Goldman Sachs & JBWere Superannuation Fund

Report on the Actuarial Investigation as at 30 June 2019

Statement of Advice

9 December 2019

Summary

I am pleased to present my report to the Trustee of the Goldman Sachs & JBWere Superannuation Fund, BEST Superannuation Pty Ltd (ABN 57 070 732 008), on the actuarial investigation into the Goldman Sachs & JBWere Superannuation Fund as at 30 June 2019.

This Summary sets out the key results and recommendations contained in this report.

Solvency

The financial position of the Fund has improved over the period since the previous valuation, as shown in the increased Vested Benefits Index from 269.4% as at 30 June 2016 to 299.7% as at 30 June 2019.

The solvency measures as at 30 June 2016 and 30 June 2019 are also shown below:

Measure	30 June 2016	30 June 2019
VBI	269.4%	299.7%
PVABI	264.7%	299.7%
MRBI	276.0%	299.7%

Funding

Taking into account the projected financial position of the Fund over the next three years, I recommend the Principal and Associated Employers continue to not contribute in respect of Defined Benefit members, until at least 30 June 2022.

In addition, I continue to recommend that the Principal and Associated Employers contribute at the required amounts to meet any Superannuation Guarantee, contractual or any other obligations in respect of accumulation liabilities in the Fund.

WillisTowersWatson

Contents

Throughout this report the following terms are used:

Fund
Goldman Sachs & JBWere Superannuation Fund

Trustee
BEST Superannuation Pty Ltd (ABN 57 070 732 008)

Principal Employer
Goldman Sachs Australia Services Pty Ltd (ABN 27 004 595 448)

Trust Deed or Rules
The Fund's Trust Deed dated 1 July 1958, including amendments in the Amending Deed dated 20 July 2017

The Investigation Date or Valuation Date
30 June 2019

Other Matters involving Actuarial Oversight

I further recommend that:

- Given the strong funding position, and the fact that all the Pension Division liabilities are for retired members receiving lifetime pensions, consideration be given to the 'de-risking' of the ongoing pension position, either by:
  - Formally separating the assets backing the Accumulation and Pension Divisions and then de-risking the Pension Division assets by reducing the proportion allocated to growth assets and increasing the proportion allocated to cash and fixed interest; or
  - Further de-risking by purchasing annuities from a life insurer, dependent on whether attractive commercial rates can be obtained.
- The Trustee and Company investigate the ability to utilise the surplus within the Defined Benefit Division of the Fund to meet future Company contributions in respect of accumulation members including contributions in respect of accumulation members' expenses. Further actuarial and legal advice should be sought before this approach is adopted;
- The Trustee retain the current shortfall limit of 100%.
- The Trustee monitor the financial position of the Fund annually throughout the following investigation period.

In line with requirements under legislation and the Trust Deed, the next actuarial investigation of the Fund should be conducted with an effective date no later than 30 June 2022. The recommended employer contribution rates will be reviewed at that time or at an earlier date if considered appropriate as a consequence of the regular review of the VBI or as required by legislation.

I am not aware of any event since 30 June 2019 that warrants review of the recommendations in this report.

Anthony Chan
Fellow of the Institute of Actuaries of Australia

9 December 2019

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Introduction

Scope

This investigation has been prepared effective 30 June 2019 for BEST Superannuation Pty Ltd (ABN 57 070 732 008), the Trustee of the Fund, by the Actuary to the Fund, Anthony Chan, FIAA.

Current legislation and the Trust Deed require an actuarial investigation and report to be due at least every three years for defined benefit funds. The main aims of the investigation are to examine the current financial position of the Fund and the long-term funding of the Fund's benefits, and to provide advice to the Trustee on the contribution rate at which the Principal Employer should contribute and on any other matters the actuary considers relevant.

As the Fund pays lifetime pensions to some members, the Trustee would normally be required to request the Actuary to carry out an annual actuarial investigation, as per SPS 160. We understand that the Trustee has sought and obtained a discretionary waiver from these requirements, and in any case the funding position is monitored annually, between the required triennial actuarial investigations.

