



# Financial Sector (Collection of Data) (reporting standard) determination No. 14 of 2015

## Reporting Standard SRS 540.0 Fees

### *Financial Sector (Collection of Data) Act 2001*

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I, Charles Littrell, delegate of APRA, under paragraph 13(1)(a) of the *Financial Sector (Collection of Data) Act 2001* (the Act) and subsection 33(3) of the *Acts Interpretation Act 1901*:

- (a) REVOKE Financial Sector (Collection of Data) (reporting standard) determination No. 85 of 2013, including *Reporting Standard SRS 540.0 Fees* made under that Determination; and
- (b) DETERMINE *Reporting Standard SRS 540.0 Fees*, in the form set out in the Schedule, which applies to the financial sector entities to the extent provided in paragraph 3 of the reporting standard.

Under section 15 of the Act, I DECLARE that the reporting standard shall begin to apply to those financial sector entities, and the revoked reporting standard shall cease to apply, on 1 July 2015.

This instrument commences on the date of registration on the Federal Register of Legislative Instruments.

Dated: 10 June 2015

[Signed]

Charles Littrell  
Executive General Manager  
Policy, Statistics and International Division

## **Interpretation**

In this Determination:

*APRA* means the Australian Prudential Regulation Authority.

*financial sector entity* has the meaning given by section 5 of the Act.

## **Schedule**

*Reporting Standard SRS 540.0 Fees* comprises the 11 pages commencing on the following page.



## Reporting Standard SRS 540.0

### Fees

#### Objective of this Reporting Standard

This Reporting Standard sets out the requirements for the provision of information to APRA relating to the fees charged in relation to a registrable superannuation entity or a MySuper product.

It includes *Form SRF 540.0 Fees* and associated specific instructions.

#### Authority

1. This Reporting Standard is made under section 13 of the *Financial Sector (Collection of Data) Act 2001*.

#### Purpose

2. Information collected in *Form SRF 540.0 Fees* (SRF 540.0) is used by APRA for the purposes of prudential supervision and publication.

#### Application and commencement

3. This Reporting Standard applies to each registrable superannuation entity (RSE) licensee (RSE licensee) in respect of each RSE, defined benefit RSE, pooled superannuation trust (PST), eligible rollover fund (ERF) and MySuper product within its business operations.<sup>1</sup>
4. This Reporting Standard applies for reporting periods ending on or after 1 July 2015.

<sup>1</sup> For the purposes of this Reporting Standard, an 'RSE licensee's business operations' includes all activities as an RSE licensee (including the activities of each RSE of which it is the licensee), and all other activities of the RSE licensee to the extent that they are relevant to, or may impact on, its activities as an RSE licensee. For the avoidance of doubt, if the RSE licensee is trustee of more than one RSE, defined benefit RSE, PST, ERF or MySuper product, the RSE licensee must separately provide the information required by the form for each RSE, defined benefit RSE, PST, ERF or MySuper product within its business operations.

## Information required

5. An RSE licensee to which this Reporting Standard applies must provide APRA with the information required by SRF 540.0 in respect of each reporting period.

## Forms and method of submission

6. The information required by this Reporting Standard must be given to APRA in electronic format using the 'Direct to APRA' application or, where 'Direct to APRA' is not available, by a method notified by APRA, in writing, prior to submission.

*Note:* the 'Direct to APRA' application software (also known as 'D2A') may be obtained from APRA.

## Reporting periods and due dates

7. Subject to paragraph 8, an RSE licensee to which this Reporting Standard applies must provide the information required by this Reporting Standard in respect of each year of income of:
  - (a) each RSE, defined benefit RSE, PST or ERF within its business operations; and
  - (b) each RSE within which a MySuper product is located.
8. If, having regard to the particular circumstances of an RSE, defined benefit RSE, PST, ERF or MySuper product, APRA considers it necessary or desirable to obtain information more or less frequently than as provided by paragraph 7(a) or 7(b), APRA may, by notice in writing, change the reporting periods for the particular RSE, defined benefit RSE, PST, ERF or MySuper product.
9. The information required by this Reporting Standard must be provided to APRA:
  - (a) within three months after the end of the year of income to which the information relates; and
  - (b) in the case of information provided in accordance with paragraph 8, within the time specified by notice in writing.
10. APRA may grant, in writing, an RSE licensee an extension of a due date with respect to one or more RSEs, defined benefit RSEs, PSTs, ERFs or MySuper products within its business operations, in which case the new due date for the provision of the information will be the date on the notice of extension.

## Quality control

11. The information provided by an RSE licensee under this Reporting Standard must be the product of systems, procedures and internal controls that have been reviewed and tested by the RSE auditor of the RSE (including each RSE within which a MySuper product is located), defined benefit RSE, PST or ERF to which the information relates.<sup>2</sup> This will require the RSE auditor to review and test the RSE licensee's systems,

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<sup>2</sup> Refer also to *Prudential Standard SPS 310 Audit and Related Matters* (SPS 310).

procedures and internal controls designed to enable the RSE licensee to report reliable information to APRA. This review and testing must be done on:

- (a) an annual basis or more frequently if necessary to enable the RSE auditor to form an opinion on the reliability and accuracy of information; and
  - (b) at least a limited assurance engagement consistent with professional standards and guidance notes issued by the Auditing and Assurance Standards Board as may be amended from time to time, to the extent that they are not inconsistent with the requirements of SPS 310.
12. All information provided by an RSE licensee under this Reporting Standard must be subject to systems, processes and controls developed by the RSE licensee for the internal review and authorisation of that information. It is the responsibility of the Board and senior management of the RSE licensee to ensure that an appropriate set of policies and procedures for the authorisation of information submitted to APRA is in place.

