and Employees.

ELECTORAL ACT

In accordance with Section 175ZE of the Electoral Act 1907 and Treasurer's Instruction 903, the Superannuation Board is required to disclose details of expenditure incurred during the year in relation to the following items:

Advertising Agencies	Nil
Market Research Organisations	Nil
Polling Organisations	Nil
Direct Mail Organisations	Nil
Media Advertising Organisations	Nil

PUBLICATIONS

The Board produces and makes available to members the following publications. They are provided to assist members in understanding their options and entitlements, and to encourage consolidation of superannuation accounts into the Fire and Emergency Services Superannuation Fund.

- Product Disclosure Statement (Member Booklet)
- Member Newsletter
- Report to Members
- Annual Report
- Member Statements
- Fire and Emergency Services Superannuation Act and Regulations
- Actuarial Statements

FREEDOM OF INFORMATION (FOI)

Under section 96 of the Freedom of Information Act 1992, the Superannuation Board is required to publish an information statement that provides background on the operations of the Board, describes the documents held and the way in which the public can access information. It is the aim of the Board to make information available promptly and at the least possible cost.

There were no applications received during the year.

MEMBER COMPLAINTS

The Board has procedures in place to deal with any query or complaint a member may raise in relation to their superannuation. All complaints must be in writing and addressed to the Secretary.

There were two complaints received during the year.

The first complaint was in regards to the need to opt out of automatic income protection cover provided by the Fund. The complaint was subsequently withdrawn.

The second complaint was in relation to the Fund's Insurer declining a member's claim for total and permanent disablement. Resolution of the complaint is proceeding.

EXTERNAL COMPLAINTS TRIBUNAL

If a member is not satisfied with the handling of a complaint or the Board's decision, they may be able to make a complaint to the Superannuation Complaints Tribunal.

The Tribunal is an independent body set up by the Federal Government to assist members or beneficiaries to resolve certain types of complaints with fund trustees.

The Tribunal may be able to assist the member to resolve their complaint, but only if the member has made use of the Board's own inquiries and complaints procedures. If the Tribunal accepts the member's complaint, it will attempt to resolve the matter through conciliation, which involves assisting the parties to come to a mutual agreement. If conciliation is unsuccessful, the complaint may be referred to the Tribunal for a determination which is binding.

For more information on the Tribunal and the type of information that must be provided, the Tribunal can be contacted on 1300 884 114 for the cost of a local call anywhere in Australia.

If assistance is required to make a complaint, please contact the Fund Secretary.

RECORDKEEPING PLAN

The Board is currently developing its formal Recordkeeping Policy.

OCCUPATIONAL SAFETY, HEALTH and INJURY MANAGEMENT

The Board is committed to occupational, safety, health and injury management. All employees are regularly consulted on occupational safety and health matters.

Indicator	2010-11
Number of fatalities	Zero (0)
Lost time injury/disease (LTI/I) incidence rate	Zero (0)
Lost time injury severity rate	Zero (0)
Percentage of injured workers returned to work within 28 weeks	Zero (0) workers injured.

INVESTMENTS

Full details of the investments of the Fund are provided in the attached accounts.

INVESTMENT POLICY

In accordance with the requirements of the Superannuation Industry (Supervision) Act 1993 (section 52(2)), the Board has formulated the following investment policy:

Objective

To achieve investment returns of at least 2.0% per annum above increases in final average salaries over a rolling 10 year period

Strategy

To invest predominantly with external fund managers, with a proportion of the Fund being invested by the Board.

Constraints

1. The total investment allocation ranges and long term benchmark of the Fund is as follows:

	RANGES	BENCHMARK
Australian Shares	20% - 50%	30%
Overseas Shares	5% - 35%	20%
Property	5% - 25%	15%
Aust. Fixed Interest	10% - 40%	27%
Overseas Fixed Interest	0% - 10%	5%
Alternative Assets	0% - 10%	3%
Cash	0% - 60%	0%

2. The appropriateness of this strategy will be re-assessed every three (3) years (last reviewed May 2009).
3. The number of external "core" Investment Managers is not to exceed ten (10).
4. The level of funds allocated to any individual external Fund Manager is to be limited to a maximum of 35% of the Fund's Total Assets.
5. The level of investments in directly held property and managed by the Board is not to exceed 10% of the Fund's Total Assets.
6. No **new single** investment of any nature is to exceed 5% of the Fund's Total Assets.
7. The maximum amount invested in both Australian and Overseas shares is not to exceed 70% of the Fund's assets.
8. Investments by the Board in short term Bank Bills are to be confined to banks with a short term Standard & Poor's Australian Ratings of not less than A1. Between 1 January 2009 and 11 October 2011 investments in short term Bank Bills can be with a bank with a short term Standard & Poor's Australian Ratings less than A1 provided the investment is less than \$1 million.
9. Investments by the Board in short term Variable Rate Notes are to be confined to banks, building societies or credit unions or securities with a short term Standard & Poor's Australian Ratings of not less than BBB- or as approved by the Board on the advice of Vantage Wealth Management.
10. Alternative assets may be defined as any asset that does not fit the classification of the traditional asset classes of equities, property, fixed interest and cash.

11. Investments in alternative assets must, unless otherwise determined by the Board:
- (a) Have an expected return of at least CPI + 7% (after tax and fees) over rolling five-year periods;
 - (b) Only be in a diversified investment (i.e. no single asset investments to be permitted);
 - (c) Expect to provide meaningful diversification benefits to the Fund's existing investments;
 - (d) Be able to be redeemed without significant penalty within three months notice; and
 - (e) Be able to be effectively communicated to those who might take an interest in understanding the Fund's investment strategy.
12. The balance of the Fund's "Bank" account held by the Board with a financial institution is not to exceed 2.5% of the assets of the institution.
13. No directly held investment, other than Bank Bills, Variable Rate Notes and Fixed Interest Securities, will be bought or sold by the Board without first considering expert advice.
14. The Fund's investment managers are permitted to use futures, options and other derivative instruments to assist with the effective management of the Fund's assets. However, these instruments may not be used to gear the portfolio.

The Fund ensures that its investment managers comply with the standards set under the Superannuation Industry (Supervision) Regulations 1994 and by the Australian Prudential Regulation Authority (APRA) in relation to the use of derivative securities.

Asset Allocation Strategy

The Board will undertake an internal passive re-balancing approach, whereby the Fund's cash flow is directed to the appropriate investments and re-balanced on an annual basis following the annual review.

Each investment will have a target weighting. The investments with exposure below the target weighting will receive the Fund's cash flow (if positive) and those with exposure above the target allocation will have assets redeemed (when required). This will be undertaken as part of the normal distribution of the Fund's cash flow or when circumstances warrant.

Performance Review

1. Monitor on a monthly basis the asset allocation of the external Investment Managers, directly held investments and the total Fund.
2. Monitor on a monthly basis the performance of the external Investment Managers, directly held investments and the total Fund, and compare this to the performance of the Benchmark against the various indices.
3. Twice yearly, comprehensively review all directly held investments in consultation with external advisers (eg. Stockbroker, Real Estate Adviser, Fixed Interest Adviser where appropriate).
4. Continuously review the performance of all external investment managers.
5. The Investment Policy may be changed at any time by Resolution of the Board but in any case is to be comprehensively reviewed every three (3) years.