This investigation is primarily interested in the defined benefit liabilities of the Fund, and unless otherwise specified, this report relates only to such defined benefit liabilities. The Defined Contribution liabilities of the Fund are fully funded and do not impact upon the Defined Benefit liabilities. No investigation is required regarding the Defined Contribution liabilities, although in my recommendations I have continued to recommend that the Principal Employer contribute to meet any Superannuation Guarantee, contractual or any other obligations in respect of such liabilities.

This report has been prepared in accordance with Professional Standard 400, dated June 2017, issued by the Institute of Actuaries of Australia.

Previous Actuarial Investigation

The previous actuarial investigation of the Fund was carried out by Sam Underhill, FIAA as at 30 June 2016, with the results of that investigation set out in a report dated 22 March 2017.

The report concluded that the Fund was not in an unsatisfactory financial position (as defined by SIS legislation) at that date, and recommended that the Principal and Associated Employers make nil contributions with respect to defined benefit members, and at the required Superannuation Guarantee rates for Accumulation Division members.

We understand that the employers have contributed amounts consistent with these rates.

Other recommendations made in that report include:

- There is no longer any need for the Trustee to purchase insurance to cover the future service component of the death and disablement benefits provided form the Fund for defined benefit members;
- Increasing the shortfall limit of 97% to 100% pending a full review of investment and funding strategy for the Pension Division; and
- That the Fund's financial position be monitored on an annual basis.

We understand that the Trustee has implemented these recommendations. The report also recommended that the Trustee and Principal Employer consider the de-risking of the Fund's pension liabilities, which we continue to recommend in this report.

Experience since 30 June 2019

From 30 June 2019 to 31 October 2019 the experience of the Fund has been as follows:

- The net return on the Fund's assets from the valuation date to 31 October 2019 was approximately 3%; and
- We are not aware of the death of any lifetime pensioners of the Fund.

The actual experience since 30 June 2019 has further strengthened the financial position of the Fund.

Limitations

This report is provided subject to the terms set out herein and in our engagement letter dated 28 October 2019 and the accompanying Terms and Conditions of Engagement. This report is provided solely for the Trustee's use and for the specific purposes indicated above. It may not be suitable for use in any other context or for any other purpose.

Except where we expressly agree in writing, this report should not be disclosed or provided to any third party, other than as provided below. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted by us for any consequences arising from any third party relying on this report or any advice relating to its contents.

We consent to the Trustee making a copy of this report available on the Plan's website where required in accordance with the relevant legislation.

The Trustee may make a copy of this report available to its auditors, the Principal Employer or Associated Employers and to any person to whom the Trustee may be required to provide a copy under relevant legislation, but we make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the Trustee's auditors, the Principal Employer or Associated Employers or any third party in this regard. The Trustee should draw the provisions of this paragraph to the attention of its auditors and the Principal Employer and Associated Employers when passing this report to them.

In preparing this valuation, we have relied upon information and data provided to us orally and in writing by the Trustee and other persons or organisations designated by the Trustee. We have relied on all the data and information provided, including Fund provisions, membership data and asset information, as being complete and accurate. We have not independently verified the accuracy or completeness of the data or information provided, but we have performed limited checks for consistency. The data and information we have relied upon is shown in the "Additional Information" section of this report.

In our opinion, all calculations are in accordance with requirements of applicable legislative requirements, and the procedures followed and the results presented conform to applicable actuarial standards of practice.

Solvency

When assessing the adequacy of the assets and future contribution rates, both the long-term and short-term solvency positions should be considered. To assess the solvency position, I have considered the following funding solvency measures:

- Vested Benefits Index (VBI), the ratio of assets to the vested benefits, which represent the total amount which the Fund would be required to pay if all members were to voluntarily leave service (or are payable for benefits in the form of lifetime pension or deferred benefits) on the investigation date;[1]
- The Present Value of Accrued Benefits Index (PVABI), the ratio of assets to the present value of accrued benefits, which represents the value in today's dollars, of expected future benefits payable based on membership completed to the valuation date,[1] and
- The MRBI, the ratio of assets to the portion of the Minimum Requisite Benefits (MRB) as defined in the Fund's Benefit Certificate that relates to defined benefits.[1]

The following table shows the above indices as at the valuation date, as well as the prior valuation date.

