

# PPS MUTUAL SUPER FUND

## Annual Report 2020

### **Fund**

PPS MUTUAL SUPER FUND (PPSM), a division of the Tidswell Master Superannuation Plan  
ABN 34 300 938 877 RSE R1004953

### **PPS Mutual**

PO Box H337  
Australia Square  
SYDNEY NSW 1215  
Phone: 1300 401 436  
Email: memberservices@ppsmutual.com.au

### **Trustee and Issuer**

Tidswell Financial Services Limited  
ABN 55 010 810 607  
AFS Licence No 237628 RSE Licence No L0000888

### **Registered Office**

Tidswell Financial Services Ltd  
50 Hindmarsh Square  
Adelaide SA 5000

### **Administrator**

DDH Graham Limited  
ABN 28 010 639 219  
AFS Licence No 226319

### **Insurer**

NobleOak Life Limited  
ABN 85 087 648 708  
AFS Licence No 247302

This Annual Report comprises part of your periodic statement for the 2019-2020 Financial Year, and should be read in conjunction with the annual member statement recently provided to you, which shows your member entitlements at 30 June 2020.

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## FROM THE TRUSTEE

We are pleased to present our Annual Report for the year ended 30 June 2020.

The report is issued by Tidswell Financial Services Limited ABN 55 010 810 607 AFSL 237628 RSE L0000888 (the Trustee) as trustee of the PPS Mutual Super Fund (**PPSM, the Fund**), a life insurance only sub-division of the Tidswell Master Superannuation Plan ABN 34 300 938 877

The information provided in this report is in accordance with the requirements of the *Corporations Act 2001* and *Corporations Regulations 2001*. The information is of a general nature only and has been prepared without taking into account your investment objectives, financial situation and needs. Before making any decisions in relation to the PPSM you should consider obtaining professional financial advice from a Licenced or authorised financial advisor.

The Directors of the Trustee during the year ended 30 June 2020 were:

### Current as at 30 June 2020

Name	Date Appointed
Ronald Peter Beard	20 August 2012
Fiona Margaret McNabb	1 October 2017
Andrew John Peterson	20 March 2018
Michael John Terlet AO	19 April 1991

### Directors who resigned during the Year

Name	Date Appointed	Date Resigned
Stephen William Miller	1 October 2017	25 February 2020

Whilst all due care has been taken in the preparation of this report, the Trustee reserves its right to correct any errors or omissions. The terms of your membership in the Fund are set out in PPSM's Trust Deed and any applicable insurance policy. Should there be any inconsistency between this report and PPSM's Trust Deed, the terms of PPSM's Trust Deed will prevail.

The Trustee holds professional indemnity insurance to protect the Trustee, its directors and PPSM against certain losses or liabilities. The indemnity insurance cover is subject to the terms and conditions of the relevant insurance policy.

## CHANGE OF TRUSTEE

On 18 December 2020, Diversa Trustee Limited, ABN 49 006 421 638, RSE Licence L0000635, AFS Licence 235153 (**Diversa**) will replace Tidswell Financial Services Ltd (**Tidswell**) as the Trustee of PPSM. This change does not impact the operation of PPSM. Importantly, none of the fees in PPSM will change as a result of the appointment of Diversa as the new Trustee.

If you have any questions about how the change of Trustee will affect your superannuation, please call Member Services on 1300 401 436 or email [memberservices@ppsmutual.com.au](mailto:memberservices@ppsmutual.com.au).

## ABOUT THE PPSM

The PPS Mutual Super Fund is a risk-only division of the Tidswell Master Superannuation Plan (**TMSP**). The Trustee of the PPSM is Tidswell Financial Services Limited (the Trustee). PPSM members have access to death and disablement insurance cover within

superannuation on the terms and conditions summarised in the PDS.

The PPSM Fund does not provide accumulation style superannuation account balances, nor investment returns to members.