Implementation

The Board's Investment Policy was first implemented in 1992 and some minor changes have been made since that date. The external Investment Managers were last reviewed in June 2011.

2012 ESTIMATES (not subject to audit)

	ACTUAL 2011 \$	ESTIMATE 2012 \$
Net Assets Beginning of period	352,249,307	388,065,235
INVESTMENT REVENUE		
Trust Distributions	12,929,728	13,000,000
Interest	2,409,904	2,000,000
Dividends	192,581	200,000
Changes in Net Market Value	14,809,584	15,000,000
Net Rental Income	956,364	1,100,000
Investment Fee Rebate	109,783	100,000
Direct Investment Expenses	(477,657)	(500,000)
CONTRIBUTION REVENUE		
Employer Contributions	12,434,064	13,000,000
Employee Contributions	275,928	300,000
Salary Sacrifice Contributions	11,032,524	11,000,000
Voluntary Contributions	1,393,086	1,400,000
Spouse Contributions	657,430	700,000
Transfers In	2,627,894	2,500,000
ATO Co-contribution	28,221	100,000
OTHER REVENUE		
Insurance Proceeds	1,350,573	800,000
Other	495	30,000
TOTAL REVENUE	60,730,502	60,730,000
EXPENSES		
Group Life Premiums	(1,225,170)	(1,300,000)
Administration	(984,964)	(1,079,564)
Excess Contributions Tax	(5,095)	(5,000)
Benefits paid	(17,243,105)	(18,000,000)
Capital	0	(205,000)
Net Surplus Before Tax	41,272,168	40,140,436
Income Tax Expense	4,955,468	5,000,000
Net Assets End of period	388,566,007	423,205,671

OUTPUT SUMMARY (not subject to audit)

Outcome: To provide superannuation and related benefits to members of the Fund in accordance with legislative requirements.

Output: Provision of Superannuation service to members.

Description: This output involves the induction of new members, receipt of contributions, investment of funds, reporting to members and payment of benefits.

Output Measures:

	2010/11 Actual	2011/12 Target
Quantity		
Number of members serviced	1,875	2,000
Total net assets under management	\$388M	\$423M
Quality		
Number of Audit Exceptions	nil	nil
Rate of return above the increase in 3 year average salaries over rolling 10 year periods	-1.9%	2.0%
Timeliness		
Average time within which to satisfy member queries	24 hours	24 hours
Cost		
Management Expense Ratio (MER)	0.39%	0.39%

(MER is a ratio expressing the administration and direct investment expenses as a proportion of the average net asset value of the Fund.)

**FIRE AND EMERGENCY SERVICES
SUPERANNUATION BOARD**

**STATEMENT OF CERTIFICATION OF
PERFORMANCE INDICATORS**

We hereby certify that the performance indicators:

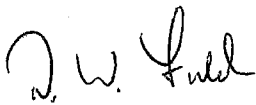
- (i) are based on proper records;**
- (ii) are relevant and appropriate for assisting users to assess the performance of the Fire and Emergency Services Superannuation Board; and**
- (iii) fairly represent the performance of the Fire and Emergency Services Superannuation Board for the financial year ended 30 June 2011.**



D E BARTON

CHAIRMAN

9 September 2011



D W FULCHER

BOARD MEMBER

9 September 2011

FIRE AND EMERGENCY SERVICES

SUPERANNUATION BOARD

PERFORMANCE INDICATORS

The Fire and Emergency Services Superannuation Board's primary outcome is:

To provide superannuation and related benefits to members of the Fund in accordance with legislative requirements. This includes:

- maintaining the long term viability of the Fund: and
- ensuring that the Fund does not breach any of the requirements prescribed for a Regulated Fund under the Superannuation Industry (Supervision) Act 1993 and Regulations (SIS), and the Corporations Act 2001 and Regulations.

EFFECTIVENESS INDICATORS

Viability of the Fund

The extent to which (as identified in an annual Actuarial Review):-

- 1.1.** The Board's investment objective is to achieve investment returns of at least 2.0% per annum above the increase in three-year final average salaries over a rolling ten-year period.

Over the ten-year period to 30 June 2011, the Fund's performance against the benchmark has been as follows:

(a)	Investment Returns (unadjusted):	4.5% per annum
(b)	Final Average Salary Increases:	6.4% per annum
(c)	Real Return:	-1.9% per annum
(d)	Target Return:	2.0% per annum

For the ten years to 30 June 2011, the Fund fell short of its investment objective, as investment returns on an unadjusted basis were -1.9% (rather than 2.0%) over and above three-year final average salaries increases.

- 1.2.** The target Asset Backing Index recommended by the Actuary is to maintain an Asset Backing Index of "85" over the next ten years.

The Actuarial report for the year ending 30 June 2011 reported the actual Asset Backing Index to be 75.8.

Compliance under SIS Legislation

- 1.3.** The Fund meets the prescribed compliance requirements under the Superannuation Industry (Supervision) Legislation (SIS).

The auditor of the fund tested compliance with the Superannuation Industry (Supervision) Act and Regulations.

The audit conclusions did not indicate that there were any breaches of the provisions of the legislation tested by the auditor.

EFFICIENCY INDICATORS

2.1. The extent to which the average benefit payment delay to members is minimised.

A total of 82 members exited from the Fund during 2010/11, and payments were made as follows:

Retained in the Fund	
Account Based Pensions	0
Retained Benefits	54
Paid/Transferred out of the Fund	
Cash	1
Rollover to another Fund	10
Transfer to Eligible Rollover Fund *	17
Total Payments Processed	6,240
(Includes pension payments and commutations from Pension accounts and withdrawals from Retained Benefits.)	
Payments Outstanding	0

* All members who have small inactive accounts are transferred to the Australian Eligible Rollover Fund if no advice is received within 30 days of request.

The following table reflects the time taken to process payments to the members.

	2010/11	2009/10	2008/09	2007/08	2006/07
0 – 1 day	6,130 (98%)	5,587 (99%)	5,630 (99%)	5,152 (97%)	2,237 (97%)
2 – 5 days	98 (2%)	78 (1%)	79 (1%)	130 (3%)	61 (3%)
over 5 days	12 (0%)	4 (0%)	7 (0%)	5 (0%)	0 (0%)

2.2 The extent to which the cost of administering the Fund is minimised.

	2010/11	2009/10	2008/09	2007/08	2006/07
Administration Expenses	\$984,964	\$925,220	\$917,386	\$807,791	\$676,609
As a percentage of Contributions received	3.46%	3.34%	3.41%	2.99%	2.53%
As a percentage of Total Net Assets	0.25%	0.26%	0.28%	0.23%	0.18%



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

FIRE AND EMERGENCY SERVICES SUPERANNUATION BOARD

Report on the Financial Statements

I have audited the accounts and financial statements of the Fire and Emergency Services Superannuation Board.