	As at 30 June 2019			As at 30 June 2016		
Measure	Value of Liability	Value of Assets	Index	Value of Liability	Value of Assets	Index
VBI	$21,056,000	$63,102,000	299.7%	$19,074,000	$51,381,000	269.4%
PVABI	$21,056,000	$63,102,000	299.7%	$19,414,000	$51,381,000	264.7%
MRBI	$21,056,000	$63,102,000	299.7%	$18,616,000	$51,381,000	276.0%

Overall, the indices have increased from those at the previous investigation date. This is primarily a result of positive experience of the Fund since 30 June 2016, in particular, the Fund's large surplus, higher than expected investment performance and lower than expected pension increases. This has been offset by the effect of the reduction in long-term expected return assumptions which resulted in an increase in the present value of the Fund's liabilities.

For lifetime pensioner members the value of their MRB is not defined in the Benefit Certificate. We have therefore taken the MRB to be equal to Vested Benefits i.e. the present value of the expected future pension liabilities. The table above shows that as at 30 June 2019 the Fund has an MRBI above 100%. The Fund was therefore not technically insolvent as at the investigation date.

The VBI is above 100% as at the valuation date, and as such, the Fund is to be treated as being in a satisfactory financial position as at that date.

Termination Benefits

Under the Trust Deed, the benefits required to be paid on termination are amounts determined by the Trustee with the advice of the actuary. In any case, the amounts to be paid would be limited by the amount of assets available in the Fund. In the event of the termination of the Fund, the Trustee must determine if it is obliged to secure pensions by purchasing annuities from a life insurance company or by some other arrangement. To broadly illustrate the Fund's ability to pay benefits upon termination, I have estimated the cost of purchasing an annuity to secure the pension liability by valuing the pension

[1] Based on the valuation assumptions chosen, the Fund's vested benefits, present value of accrued benefits and minimum requisite benefits have been calculated as the present value of the expected future lifetime pension liabilities, including an allowance for future expected administration expenses relating to lifetime pensioners..

liability using a discount rate that reflects the yield available on long-dated Commonwealth Government Bonds, plus a 15% loading on the liability value to make broad allowance for any administration expenses and profit margins included in the premiums charged by an insurer. Please note that this is a very broad estimate only, and is intended to illustrate the Fund's ability to secure pensions on termination, rather than to provide the indicate cost of an arrangement to transfer the pension liabilities.

The following table shows the estimated remaining assets available in this scenario.

	Coverage for Termination Benefits
Net Assets Backing Defined Benefits at 30 June 2019	$63,102,000
Less: Assets required to secure pension liabilities	($34,087,000)
Remaining available assets	$29,015,000

Because the remaining available assets is greater than zero, it is likely that the Fund would be able to secure pensions via another arrangement in the event of its termination.

If the Fund was ever terminated, the Trustee would need to seek both actuarial and legal advice at that time to consider the method of determining and payment form of benefits from the Fund.

Ability to Pay Pensions

SPS 160 requires the Fund's actuary to certify whether there is a high degree of probability to pay pensions as required by the Trust Deed.

In making this certification, we have considered that the Fund assets currently exceed the current Defined Benefit Pension Value by a very large margin.

Therefore, we consider that there is a high degree of probability that the Fund will be able to pay pensions as required under the Fund's rules. The formal certification is set out in the *Additional Information* section of this report.