- The Trustee accepts rollovers to pay the premiums for death and/or disablement insurance cover on your life as a member of PPSM (**Core Insurance Plan**). The Core Insurance Plan is issued to the Trustee by the Insurer.
- The Insurer will also issue a 'Profit-Share Plan' on your life to the Trustee. The Profit-Share Plan comprises a 'Profit-Share Account' and a complimentary 'Accidental Death Benefit'. No premiums are payable for the Profit-Share Plan.
- A benefit amount will only be payable from PPSM if the Insurer pays a benefit under the Core Insurance Plan. If a benefit is payable under the Core Insurance Plan, the balance of the Profit-Share Account (and Accidental Death Benefit, if applicable) under the Profit-Share Plan may also be payable. The Trustee will pay the amount received from the Insurer, less any tax that must be withheld. All amounts are paid as superannuation benefits in accordance with the governing rules of the TMSP and superannuation law.
- You can request that some or all of the balance of the Profit-Share Account be withdrawn and rolled over to a complying superannuation fund in certain circumstances set out in the PPS Mutual Professionals Choice PDS issued by the Insurer. The Trustee will not action a withdrawal request unless it is accompanied by a valid rollover direction to a complying superannuation fund. When received, the withdrawn amount is immediately rolled over by the Trustee in accordance with your direction. PPSM does not offer a superannuation savings facility to receive the withdrawal amount.
- Membership of PPSM is subject to the Rules of PPSM and the governing rules of TMSP. Benefits are only payable under the terms and conditions of the Core Insurance Plan and Profit-Share Plan.

## FEATURES

The insurance cover options available through the PPSM Fund are:

### Core Insurance

- Life insurance – providing cover for death and terminal illness
- TPD insurance – providing cover for total and permanent disablement or ‘permanent incapacity’
- Income protection insurance – providing cover for ‘temporary incapacity’ where you are unable to work to earn income due to sickness or injury.

### Profit-Share Plan

When a Core Insurance Plan is issued in respect of you, the Insurer will also establish a Profit-Share Plan on your life providing:

- Accidental Death Benefit – providing cover for ‘accidental death’.
- Profit-Share Account – providing a means to share in the profits of the PPS Mutual Professionals Choice insurance products.

Each year profits of the products you buy are assigned to your Profit-Share Account. The amount of money in the Profit-Share Account continues to accumulate as long as a PPS Mutual Plan on your life is in force

The terms and conditions applying to these cover options (including definitions, limitations and exclusions) are detailed in the PPS Mutual Professionals Choice PDS issued by the Insurer, which is current as at the date when you apply for the cover.

## EMPLOYER’S CONTRIBUTIONS

As benefits within PPSM relate to insurance only, members are not able to make any contributions or rollovers for accumulation purposes within PPSM.

## 2019/20 SUPERANNUATION THRESHOLDS

The superannuation contributions caps and various other superannuation thresholds that apply for the 2019/20 financial year are as follows:

Superannuation Threshold	
Low rate cap:	\$210,000
Concessional contributions cap:	\$25,000
Non-concessional contributions cap:	\$100,000
Capital Gains Tax (CGT) Cap (lifetime limit):	\$1,515,000
Government Co-contributions:	
- Maximum co-contribution <sup>1</sup>	\$500
- Lower threshold	\$38,564
- Upper threshold (cut off)	\$53,564

<sup>1</sup>The Government co-contribution will reduce by 3 1/3 cents for every dollar of total income in excess of \$38,564, reducing to nil once your total income reaches \$53,564 in a financial year.

Details of the cap for later years will be available by calling Member Services on 1300 401 436. The contributions paid by participating employers for the cover provided under the PPSM are classified as concessional contributions and are included in the concessional contribution cap. Contact the Australian Taxation Office on 13 10 20 or visit [www.ato.gov.au/super](http://www.ato.gov.au/super) for further information

## OPERATION OF PPSM’S RESERVE

We are required under legislation to keep a financial reserve to cover any losses that members incur due to a breakdown in operations. This is referred to as the Operational Risk Financial Requirement (ORFR).

The ORFR may be funded from the financial resources of the Trustee, the Plan assets or a combination of both. The Trustee has determined it will address this requirement from its own resources by including it within its Net Tangible Asset obligation under Corporation Law. The ORFR is invested in the Trustee’s cash account.

## MANAGING THE PPSM

PPSM is set up as a division of a trust and is governed by a legal document called a Trust Deed. The Trustee responsible for running the PPSM in accordance with the Trust Deed, is Tidswell Financial Services Limited (ABN 55 010 810 607 AFS Licence No 237628, RSE Licence No L0000888), which is a professional independent trustee. No penalties were imposed on the Trustee and/or any of its directors during the reporting period.

## PRIVACY POLICY

We are committed to ensuring the confidentiality and security of your personal information. We will only collect, use and disclose this information for the purposes of processing and administering your accounts and providing services to you, unless otherwise required by law. We are bound by the Privacy Act and the National Privacy Principles, as regulated by the Federal Privacy Commissioner, to protect such information from misuse and loss, unauthorised access, modification and disclosure.