The financial statements comprise the Statement of Net Assets as at 30 June 2011, and the Statement of Changes in Net Assets for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Board's Responsibility for the Financial Statements

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Fire and Emergency Services Superannuation Board at 30 June 2011 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Fire and Emergency Services Superannuation Board

Report on Controls

I have audited the controls exercised by the Fire and Emergency Services Superannuation Board. The Board is responsible for ensuring that adequate control is maintained over the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Board based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the controls exercised by the Fire and Emergency Services Superannuation Board are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Fire and Emergency Services Superannuation Board. The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions.

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the key performance indicators of the Fire and Emergency Services Superannuation Board are relevant and appropriate to assist users to assess the Board's performance and fairly represent indicated performance for the year ended 30 June 2011.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and the Australian Auditing Standards, and other relevant ethical requirements.



COLIN MURPHY
AUDITOR GENERAL
14 September 2011

FIRE AND EMERGENCY SERVICES

SUPERANNUATION FUND

STATEMENT OF CERTIFICATION

FINANCIAL STATEMENTS

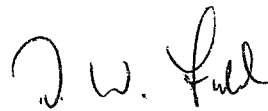
The accompanying financial statements of the Fire and Emergency Services Superannuation Fund have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the period 1 July 2010 to 30 June 2011 and the financial position as at 30 June 2011.

At the date of signing we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.



D E BARTON
CHAIRMAN

9 September 2011



D W FULCHER
BOARD MEMBER

9 September 2011



A B RUTTER
CHIEF FINANCE OFFICER

9 September 2011

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

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FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 \$	2010 \$
INVESTMENT REVENUE			
Interest		2,409,904	1,682,208
Dividends		192,581	-
Trust distributions		12,929,728	9,406,347
Net rental income		956,364	1,171,195
Changes in net market values	7(a)	14,833,159	15,989,594
Direct investment expenses		(367,874)	(422,010)
		<hr/> 30,953,862	<hr/> 27,827,334
CONTRIBUTION REVENUE			
Employer contributions		23,466,588	21,967,610
Member contributions		304,149	314,186
Member voluntary contributions		1,393,086	1,701,054
Spouse contributions		657,430	1,822,068
Transfers in		2,627,894	1,864,168
		<hr/> 28,449,147	<hr/> 27,669,086
OTHER REVENUE			
Changes in net market values of other assets	7(b)	(23,575)	(19,014)
Insurance proceeds		1,350,573	828,994
Family law fee		495	-
		<hr/> 1,327,493	<hr/> 809,980
TOTAL REVENUE		<hr/> 60,730,502	<hr/> 56,306,400
EXPENSES			
General administration expenses	8	984,964	925,220
Group life premiums		1,225,170	885,654
ATO excess contributions tax		5,095	-
Benefits paid		17,243,105	20,499,599
		<hr/> 19,458,334	<hr/> 22,310,473
TOTAL EXPENSES		<hr/> 19,458,334	<hr/> 22,310,473
CHANGES IN NET ASSETS BEFORE TAX		<hr/> 41,272,168	<hr/> 33,995,927
INCOME TAX EXPENSE	9(a)(b)	4,955,468	3,987,574
CHANGES IN NET ASSETS AFTER TAX		<hr/> 36,316,700	<hr/> 30,008,353
NET ASSETS AVAILABLE TO PAY BENEFITS at the beginning of the period		<hr/> 352,249,307	<hr/> 322,240,954
NET ASSETS AVAILABLE TO PAY BENEFITS at the end of the period		<hr/> 388,566,007	<hr/> 352,249,307

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

STATEMENT OF NET ASSETS AS AT 30 JUNE 2011

	Notes	2011 \$	2010 \$
ASSETS			
Cash Assets			
Cash and cash equivalents		7,501,853	1,948,384
Receivables			
Distributions receivable		6,785,312	3,279,708
Other receivables		181,570	195,719
Accrued interest		234,021	197,932
Investments			
Interest bearing investments	10	31,118,510	23,540,809
Fixed interest securities	11	7,024,700	9,707,370
Securities in listed entities	12	14,244,621	11,745,441
Units in unlisted unit trusts	13(a)	196,887,502	182,205,073
Insurance policies	14	14,943,649	13,659,209
Pooled superannuation trusts	15	80,493,161	76,513,603
Land and buildings	16	27,933,750	26,460,000
Other Assets			
Furniture, office equipment and motor vehicle		78,900	94,500
Deferred tax assets	9(e)	3,725,164	4,815,923
TOTAL ASSETS		391,152,713	354,363,671
LIABILITIES			
Creditors and accruals	17	322,498	724,605
Uncalled capital liability	13(b)	100,539	104,033
Employee entitlements		64,424	86,316
Current tax liabilities	9(c)	2,099,245	1,169,720
Deferred tax liabilities	9(d)	-	29,690
TOTAL LIABILITIES		2,586,706	2,114,364
NET ASSETS AVAILABLE TO PAY BENEFITS	4,5	388,566,007	352,249,307

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

The financial report of the Fire and Emergency Services Superannuation Fund ("Fund") are general purpose statements which have been drawn up in accordance with Australian accounting standards including AAS 25 "Financial Reporting Superannuation Plans" ("AAS 25") as amended by AASB 2005-13 (December 2005), other applicable Accounting Standards and the requirements of the Superannuation Industry (Supervision) Act 1993 and Regulations ("SIS") and the provisions of the Fire and Emergency Services Superannuation Act 1985 and Fire and Emergency Services (Superannuation Fund) Regulations 1986.

The Fund is a superannuation fund domiciled in Australia. The financial statements are presented in Australian dollars, which is the functional currency of the Fund.

The registered office of Fire and Emergency Services Superannuation Fund is located at:

242 Rokeby Road
Subiaco WA 6008

The financial statements were approved by the Board of the Trustee, Fire and Emergency Services Superannuation Board, on 29 August 2011.

(b) Basis of Preparation

International Financial Reporting Standards ("IFRS") form the basis of Australian Accounting Standards adopted by the Australian Accounting Standards Board ("AASB"), being the Australian equivalent to IFRS ("AIFRS") to distinguish from previous Australian generally accepted accounting principles ("GAAP"). Since AAS25 is the principal standard that applies to the financial statements, other standards, including AIFRS, are also applied where necessary except to the extent that they differ from AAS25.

At the date of authorisation of the financial statements, the following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2011, but have not been applied in preparing this financial report.

- AASB 9 Financial Instruments includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the project to replace AAB 139 Financial Instruments: Recognition and Measurement. AASB 9 will become mandatory for the Fund's June 2013 financial statements. Retrospective application is generally required, although there are exceptions, particularly if the entity adopts the standard for the year ended 30 June 2012 or earlier. The Fund has not determined the potential effect of the standard.

The financial statements have been prepared in accordance with the historical cost convention, except for the valuation of investments, which are measured at net market value.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Use of Estimates and Judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Trustee to exercise its judgement in the process of applying the entity's accounting policies.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no critical accounting estimates and judgements contained in these financial statements other than those used to determine the liability for accrued benefits, which are not brought to account but disclosed by way of note.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

(d) Investments

Investments of the Fund are initially recognised at cost, being the fair value of the consideration given. After the initial recognition assets of the Fund are recorded at net market value, after allowing for costs of realisation, as at the reporting date and changes in the net market value of assets are recognised in the Statement of Changes in Net Assets in the periods in which they occur.