Funding

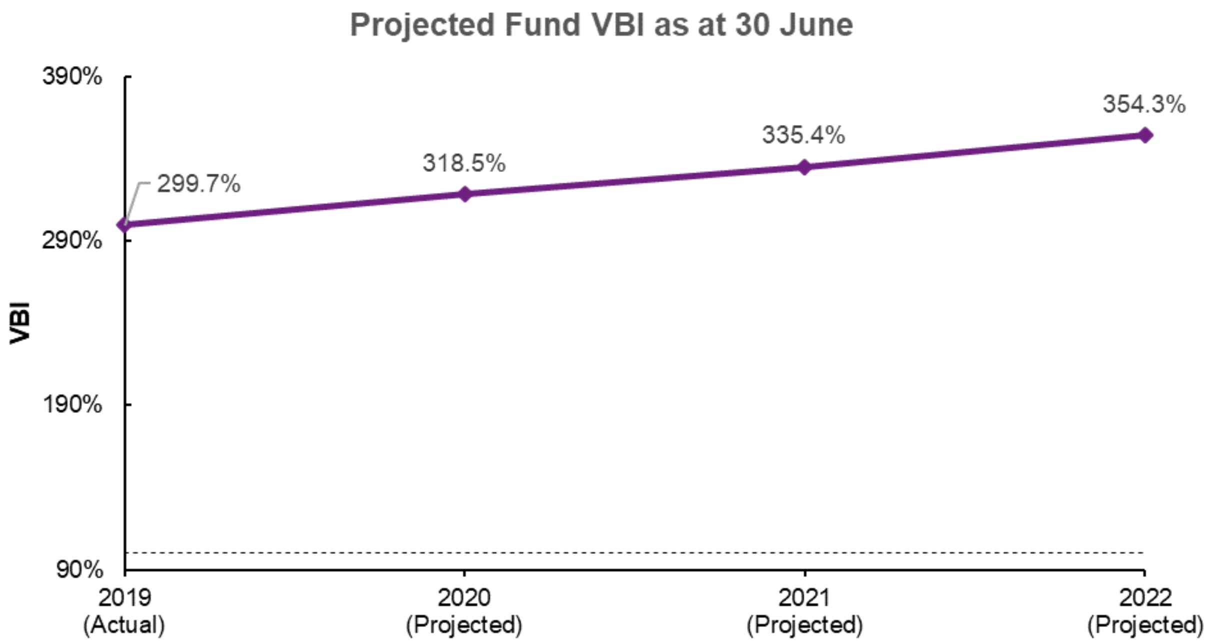
This section considers the long-term funding of the Fund and assesses the contributions required in order to fund benefits payable in future years. To determine the long-term contribution rates, we have used the Projection funding method as described in the "Additional Information" section of this report.

Long Term Funding results

The projected funding results are shown in the chart below.

Calculation of Company Contribution Rate	$
Fair Value of Assets	$63,102,000
Less Total Service Liability	($19,142,000)
Excess of assets over value of accrued liabilities	$43,960,000

In order to assess whether the recommended contributions program is likely to keep the Fund in a Satisfactory Financial Position, we have projected the Fund's Vested Benefits Index over the next three years based on nil contributions with respect to defined benefit pensioners. An allowance has been made for actual investment returns from 30 June 2019 to 31 October 2019.



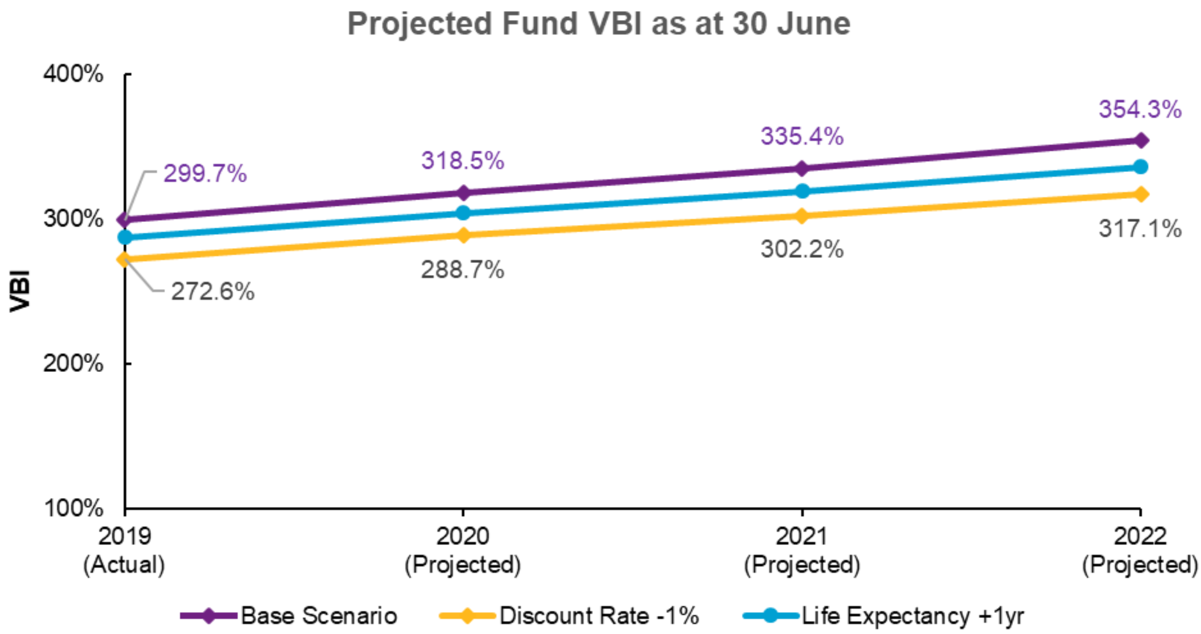
As can be seen from the graph, the Fund is expected to comfortably maintain a VBI above 100%.