You can obtain a copy of the Trustee’s Privacy Policy at <https://www.sargon.com/privacy/>, from the Privacy Officer by contacting the Fund on the details found at the back of this report.

## MORE INFORMATION

Your benefit statement and the PPSM PDS contain important information about your personal benefits and about the PPSM Fund. You are also entitled to request further information including the Trust Deed and rules, the latest audited accounts and auditor’s report and the Trustee’s Privacy Policy.

The Trustee is required to disclose certain information and documentation on a website. Accordingly, the Trustee’s website ([www.sargon.com/documents](http://www.sargon.com/documents)) contains the Trust Deed and further details relating to the Trustee of the Tidswell Master Superannuation Plan, of which PPSM. The Promoter’s website (<https://www.ppsmutual.com.au/product-disclosure-statements/>) contains the Product Disclosure Statement, most recent annual report, and any Significant Event Notices issued recently.

For copies of these documents, or if you want more information about your benefits, please feel free to contact the Fund’s member services officers as follows:

### PPS Mutual Super Fund Member Services

PO Box H337  
Australia Square  
SYDNEY NSW 1215  
Phone: 1300 401 436  
Email: [memberservices@ppsmutual.com.au](mailto:memberservices@ppsmutual.com.au)

## ENQUIRIES AND COMPLAINTS

Superannuation law requires the Trustee to take all reasonable steps to ensure that complaints are properly considered and dealt with within 90 days. If you have a complaint:

- contact PPS Mutual on 1300 401 436, or
- contact the Dispute Resolution Officer of PPS Mutual at [haveyoursay@ppsmutual.com.au](mailto:haveyoursay@ppsmutual.com.au)

We will ordinarily respond to your complaint as soon as possible but within 45 days of receipt. If you are still not satisfied with our response, or we do not respond within 90 days, you may wish to refer the matter to the Australian Financial Complaints Authority (AFCA), an independent body set up by the Federal Government to review trustee decisions relating to individual members.

You can contact the AFCA at:

**Australian Financial Complaints Authority**

**GPO Box 3, Melbourne, VIC 3001**

**P 1800 931 678**

**W [www.afca.org.au](http://www.afca.org.au)**

## ABRIDGED FINANCIAL INFORMATION

This is an abridged summary of the PPSM's audited accounts for the year ended 30 June 2020. The full audited accounts, including the audit report are now available. If you would like a copy please contact the PPSM Administrator.

### Statement of Financial Position

	2020	2019
	\$'000	\$'000
<b>Assets</b>		
Cash	42	1
Current Tax Assets	56	4
<b>Total assets</b>	<b>98</b>	<b>5</b>
<b>Liabilities</b>		
Other payables	98	5
<b>Total liabilities</b>	<b>98</b>	<b>5</b>
Net assets available for member benefits	-	-
Members' benefits	-	-
<b>Total net assets (liabilities)</b>	<b>-</b>	<b>-</b>
<b>Equity</b>		
Reserves	-	-
Unallocated surplus (deficit)	-	-
<b>Total reserves</b>	<b>-</b>	<b>-</b>

### Income/Operating Statement

	2020	2019
	\$'000	\$'000
<b>Superannuation activities</b>		
Total net income	-	-
Total expenses	-	-
<b>Operating result</b>	<b>-</b>	<b>-</b>
Income tax (expense) benefit	182	7
<b>Operating result after income tax</b>	<b>182</b>	<b>7</b>
Less net benefits allocated to members	(182)	(7)
<b>Operating result after income tax</b>	<b>-</b>	<b>-</b>

### Statement of Change in Benefits

	2020	2019
	\$'000	\$'000
<b>Opening balance of members' benefits</b>	<b>-</b>	<b>-</b>
Transfers from other superannuation plans	1,040	41
<b>After tax contributions</b>	<b>1,040</b>	<b>41</b>
Benefits and Transfers Paid	(6)	-
Insurance premiums charged to members	(1,216)	(48)
Death and disability benefits credited to members	-	-
Net benefits allocated to members' accounts	182	7
<b>Closing balance of members benefits</b>	<b>-</b>	<b>-</b>

The full audited Accounts of Tidswell Master Superannuation Plan which includes PPSM together with Directors' remuneration and attendance record, and the auditor's report, are available for inspection on the Trustee's website, [www.sargon.com/documents/](http://www.sargon.com/documents/)