Pooled Superannuation Trusts, Insurance Policies and Unit Trusts

Based on the redemption price of the units as notified by the investment managers.

Securities and Other Equities

The value is determined using external market price data published by the appropriate information vendors. Unlisted investments are valued on the basis of independent valuations.

Interest Bearing Investments

The value is determined by reference to the principal invested or as determined by the appropriate information vendors.

Unlisted Companies

The value is determined by reference to the market price provided by the appropriate information vendors.

Land and Buildings

Real Property is valued at independent appraisal conducted at balance date.

The net fair value of investments are considered to be equal to the net market value.

(e) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Changes in net market value of investments

Changes in net market value of investments are recognised as income in the Statement of Changes in Net Assets in the periods in which they occur. Changes in net market values are determined as the difference between the net market value at balance date or consideration received (if sold during the year) and the net market value at the previous balance date or the cost (if the investment was acquired during the year).

Interest

Interest revenue is recognised when the Fund has established its right to receive the interest.

Trust Distributions

Trust distribution revenue is recognised when the Fund has established that it has a right to receive the distribution.

Dividends

Dividends are recognised when the fund has established that it has a right to receive a dividend.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Revenue (Continued)

Contribution Revenues

Member and employer contributions and transfers in are recognised when the control of the asset has been attained.

Superannuation co-contributions from the Australian government are recognised on a cash basis.

(f) Income Tax

The Fund is a complying superannuation Fund within the provisions of the Income Tax Assessment Act and accordingly the concessional tax rate of 15% has been applied.

Current tax

Current tax is calculated by reference to the amount of income tax payable or recoverable in respect of the taxable benefits accrued for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities which affect neither taxable income nor accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Fund expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

(g) Benefits Payable

Benefits payable comprises the entitlements of members who ceased employment and had provided the Fund with appropriate notification, but where the benefit has not been paid prior to year end. Benefits payable also includes any death or disablement benefit for which the insurer had reimbursed the Fund prior to balance date but where the benefit had not been paid at that time.

(h) Receivables and Other Payables

Receivables are carried at nominal amounts due which approximate fair value.

Other payables are recognised when the Fund is obligated to make future payments for services received and are carried at the net market value of the amount payable.

(i) Contribution Surcharge

The Superannuation Laws Amendment (Abolition of Surcharge) Act 2005 abolishes both the superannuation contributions surcharge and the termination payments surcharge in respect of superannuation contributions and certain termination payments made or received on or after 1 July 2005. Assessments for surcharge in respect of contributions and payments for the year ended 30 June 2005 and prior years will continue to be issued and remain payable.

The contribution surcharge is recorded as an expense in the Statement of Changes in Net Assets if an amount has been paid or an assessment has been received during the period irrespective of the period to which the surcharge related. A liability for future payments is only recognised if an assessment has been issued by the Australian Taxation Office (ATO) and was unpaid at balance date.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Goods and Services Tax

GST incurred that is not recoverable from the ATO has been recognised as part of the cost of acquisition of the asset or as part of the expense to which it relates.

Receivables and payables are stated with the amount of GST included in the value.

The amount of GST recoverable from, or payable to, the ATO is included as an asset or liability in the Statement of Net Assets.

(k) Derecognition of Financial Assets and Liabilities

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Fund transfers substantially all the risks and rewards of ownership of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

(l) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank, demand deposits and short term, highly liquid investments that are readily converted to known amounts of cash.

(m) Employee benefits

Long-term service benefits

The Fund's net obligation in respect of long-term service benefits, other than pension funds, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the consolidated entity's obligations.

Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the consolidated entity expects to pay as at reporting date including related on-costs, such as, workers compensation insurance and payroll tax. The Fund does not provide for non vesting sick leave.

(n) Excess Contributions Tax

The Australian Taxation Office ("ATO") may issue release authorities to members of the Fund relating to the relevant member's excess contributions tax that is payable in respect of the member's concessional and/or non-concessional contributions for a particular year. Where a member receives an excess contributions tax release authority, the member:

- May give the release authority relating to the member's concessional contributions to a fund for payment; and
- Must give the release authority relating to the member's non-concessional contributions to a fund for payment

Release authorities may be issued by the ATO from 1 July 2007 in relation to transitional non-concessional contributions received by the Fund between 9 May 2006 and 30 June 2007. Release authorities in relation to concessional and/or non-concessional contributions received from 1 July 2007 may be issued from the ATO from 1 July 2008.

The liability for excess contributions tax will be recognised when the relevant release authorities are received from members, as the Trustee considers this is when it can be reliably measured.

The excess contributions tax liability recognised by the Fund will be charged to the relevant members' accounts.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) No-TFN Contributions Tax

Where a member does not provide their tax file number to a fund, the fund may be required to pay no-TFN contributions tax at a rate of 31.5% which is in addition to the concessional tax rate of 15% which applies to the Fund's assessable income.

The no-TFN contributions tax liability recognised by the Fund will be charged to the relevant members' accounts. Where a tax offset is obtained by the Fund in relation to members' no-TFN contributions tax, the tax will be included in the relevant members' accounts.

(p) Taxation of Financial Arrangements

The impact of Division 230 of the Income Tax Assessment Act 1997, Taxation of Financial Arrangements (TOFA) dealing with the taxation of gains and losses arising from financial arrangements came into effect 1 July 2010. The TOFA regime has impacted on the taxation of interest income which the Fund has recognised as a receivable.

2. OPERATION OF THE FUND

The Fund was established under the Fire and Emergency Services Superannuation Act 1985 as amended.

The Fund is predominately a defined benefit fund and the objective of the Trustees is to ensure that the benefit entitlements of members and other beneficiaries are fully funded by the time they become payable.

3. FUNDING ARRANGEMENTS

The funding policy adopted in respect of the Fund is directed at ensuring that benefits accruing to members and beneficiaries are fully funded as the benefits fall due. As such, in framing employer and member contribution rates, the actuary has considered long-term trends in such factors as Fund membership, salary growth and average market value of Fund's assets.

The employer has contributed to the Fund in 2011 at a standard rate of 11.75% (2010: 11.75%) of the salaries of those permanent employees who elected to be defined benefit members of the Fund. The employer has also made additional contributions at the rate of 1% (2010: 1%) to fund the supplementary disablement benefits. Employees contributed to the Fund at the rate of 6.25% of salary for 2011 (2010: 6.25%).

For those members of the Fund who have not elected, or are unable, to become defined benefit members, the employer contributed at the rate of 9% salaries for 2011 (2010: 9%).

The Fund also received salary sacrifice contributions during the year ended 30 June 2011.

Members make additional voluntary contributions at variable rates.

The actuarial report attached to these financial statements includes the actuary's opinion as to the financial condition of the Fund as at the last valuation date.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

4. LIABILITY FOR ACCRUED BENEFITS

The liability for accrued benefits represents the fund's present obligation to pay benefits to members and beneficiaries. The liability for accrued benefits is measured annually by a qualified actuary and has been determined on the basis of the present value of expected future payments which arise from membership of the fund up to the reporting date.