Sensitivity Analysis

Before making a recommendation on the level of contributions that the Principal Employer should make to the Fund, it is useful to consider the sensitivity of the analysis above to reasonable variations in the valuation assumptions. The following table shows the solvency levels, if key assumptions had been varied as described below:

	This Valuation Basis	Scenario 1	Scenario 2
Description	Base Case	Investment Return -1%	Life Expectancy +1 year
Discount Rate	5.5%	4.5%	5.5%
Price Inflation	2.0%	2.0%	2.0%
Pensioner Mortality Assumptions	70% of ALT 2010-12 Improvement of 1.5% pa from 1 July 2011	70% of ALT 2010-12 Improvement of 1.5% pa from 1 July 2011	60% of ALT 2010-12 Improvement of 1.5% pa from 1 July 2011
PVABI	299.7%	272.6%	287.5%

Similarly, the Fund's projected VBI over the next three years under the varied assumptions are shown in the graph below:



These results show that the required Principal Employer contribution rate, as well as the Fund's projected financial position, is not very sensitive to long-term actuarial assumptions due to the significant surplus of assets over liabilities. While the sensitivities have been selected to be illustrative of reasonable changes in the valuation assumptions, they do not represent the upper or lower bounds of possible outcomes and more extreme outcomes are possible.

Use of Surplus

As noted in the Funding and Solvency results above, the Fund has a significant surplus with respect to its defined benefit liabilities, and there is scope to consider whether this surplus can be used in other ways. For example, the Trustee may wish to consult with the Principal Employer on whether the surplus can be used for the following:

- The assets backing defined benefit pensions can be invested in a higher proportion of defensive assets, to reduce the variability of its return. This is further discussed under *Additional Information* below;

- The Trustee could consider transferring the defined benefit liabilities, for example, by purchasing lifetime annuities from a life-insurer. The viability of this approach could be dependent on whether any attractive commercial rates can be obtained from the insurer;

- The Principal Company currently meets the cost of accumulation members' expenses by paying a cash contribution to the Fund. The Trustee and the Principal Company can consider an arrangement where the surplus can be used to pay for such expenses.

  To take this further, the Trustee and the Principal Company may also consider whether to meet future company contributions in respect of accumulation members from the surplus.

  Further actuarial and legal advice should be sought if such an approach is taken, and that its continued appropriateness be monitored at regular and frequent intervals.

Summary

On the basis of the above results, and having regard to the Company's preferences, we believe that the Principal and Associated Employers making nil contributions in respect of defined benefit pensioners is sufficient to meet the funding requirements of the Fund.

Accordingly, I recommend that the Principal and Associated Employers make nil contributions until at least 30 June 2022 in respect of defined benefit members.

I continue to recommend that the Principal and Associated Employers contribute at the required amounts to meet any Superannuation Guarantee, contractual or any other obligations in respect of accumulation liabilities in the Fund.

We further recommend that the VBI position (and other measures of solvency) continue to be monitored annually throughout the following investigation period, to ensure that these contribution recommendations remain appropriate.

Other Matters Involving Actuarial Oversight

Investments

Investment Strategy

The return objective for the assets supporting Defined Benefits is to outperform inflation, measured by the Consumer Price Index, by 4% pa, after investment fees and taxes, over rolling 10 year periods. To meet this objective, the assets supporting defined benefits are invested in a mix of assets, with the long term neutral position asset allocation as at 30 June 2019 as follows:

Asset Class	Target Allocation
Australian Equities	45%
International Equities	32%
Growth Alternatives	10%
Total Growth Assets	**87%**
Australian Fixed Interest	5%
Defensive Alternatives	5%
Cash	3%
Total Defensive Assets	**13%**

In my opinion an investment strategy as described above is suitable for a Fund of this type having regard to its financial position, the underlying liabilities and the capacity of the respective employers to meet any funding shortfall.

Given the strong financial position of the Fund, there is scope for the Fund to reduce its allocation of growth assets and still be expected to be able to meet its payments. To achieve this, it would be necessary to segregate or decouple the Fund's Defined Benefit Assets from assets supporting the accumulation liabilities. We recommend that the Trustee and Principal Employer consider whether to implement such segregation and de-risking.

Crediting Rate Policy

The Fund's policy aims to credit member accounts with actual investment returns (net of fees and taxes) from the underlying assets. In our view, this remains appropriate.

Liquidity

Taking into account the ready sale of the Fund's assets from time to time, in our opinion the Fund has sufficient liquidity to meet payments from regular cashflows.

Shortfall Limit

The Trustee currently has an approved shortfall limit of 100%.

Based on the Fund's benefit design and its target asset allocation described above, in our opinion we recommend the shortfall limit be retained at 100%.

Insurance

As there are no active members, the Fund has no insurance arrangements with respect to the Defined Benefits Division.

Additional Information

Risks

The table below summarises the main risks to the financial position of the Fund.

Risk	Approach taken to risk
Investment returns on the existing assets could be insufficient to meet the Trustee's funding objectives	The Trustee takes advice from the Fund Actuary on possible assumptions for future investment returns. In setting the future contributions, the Fund Actuary considers the effect on the future financial position if investment returns are less than expected. The Trustee is able to agree further contributions with the Principal Employer at subsequent valuations if future returns prove insufficient.
Pension increases could be different from that assumed which could result in higher liabilities	Pension increases are generally linked to price inflation. The Trustee invests in assets that are expected to be correlated to future inflation in the longer term (sometimes referred to as "real" assets). This means that, over the longer term, such assets are expected to keep pace with inflation. Such assets include equities, property and index-linked bonds.
Falls in asset values might not be matched by similar falls in the value of the Fund's liabilities	The Trustee considers this risk when determining the Fund's investment strategy. It consults with the Principal Employer in order to understand the Principal Employer's appetite for bearing this risk and takes advice on the Principal Employer's ability to make good any shortfall that may arise. To the extent that such falls in asset values result in deficits at future valuations, the Principal Employer would be required to agree a recovery plan with the Trustee to restore full funding over a period of time.
Fund members live longer than assumed	The Trustee adopts mortality assumptions that it regards as prudent estimates of the life expectancy of members.
Legislative changes could lead to increases in the Fund's liabilities	The Trustee takes legal and actuarial advice on changes in legislation and consults with the Principal Employer, where relevant.

Economic risk   Demographic risk   Legal risk

Benefits summary

The Fund is a regulated complying superannuation fund under the Superannuation Industry (Supervision) Act and qualifies for concessional tax treatment.

The Defined Benefits Division of the Fund is closed to new entrants.

There are no active members remaining in the Fund as at 30 June 2019. There are lifetime pensioners in the Fund, who receive monthly pension payments from the Fund over their lifetime, further details of benefits after retirement are set out below.

Pension Indexation

Pensions are reviewed at least annually. Increases are related to increases in the CPI following the date the initial pension commenced, in accordance with Clause 2.13 of the Trust Deed.

Benefit on Death after Retirement

A pension equal to the deceased member's pension at the date of death, payable for the remainder of the 10 year term certain, and thereafter:

- a pension to a surviving spouse (if the spouse was the member's spouse at retirement) of 62.5% of the member's pension at the date of death, payable until the spouse's death, plus
- children's pensions in respect of any dependent children.

Discretionary and contingent benefits

No future discretionary benefits or discretionary increases in benefit have been allowed for in the calculation of the technical provisions and statutory estimate of solvency, other than our understanding of established practices in benefit calculations.

Changes to the benefits

Since the valuation as at 30 June 2016 no changes have been made to the Fund's benefits.