The figure reported has been determined by reference to expected salary levels and by application of a market-based, risk-adjusted discount rate and relevant actuarial assumptions. The liability for accrued benefits includes the allocated benefits. The valuation of accrued benefits at the reporting date was undertaken by the actuary as part of a comprehensive review undertaken during 2011.

	2011 \$	2010 \$
Liability for accrued benefits at end of period	387,130,249	349,806,762

The main assumptions used to determine the actuarial value of accrued benefits at the last review date were:

- The future rate of investment return earned on the Fund's investments would be 6.5%
- The future rate of salary increases would be 5%

5. VESTED BENEFITS

Vested benefits are benefits that are not conditional upon continued membership of the Fund (or any factor other than resignation from the Fund) and include benefits which members were entitled to receive had they terminated their Fund membership as at the reporting date.

	2011 \$	2010 \$
Accumulation Account Benefits		
Bonus Account Balances	11,773,496	11,385,891
Other Account Balances		
Defined Benefit Members	29,763,138	25,327,835
Accumulation Benefit Members	19,697,560	15,848,880
Non-Member Spouse Benefits	1,796,496	1,710,644
Spouse Accounts	9,407,845	9,061,825
Allocated Pensioners	51,390,405	50,347,551
Term Allocated Pensioners	748,875	734,477
Retained Benefits	52,400,810	47,647,586
	176,978,625	162,064,689
Defined Benefits	201,094,042	181,706,818
Supplementary Pension Liabilities	740,346	756,454
	378,813,013	344,527,961

6. GUARANTEED BENEFITS

No guarantees have been made in respect of any part of the liability for accrued benefits.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

7. CHANGES IN NET MARKET VALUES

	2011 \$	2010 \$
(a) Changes in net market value of investments		
Investments realised during the period		
Fixed Interest Securities	22,820	86,805
Insurance Policies	8,800	4,768
Securities in Listed Entities	37,646	174,441
Units in Unlisted Unit Trusts	23,828	4,411,492
	<hr/>	<hr/>
	93,094	4,677,506
	<hr/>	<hr/>
Investments held at reporting date		
Fixed Interest Securities	349,250	351,497
Insurance Policies	1,380,865	619,586
Securities in Listed Entities	1,915,665	1,883,930
Units in Unlisted Unit Trusts	5,821,738	4,819,914
Pooled Superannuation Trusts	3,979,558	7,027,423
Land and Buildings	1,292,989	(3,390,262)
	<hr/>	<hr/>
	14,740,065	11,312,088
	<hr/>	<hr/>
	14,833,159	15,989,594
	<hr/>	<hr/>
(b) Changes in net market value of other assets		
Assets realised during the period		
Motor Vehicle	-	(3,818)
Assets held at reporting date		
Furniture, Office Equipment and Motor Vehicle	(23,575)	(15,196)
	<hr/>	<hr/>
	(23,575)	(19,014)
	<hr/>	<hr/>

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

8. GENERAL ADMINISTRATION EXPENSES

	2011 \$	2010 \$
Accounting and tax agent fees	53,010	45,035
Actuarial fees	56,122	58,343
APRA fees	85,026	38,047
Audit fees – external	60,830	58,518
Audit fees – internal	22,483	14,867
Board fees & allowances	40,513	25,035
Conference & seminars	18,671	24,364
Consulting fees	111,666	95,175
Data processing expenses	150,419	110,587
Fringe benefits tax	11,830	9,247
Insurance other	4,191	4,435
Journals & publications	11,301	15,700
Legal fees	17,590	84,047
Miscellaneous costs	18,113	14,733
Motor vehicle expenses	7,946	5,882
Office expenses	4,419	4,076
Postage & couriers	7,921	7,167
Printing & stationery	15,894	16,235
Rent & outgoings	16,815	16,309
Salaries	168,360	164,932
Subscriptions & licenses	7,682	16,613
Superannuation	48,705	44,811
Telephone	4,306	4,860
Travel & accommodation	25,236	30,285
Trustee Indemnity Insurance	15,915	15,917
	<hr/> 984,964	<hr/> 925,220

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

9. TAXATION

	2011 \$	2010 \$
(a) Major components of tax expense		
Current income tax		
- Current tax charge	3,942,305	3,036,689
- Adjustment to current tax for prior period	(40,182)	(86,920)
Deferred income tax		
- Relating to the origination and reversal of temporary differences	1,053,345	1,037,805
Income tax expense/(benefit)	4,955,468	3,987,574
(b) Income tax expense		
Changes in net assets before tax	41,272,168	33,995,927
Tax applicable at the rate of 15% (2010 15%)	6,190,825	5,099,389
Tax effect of income/(losses) that are not assessable/(deductible) in determining taxable income		
- Investment income	(812,807)	(1,160,270)
- Discount capital gains	(467,616)	(425,865)
- Member contributions & transfers In	(747,384)	(855,221)
- Insurance proceeds	(202,586)	(124,349)
- Non assessable pension income	(492,746)	(288,750)
Tax effect of expenses that are not deductible in determining taxable income		
- Benefits paid	2,586,466	3,074,940
- ATO excess contributions tax	764	-
- Legal Fees	-	7,687
Tax effect of other adjustments		
- Imputation & foreign tax credits	(1,005,266)	(1,208,067)
- Self insurance	(54,000)	(45,000)
- Over provision prior periods	(40,182)	(86,920)
Income tax expense/(benefit)	4,955,468	3,987,574
(c) Current tax liabilities		
<u>Provision for current income tax</u>		
Balance at beginning of year	1,169,720	841,825
Income tax paid – current period	(1,843,060)	(1,866,969)
Income tax paid – prior periods	(1,121,815)	(743,683)
Current years income tax expense	3,942,305	3,036,689
Over provision prior year	(47,905)	(98,142)
	2,099,245	1,169,720

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

9. TAXATION (CONTINUED)

	2011 \$	2010 \$
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(d) Deferred tax liabilities

The amount of deferred tax liability recognised in the Statement of Net Assets:

Accrued income	-	29,690
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(e) Deferred tax assets

The amount of deferred tax asset recognised in the Statement of Net Assets:

Accrued expenses	48,597	104,798
Unrealised losses on investments	3,676,567	4,711,125
	<u>3,725,164</u>	<u>4,815,923</u>

10. INTEREST BEARING INVESTMENTS

	2011 \$	2010 \$
Adelaide Bank Term Deposit	2,000,000	-
Australian Defence Credit Union Term Deposit	1,000,000	1,000,000
B & B Building Society Term Deposit	1,000,000	1,000,000
Bankwest Term Deposit	-	950,000
Capricornia Credit Union Term Deposit	1,000,000	1,000,000
Community CPS Term Deposit	1,000,000	1,000,000
Community First Credit Union Term Deposit	1,000,000	-
Elders Rural Bank Variable Rate Note	1,000,000	-
Greater Building Society Variable Rate Note	1,500,000	-
Macquarie Bank Term Deposit	2,000,000	-
Macquarie Cash Management Trust	2,158,957	314,800
Members Equity Term Deposit	1,015,333	1,000,000
My State Financial Credit Union Term Deposit	-	1,000,000
National Australia Bank Term Deposit	2,000,000	-
New England Credit Union Term Deposit	1,000,000	1,000,000
Police & Nurses Credit Union Term Deposit	1,000,000	1,000,000
Queensland Police Credit Union Term Deposit	1,000,000	1,000,000
Queensland Teachers Credit Union	1,000,000	1,000,000
Railways Credit Union Term Deposit	1,000,000	1,000,000
Savings & Loans Credit Union Term Deposit	1,000,000	1,000,000
SGE Credit Union Term Deposit	1,000,000	1,000,000
Suncorp Metway Term Deposit	1,000,000	1,000,000
Territory Insurance Office Term Deposit	1,000,000	1,000,000
WAW Credit Union Term Deposit	1,000,000	1,000,000
Westpac Term Deposits	4,444,220	6,276,009
	<u>31,118,510</u>	<u>23,540,809</u>