Summary of Data Used in this Investigation

Membership Data

The Fund administrator, Mercer, has responsibility for maintaining member records, payment of benefits and other administrative tasks of the Fund.

Mercer provided data in respect of members of the Fund as at 30 June 2019, including members who had left the Fund since the last investigation date.

We have checked the membership data for internal consistency and are satisfied as to the accuracy of this data.

The following tables show a summary of the defined benefit membership as at 30 June 2016 and 30 June 2019:

	Actives	
	30 June 2016	**30 June 2019**
Number of Members	1	0
Average Age	50.9	N/A
Average Past Company Membership	23.9	N/A

	Pensioners	
	30 June 2016	**30 June 2019**
Number of Members	39	37
Average Age	71.3	75.6
Total Pensions	$1,528,500 pa	$1,553,100 pa
Average Pension	$39,200 pa	$42,000 pa

Assets Data

The Fund administrator provided audited accounts for the Fund as at 30 June 2019. The fair value of assets as disclosed, less any amount held to meet the Operational Risk Financial Requirement, was $538,984,000. Because this investigation is focused on the defined benefits, we have deducted an amount of $475,882,000 from this value in respect of accumulation liabilities to calculate the value of assets that are used to support defined benefits. The resultant value of $63,102,000 was used in this valuation to determine contribution recommendations and Funding Status Measures.

We are satisfied that there are no material data discrepancies and that the data provided is suitable for the purpose of this investigation. We have relied on the information provided for the purposes of this investigation. Although we have no reason to doubt the quality of asset information provided, the results of this investigation are dependent on the quality of the asset information. Any changes to the asset values above will have an impact on the outcome of the investigation and any resulting recommendations.

Funding Method, Assumptions and Experience

Funding Method

In this valuation, I have determined the level of Company contributions required by projecting member's expected future benefits, and the expected level of future value of assets on the basis of selected assumptions and compared its levels against relevant funding objectives. If the funding objectives are not expected to be achieved, alternative Company contributions were determined in order to achieve the funding objectives.

This funding method is suitable for this valuation given that there are no longer any active members in the Fund.

In producing my recommendations, I have also taken into account the pace of funding required to maintain certain short term solvency measures, in particular, that legislation requires the VBI to be above 100%.

In the previous actuarial investigation, the Aggregate Funding Method was used to determine the level of contributions. Given that the remaining active member exited in the period since the previous actuarial investigation, this method is no longer appropriate.

Assumptions

In order to determine the value of expected future benefits and Fund assets, it is necessary to make assumptions regarding the timing and amount of future benefit payments, expenses and contributions. In doing so it is important to examine the experience of the Fund since the last valuation to see whether the previous assumptions have been borne out in practice.

While each of the assumptions used is normally the actuary's best estimate of future experience, in practice, the actual experience in any (short) period can always be expected to differ from the assumptions to some extent. However, it is intended that over longer periods, they will provide a reasonable estimate of the likely future experience and financial position of the Fund.

In the short-term, as the actual experience emerges differently to the experience implied by the assumptions, the financial position of the Fund will also vary from that expected. However, adjustments to employer contribution rates, if any, can be made to reflect these differences in the following actuarial investigation.

Financial Assumptions

Valuation assumptions can be broadly divided into demographic assumptions, which relate to characteristics of current and future members of the Fund, and financial assumptions, which are assumptions other than demographic assumptions. The following sections first consider the financial assumptions that are to be adopted for this valuation.

Investment Returns

The estimated rate of return on the Fund's Defined Benefit Assets (adjusted for tax and investment expenses that are deducted from the investment return) from 30 June 2016 to 30 June 2019 are set out in the table below:

Year Ending	Investment Return
30 June 2017	9.6%
30 June 2018	12.8%
30 June 2019	9.6%
Overall	10.7% pa

Over the three-year period to 30 June 2019 the assets held in the Fund returned 10.7% pa which is higher than rate assumed in the previous investigation of 7.0% pa (gross of tax). In isolation, this has had a positive impact on the financial position of the Fund.

While short-term differences between actual investment return experience and the actuarial assumption can affect the long term financial position of the Fund as measured by the actuarial investigation, the assumption used in the investigation must be based on long-term expectations since the investigation involves valuing payments in the future.

For this investigation, I have adopted a long-term investment earning rate of 5.5% p.a., based on Willis Towers Watson's internal models on expected asset returns and the Fund's target asset allocation. This is lower than the assumed long term earning rate of 7.0% p.a. used for the previous investigation, primarily reflecting changes in the outlook of global investment markets over the intervaluation period.

Pension Increases

The average pension increases during the investigation period for the pensioners that was in the Fund was 1.8% pa. This is lower than the pension increases assumption adopted for the previous actuarial investigation of 2.2% pa. This has had a positive impact on the financial position of the Fund.

Under the Trust Deed, pension increases are based on CPI. In addition, the Trust Deed allows the Trustee to apply discretionary pension increases, although historically this discretion has not been exercised. Based on our long-term expected price increases in Australia and historical levels of discretionary increases, I have assumed pension increases of 2.0% p.a. would apply in this investigation (other than otherwise specified).

Administration Expenses and Insurance Costs

For this investigation, I have assumed a long-term rate of expenses relating to defined benefit pensions of 10% of annual pension amounts, in line with the Fund's experience and expected expenses going forward.

The long-term rate of expenses of 10% of annual pension amounts has been taken into account when calculating the present value of pension liabilities, with the value of future expenses included in liability amounts.

Demographic Assumptions

Pensioner Mortality and Spouse Assumptions

There are too few lifetime pensioners in the Fund to investigate the Fund's pensioner mortality experience fully. We adopted pensioner mortality rates using the experience of groups larger than the Fund's pensioners. We have therefore adopted mortality assumptions which are based on the mortality studies in respect of the population of Australia with allowances made for future improvements, as shown below:

Pensioner Mortality Assumptions	
Base Table	70% of ALT 2010-12
Future Mortality Improvements	1.5% pa from 1 July 2011

These assumptions are consistent with those adopted in the previous actuarial investigation.

Statutory Statements Under SPS 160

Goldman Sachs & JBWere Superannuation Fund

Actuarial Investigation as at 30 June 2019

The statements required under paragraphs 23(a) to (i) of SPS 160 for interim and regular investigations are set out below:

Fund Assets

At 30 June 2019 the net market value of assets of the Fund, excluding any amount held to meet the Operational Risk Financial Requirement (ORFR) and accumulation members' benefits was $63,102,000.

Projection of Defined Benefit Vested Benefit Index

Based on the actuarial assumptions I project that the likely future financial position of the Fund over the three years following the investigation date will be as follows:

Date	Defined Benefit Vested Benefits Index
30 June 2019	299.7%
30 June 2020	318.5%
30 June 2021	335.4%
30 June 2022	354.3%

Accrued Benefits

The value of the accrued liabilities of all members as at 30 June 2019 was 299.7%.

In my opinion, the value of the assets of the Fund at 30 June 2019 was adequate to meet the liabilities in respect of accrued benefits in the Fund (measured as the present value of members' accrued entitlements using the actuarial assumptions).

This assessment has been made using assumptions and a valuation method which I regard as reasonable.

Vested Benefits

The value of the vested benefits of all members as at 30 June 2019 was $21,056,000.

In my opinion, the financial position of the Fund is not unsatisfactory.

Minimum benefits

The value of the liabilities in respect of the minimum benefits of members as at 30 June 2019 was $21,056,000 which is less than the value of assets held at that date.

Funding and Solvency Certificates

Funding and Solvency Certificates for the Fund covering the period from 30 June 2016 to 30 June 2019 required by the Superannuation Industry (Supervision) Act have been provided. In my opinion, I am likely to be able to provide Funding and Solvency Certificates for the Fund covering the period from 30 June 2019 to 30 June 2022.

Employer Contributions

The report on the actuarial investigation of the Fund at 30 June 2019 recommends the Principal and Associated Employers to make nil contributions in respect of defined benefit members, until at least 30 June 2022.

Payment of Pensions

In my opinion, at the valuation date, there is a high degree of probability that the fund will be able to pay the pensions as required under the Fund's governing rules.

Pre-July 1998 Funding Credit

No pre-July 1998 funding credits have been granted to the Fund.

Anthony Chan
Fellow of the Institute of Actuaries of Australia

9 December 2019

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