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

11. FIXED INTEREST SECURITIES

	2011 \$	2010 \$
Bank of Queensland Sub Debt (Jun 13)	502,200	490,635
Bank of Queensland Sub Debt (Nov 13)	503,360	-
Beryl (AAA Global Bank Note 2)	107,000	94,000
Beryl (AAA Global Bank Note)	105,000	94,000
CBA FR Sub Debt	-	978,220
Corsair (Torquay AA)	10,235	405
Deutsche Bank CG Yield Curve Note	956,590	929,550
Ethical CDO (Green AA)	-	85,225
Elders Rural Bank Limited Variable Rate Notes	-	1,000,000
Greater Building Society Limited Variable Rate Notes	-	1,500,000
Lloyds TSB Sub Debt	965,470	-
MAS6-7 (Parkes IIA AA-)	25,595	16,010
Members Equity FR Sub Debt	981,110	949,940
Omega (Henley AAA)	465,635	345,625
Rabobank FR Sub Debt	-	1,017,190
Societe Generale Sub Debt	1,015,250	-
St George Bank Sub Debt	537,255	545,240
Suncorp Metway Sub Debt	-	488,335
Westpac FR Sub Debt	-	500,995
Zircon (Coolangatta AA)	470,000	380,000
Zircon (Miami AA)	380,000	292,000
	<hr/> 7,024,700	<hr/> 9,707,370

12. SECURITIES IN LISTED ENTITIES

	2011 \$	2010 \$
ANZ CPS	1,022,363	1,017,000
Australand ASSETS	273,128	248,868
Generator Income Notes	712,296	-
Heritage Building Society Notes	532,324	531,330
IAG Finance	-	249,500
Insurance Australia RPS	753,787	739,125
Linq Resources Fund	9,715,021	7,932,976
Macquarie Airports Tickets	-	-
Multiplex SITES Trust	603,716	238,642
Nexus Bonds	264,632	-
Orica Step Up - preference	-	461,000
Santos FUELS	-	-
Westpac Trust Preferred Securities	367,354	327,000
	<hr/> 14,244,621	<hr/> 11,745,441

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

13. UNITS IN UNLISTED UNIT TRUSTS

	2011 \$	2010 \$
(a) Investment		
APN National Storage Property Trust	500,100	497,250
Ausbil Australian Active Equity Fund	29,576,616	26,683,430
Barclays Balanced Fund	66,687,535	63,365,809
Centro MCS 32 - International Property 2	352,500	367,500
Centro MCS 36 Property Syndicate	115,000	120,000
CNA Capital International Global Equity Fund	12,276,117	12,093,272
Foundation Millennium 2000 Trust	181,357	189,807
Foundation Millennium 2000 IIF Trust	40,860	105,026
Schroder Balanced Fund	86,419,864	78,086,741
Super Loans Trust	737,553	696,238
	<hr/> 196,887,502	<hr/> 182,205,073
(b) Uncalled Capital		
Foundation Millennium 2000 Trust	77,915	77,915
Foundation Millennium 2000 IIF Trust	22,624	26,118
	<hr/> 100,539	<hr/> 104,033

14. INSURANCE POLICIES

	2011 \$	2010 \$
AMP Diversified Property	14,943,649	13,659,209

15. POOLED SUPERANNUATION TRUSTS

	2011 \$	2010 \$
Maple Brown Abbott Pooled Superannuation Trust	80,493,161	76,513,603

16. LAND AND BUILDINGS

	2011 \$	2010 \$
Howe Street	7,458,750	8,330,000
Kings Park Road	20,475,000	18,130,000
	<hr/> 27,933,750	<hr/> 26,460,000

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

17. CREDITORS AND ACCRUALS

	2011 \$	2010 \$
Accounting fees	29,664	27,060
Actuarial fees	36,410	32,542
APRA fees	85,727	38,000
Audit fees	98,439	73,645
Contributions in advance	-	450,089
GST payable	32,934	40,423
PAYG withholding tax	16,987	26,875
Sundry creditors	22,337	35,971
	<hr/> 322,498	<hr/> 724,605

18. GENERAL DISCLOSURE

In accordance with Treasurer's Instruction 952 the following general disclosure is made:

(a) Remuneration and allowances paid to Senior Officers:

Total remuneration to Senior Officers	\$221,701	\$168,071
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(b) The number of Senior Officers, other than members of the Accountable Authority, whose total of fees, salaries and other benefits received, or due and receivable, for the financial year, fall within the following bands are:

\$140,000 - \$149,999	-	1
\$170,000 - \$179,999	1	-

(c) Remuneration and allowances paid to Members of the Accountable Authority:

Total remuneration to Members of the Accountable Authority	\$44,110	\$27,231
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(d) The number of Members of the Accountable Authority whose total of fees, salaries and other benefits received, or due and receivable, for the financial year, fall within the following bands are:

\$0 - \$9,999	5	5
\$10,000 - \$19,999	3	1

The Trustee of the Board throughout the year was Fire and Emergency Services Superannuation Board. The Board is considered to be the Key Management Personnel of the Fund.

(e) Compensation of Key Management Personnel

Vantage Wealth Management is a related party of the Fund. Vantage Wealth Management received management fees of \$63,550 during the financial year.

The Fund held an investment portfolio managed by Vantage Wealth Management totalling \$17,180,857 at 30 June 2011.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

19. EXPLANATORY STATEMENT

(a) Comparison 2011 results to 2010 results

	Actual 2011 \$	Actual 2010 \$	Variance \$
INVESTMENT REVENUE			
Interest	2,409,904	1,682,208	727,696
Dividends	192,581	-	192,581
Trust Distributions	12,929,728	9,406,347	3,523,381
Net Rental Income	956,364	1,171,195	(214,831)
Changes Net Market Value	14,833,159	15,989,594	(1,156,435)
Direct Investment Expenses	(367,874)	(422,010)	54,136
Contributions	28,449,147	27,669,086	780,061
Other Revenue	1,327,493	809,980	517,513
TOTAL REVENUE	60,730,502	56,306,400	4,424,102
EXPENSES			
Administration	984,964	925,220	59,744
Group Life Premiums	1,225,170	885,654	339,516
ATO excess contributions tax	5,095	-	5,095
Benefits paid	17,243,105	20,499,599	(3,256,494)
TOTAL EXPENSES	19,458,334	22,310,473	(2,852,139)
CHANGES IN NET ASSETS BEFORE TAX	41,272,168	33,995,927	7,276,241
INCOME TAX EXPENSE	4,955,468	3,987,574	967,894
CHANGES IN NET ASSETS AFTER TAX	36,316,700	30,008,353	6,308,347
NET ASSETS BEGINNING OF PERIOD	352,249,307	322,240,954	30,008,353
NET ASSETS END OF PERIOD	388,566,007	352,249,307	36,316,700

Explanation of Significant Variances

Trust Distributions

Trust distributions are dependent on the investment performance of the underlying unit trust. Distributions are declared at the discretion of the Trustee and are a function of the revenue earned by the trust in a particular reporting period. This amount will vary from year to year depending on the circumstances of the trust.

Changes in Net Market Value

Investments increased less during the financial year than the previous year due to poorer investment performance by the Fund's investment managers.

Benefits Paid

Benefit payments are lower than the previous year due to fewer members leaving the Fund.

Income Tax Expense

Income tax expense was higher in the current year mainly due the higher distributions received.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

19. EXPLANATORY STATEMENT (CONTINUED)

(b) Comparison Actual to Estimates

	Actual 2011 \$	Budget 2011 \$	Variance Unaudited \$
INVESTMENT REVENUE			
Interest	2,409,904	1,200,000	1,209,904
Dividends	192,581	500,000	(307,419)
Trust Distributions	12,929,728	10,000,000	2,929,728
Net Rental Income	956,364	1,200,000	(243,636)
Changes Net Market Value	14,833,159	20,000,000	(5,166,841)
Direct Investment Expenses	(367,874)	(400,000)	32,126
Contributions	28,449,147	29,000,000	(550,853)
Other Revenue	1,327,493	500,000	827,493
TOTAL REVENUE	60,730,502	62,000,000	(1,269,498)
EXPENSES			
Administration	984,964	894,000	90,964
Capital	-	105,000	(105,000)
Group Life Premiums	1,225,170	1,000,000	225,170
ATO excess contributions tax	5,095	-	5,095
Benefits paid	17,243,105	21,000,000	(3,756,895)
TOTAL EXPENSES	19,458,334	22,999,000	(3,540,666)
CHANGES IN NET ASSETS BEFORE TAX	41,272,168	39,001,000	2,271,168
INCOME TAX EXPENSE	4,955,468	4,500,000	455,468
CHANGES IN NET ASSETS AFTER TAX	36,316,700	34,501,000	1,815,700
NET ASSETS BEGINNING OF PERIOD	352,249,307	352,249,307	-
NET ASSETS END OF PERIOD	388,566,007	386,750,307	1,815,700

Explanation of significant variances

Trust Distributions

Trust distributions was higher than anticipated. Distributions vary from year to year, and are dependent on the performance of the trusts.

Changes in Net Market Values

Investment performance was poorer than anticipated.

Benefits Paid

The Fund paid fewer benefits than was anticipated.

Income Tax Expense

Income tax expense was higher than anticipated due to higher than expected distributions received.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

20. AUDITOR'S REMUNERATION

	2011 \$	2010 \$
Amounts paid or due and payable to Auditor General for the following services:		
• Audit services – external	60,830	58,520
• Other services	-	-
Amounts paid or due and payable to PKF Chartered Accountants for the following services:		
• Audit services – internal	22,483	14,865
• Other services	-	-
	<hr/> 83,313	<hr/> 73,385

21. FINANCIAL INSTRUMENTS

The Fund's assets principally consist of financial instruments which comprise units in pooled superannuation trusts, insurance policies and unlisted trusts, interest bearing investments, fixed interest securities, securities in listed and unlisted entities, managed investment portfolios and land and buildings. It holds these investment assets in accordance with the Trustee's published investment policy statement.

The allocation of assets between the various types of financial instruments is determined by the Trustee who manages the Fund's portfolio of assets to achieve the Fund's investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Fund on at least a monthly basis.

The Fund's investing activities expose it to the following risks from its use of financial instruments:

- market risk
- credit risk
- liquidity risk

The nature and extent of the financial instruments employed by the Fund are discussed below. This note presents information about the Fund's exposure to each of the above risks, the Fund's objectives, policies and processes for measuring and managing risk.

The Trustee of the Fund has overall responsibility for the establishment and oversight of the Fund's risk management framework.

The Trustee is responsible for developing and monitoring the Fund's risk management policies, including those related to its investment activities. The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, including those risks managed by the Fund's investment managers, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

In managing and monitoring the risks the Trustee on a monthly basis monitors compliance with the Fund's investment policy statement. The Fund's investment consultant provides occasional recommendations in relation to the review or retention of investments. The Trustee appoints the Investment Consultant to complete independent reviews of the Fund's investments when it considers it necessary.

The Fund's Audit, Risk & Compliance Committee oversees how management monitors compliance with the Fund's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

21. FINANCIAL INSTRUMENTS (CONTINUED)

Categories of financial instruments

The assets and liabilities of the Fund are recognised at net market value as at reporting date. Net market value approximates fair value less costs of realisation for investments. The cost of realisation is minimal and therefore net market value that is carrying value approximates fair value. Changes in net market value are recognised through the Statement of Changes in Net Assets.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Currency Risk

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

The Fund invests in Australian domiciled investments where the underlying investments may include overseas equities. These investments are all denominated in Australian dollars.

Interest rate risk

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

The majority of the Fund's financial assets comprise non-interest-bearing and interest rate financial instruments. Interest-bearing financial assets and interest-bearing financial liabilities mature or re-price due to market changes. As a result, the Fund is subject to exposure to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents of the Fund are invested in cash management trusts. Investments in debt securities are fixed rate instruments with various terms to maturity. The Fund also invests in Australian domiciled unit trusts where the underlying investments are in fixed interest securities.

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

	Fair Value 2011 \$	Fair Value 2010 \$
Fixed rate instruments		
Financial assets - Australian	7,024,700	7,207,370

Sensitivity analysis

The Fund accounts for fixed rate financial assets at fair value as determined by the investment manager through the Statement of Changes in Net Assets.

The investment manager advised that the fair value of the fixed rate instruments owned by the Fund are not significantly affected by movements in interest rates as they are "floating rate notes" whose coupon is re-set every three months in line with prevailing market interest rates. Their value is determined primarily by the credit margins of the underlying securities together with other market factors such as liquidity. Should there be a movement in interest rates by 75 basis points the Statement of Changes in Net Assets would have moved by \$289,653 (2010: \$191,169).

Other market price risk

Other market price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

As the Fund's financial instruments are valued at net market value with changes in net market value recognised in the Statement of Changes in Net Assets, all changes in market conditions will directly affect investment revenue.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

21. FINANCIAL INSTRUMENTS (CONTINUED)

Sensitivity analysis

The Trustee has determined that the standard deviation of the rate of return for each asset class will provide a reasonably possible change in the prices of the investments that comprise each asset class. The five year average standard deviation of rates of return for each asset class, were provided by the Fund's asset manager. The following table illustrates the effect on change in net assets after tax and net assets available to pay benefits from possible changes in market price risk.

2011

Investment Option	Sensitivity variable	Standard Deviation	Change in accrued benefits as a result of operations \$	Net Assets available to pay benefits \$
Cash	Average 5 year standard deviation	0.4%	50,393	50,393
Australian Bonds	Average 5 year standard deviation	2.9%	1,594,530	1,594,530
Australian Shares	Average 5 year standard deviation	15.9%	17,705,432	17,705,432
Property – Direct	Average 5 year standard deviation	4.9%	2,145,741	2,145,741
Property – Listed	Average 5 year standard deviation	23.4%	1,696,744	1,696,744
International Shares	Average 5 year standard deviation	12.4%	10,555,745	10,555,745
International Bonds	Average 5 year standard deviation	3.1%	361,834	361,834
Alternative	Average 5 year standard deviation	0.4%	54,467	54,467
Total			34,164,886	34,164,886

2010

Investment Option	Sensitivity variable	Standard Deviation	Change in accrued benefits as a result of operations \$	Net Assets available to pay benefits \$
Cash	Average 5 year standard deviation	0.4%	196,991	196,991
Australian Bonds	Average 5 year standard deviation	2.8%	1,401,923	1,401,923
Australian Shares	Average 5 year standard deviation	16.3%	12,028,019	12,028,019
Property – Direct	Average 5 year standard deviation	5.5%	2,181,345	2,181,345
Property – Listed	Average 5 year standard deviation	23.7%	1,488,228	1,488,228
International Shares	Average 5 year standard deviation	12.9%	6,504,549	6,504,549
International Bonds	Average 5 year standard deviation	3.0%	253,794	253,794
Alternative	Average 5 year standard deviation	0.4%	41,695	41,695
Total			24,096,544	24,096,544

A positive or negative rate of return equal to the standard deviations above would have an equal but opposite effect on the Fund's investment revenue, on the basis that all other variables remain constant.

Standard deviation is a useful historical measure of the variability of return earned by an investment portfolio. The standard deviations above provide a reasonable sensitivity variable to estimate each investment option's expected return in future years.

Actual movements in returns may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the underlying trusts invest. As a result, historic variations in rates of return are not a definitive indicator of future variations in rates of return.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

21. FINANCIAL INSTRUMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that a counter party to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund.

The net market value of financial assets, included in the Statement of Net Assets represents the Fund's maximum exposure to credit risk in relation to those assets. The Fund does not have any significant exposure to any individual counter party or industry. The credit risk is monitored by the Trustee by monthly reporting from its investment manager.

The Fund does not have any assets, with the exception of some underlying assets held in its Vantage Wealth Portfolio, which are past due or impaired.

Liquidity Risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its payment of benefits to members and liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund's liquidity position is monitored on a daily basis. The Fund's cash and liquidity policy is to have sufficient cash balances to meet anticipated weekly benefit payments, Fund expenses plus investing activities.

The following tables summarise the expected maturity profile of the Fund's financial liabilities based on the earliest date on which the Fund can be required to pay. The amounts in the table are the contractual undiscounted cash flows.

30 June 2011	Less than 3 months \$	3 Months to 1 year \$	Total Contractual Cash Flows \$	Carrying Amount (Asset)/Liabilities \$
Creditors & accruals	322,498		322,498	322,498
Uncalled capital liability	100,539		100,539	100,539
Employee entitlements	64,424		64,424	64,424
Current tax liabilities	1,519,162	580,083	2,099,245	2,099,245
Vested benefits	378,813,013	-	378,813,013	378,813,013
Total	380,819,636	580,083	381,399,719	381,399,719

30 June 2010	Less than 3 months \$	3 Months to 1 year \$	Total Contractual Cash Flows \$	Carrying Amount (Asset)/Liabilities \$
Creditors & accruals	724,605	-	724,605	724,605
Uncalled capital liability	104,033	-	104,033	104,033
Employee entitlements	86,316	-	86,316	86,316
Current tax liabilities	966,533	203,187	1,169,720	1,169,720
Vested benefits	344,527,961	-	344,527,961	344,527,961
Total	346,409,448	203,187	346,612,635	346,612,635

Vested benefits have been included in the less than 3 months column, as this is the amount that members could call upon as at year-end. This is the earliest date on which the fund can be required to pay members' vested benefits, however, members may not necessarily call upon amounts vested to them during this time.

Fair Value Estimation

The carrying amounts of all the Fund's financial instruments at the balance date approximated their fair values.

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

21. FINANCIAL INSTRUMENTS (CONTINUED)

Fair Value of Financial Instruments

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30 June 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$

Financial assets at fair value through profit or loss

(i) Listed equities and managed investment schemes

- Listed equity securities	14,244,621	-	-	14,244,621
- Unlisted managed investment schemes	-	196,887,502	-	196,887,502
- Insurance policies	-	14,943,649	-	14,943,649
- Pooled superannuation trusts	-	80,493,161	-	80,493,161

(ii) Interest bearing securities

- Unlisted debt securities	-	-	7,024,700	7,024,700
- Cash deposits	38,605,030	-	-	38,605,030

52,849,651	292,324,312	7,024,700	352,198,663
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30 June 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$

Financial assets at fair value through profit or loss

(iii) Listed equities and managed investment schemes

- Listed equity securities	11,745,441	-	-	11,745,441
- Unlisted managed investment schemes	-	182,205,073	-	182,205,073
- Insurance policies	-	13,659,209	-	13,659,209
- Pooled superannuation trusts	-	76,513,603	-	76,513,603

(iv) Interest bearing securities

- Unlisted debt securities	-	-	7,207,370	7,207,370
- Cash deposits	26,040,809	-	-	26,040,809

37,786,250	272,377,885	7,207,370	317,371,505
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FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

21. FINANCIAL INSTRUMENTS (CONTINUED)

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

30 June 2011	Unlisted debt securities	Unlisted managed investment schemes	Asset backed securities	Total
	\$	\$	\$	\$
Opening balance	7,207,370	-	-	7,207,370
Total gains and losses				
- In profit or loss	372,070	-	-	372,070
Purchases	3,028,680	-	-	3,028,680
Sales	(3,583,420)	-	-	(3,583,420)
Closing balance	7,024,700	-	-	7,024,700

Gains or losses included in profit or loss are presented in change in fair value of financial assets and liabilities at fair value through profit or loss as follows:

Total gains included in profit and loss for the period 372,070

Total gains included in profit or loss for the period for assets held at the end of the reporting period 349,250

30 June 2010	Unlisted debt securities	Unlisted managed investment schemes	Asset backed securities	Total
	\$	\$	\$	\$
Opening balance	3,188,258	-	-	3,188,258
Total gains and losses				
- In profit or loss	431,257	-	-	431,257
Purchases	3,833,785	-	-	3,833,785
Sales	(245,930)	-	-	(245,930)
Closing balance	7,207,370	-	-	7,207,370

Gains or losses included in profit or loss are presented in change in fair value of financial assets and liabilities at fair value through profit or loss as follows:

Total gains included in profit and loss for the period 431,257

Total gains included in profit or loss for the period for assets held at the end of the reporting period 351,502

FIRE AND EMERGENCY SERVICES SUPERANNUATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

22. SUBSEQUENT EVENTS

There have been no events subsequent to balance date which would have a material effect on the Fund's financial statements at 30 June 2011.