### **Authorisation**

13. When an officer or agent of an RSE licensee provides the information required by this Reporting Standard using the 'Direct to APRA' software, it will be necessary for the officer or agent to digitally sign the relevant information using a digital certificate acceptable to APRA.
14. If the information required by this Reporting Standard is provided by an agent who submits using the 'Direct to APRA' software on the RSE licensee's behalf, the RSE licensee must:
- (a) obtain from the agent a copy of the completed form with the information provided to APRA; and
  - (b) retain the completed copy.
15. An officer or agent of an RSE licensee who submits the information under this Reporting Standard for, on behalf of, the RSE licensee must be authorised by either:
- (a) the Chief Executive Officer of the RSE licensee; or
  - (b) the Chief Financial Officer of the RSE licensee.

### **Variations**

16. APRA may, by written notice to an RSE licensee, vary the reporting requirements of SRF 540.0 in relation to that RSE licensee or one or more RSEs, defined benefit RSEs, PSTs, ERFs or MySuper products within that RSE licensee's business operations.

### **Interpretation**

17. In this Reporting Standard:

**APRA** means the Australian Prudential Regulation Authority established under the *Australian Prudential Regulation Authority Act 1998*;

**Chief Executive Officer** means the chief executive officer of the RSE licensee, by whatever name called, and whether or not he or she is a member of the Board of the RSE licensee<sup>3</sup>;

**Chief Financial Officer** means the chief financial officer of the RSE licensee, by whatever name called;

**defined benefit RSE** means an RSE that is a defined benefit fund within the meaning given in *Prudential Standard SPS 160 Defined Benefit Matters*;

**due date** means the relevant date under paragraph 9 or, if applicable, paragraph 10;

**eligible rollover fund (ERF)** has the meaning given in section 10(1) of the SIS Act;

**MySuper product** means a MySuper product within the meaning given in section 10(1) of the SIS Act regardless of whether or not it has a lifecycle investment strategy (within the meaning given in section 29TC(2) of the SIS Act);

**pooled superannuation trust (PST)** has the meaning given in section 10(1) of the SIS Act;

**reporting period** means a period mentioned in paragraph 7(a) or 7(b) or, if applicable, paragraph 8;

**RSE** means a registrable superannuation entity as defined in section 10(1) of the SIS Act that is not a defined benefit RSE, PST, ERF, small APRA fund or single member approved deposit fund<sup>4</sup>;

**RSE auditor** means an auditor appointed by the RSE licensee to perform functions under this Reporting Standard;

**RSE licensee** has the meaning given in section 10(1) of the SIS Act;

**SIS Act** means *Superannuation Industry (Supervision) Act 1993*; and

**year of income** has the meaning given in section 10(1) of the SIS Act.

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<sup>3</sup> Refer to *Prudential Standard SPS 510 Governance*.

<sup>4</sup> For the purposes of this Reporting Standard, ‘small APRA fund’ means a superannuation entity that is a regulated superannuation fund, within the meaning of the SIS Act, which has fewer than five members and ‘single member approved deposit fund’ means a superannuation entity that is an approved deposit fund, within the meaning of the SIS Act, and has only one member.

## SRF 540.0: Fees

<b>Australian Business Number</b>	<b>Institution Name</b>	
<b>Reporting Period</b>	<b>Scale Factor</b>	<b>Reporting Consolidation</b>

### 1. Fees paid

Type of fee (1)	Source of payment (2)	Value (3)
Administration fee	Member	
Advice fee	Employer sponsor	
Exit fee	Reserve	
Insurance fee	RSE licensee	
Investment fee		
Switching fee		
Other fee		

#### 1.1. Details of other source of payment

Type of fee (1)	Description of other source of payment (2)	Value (3)
Administration fee		
Advice fee		
Exit fee		
Insurance fee		
Investment fee		
Switching fee		
Other fee		

### 2. Fee rebates and fee discounts

Type of fee (1)	Description of fee rebate or discount (2)	Member accounts with rebate or discount (3)	Fee rebate or discount applied (4)
Administration fee			
Advice fee			
Exit fee			
Insurance fee			
Investment fee			
Switching fee			
Other fee			

**3. Activity fees**

<b>Description of the activity fee (1)</b>	<b>Financial product advice (2)</b>	<b>Source of payment (3)</b>	<b>Value (4)</b>
	Yes	Member	
	No	Employer sponsor	
		Reserve	
		RSE licensee	

3.1. Details of other source of payment

<b>Description of the activity fee (1)</b>	<b>Financial product advice (2)</b>	<b>Description of other source of payment (3)</b>	<b>Value (4)</b>
	Yes		
	No		

**4. Activity fee rebates and fee discounts**

<b>Description of the activity fee (1)</b>	<b>Description of fee rebate or discount (2)</b>	<b>Member accounts with rebate or discount (3)</b>	<b>Fee rebate or discount applied (4)</b>



# Reporting Form SRF 540.0

## Fees

## Instructions

These instructions assist completion of *Reporting Form SRF 540.0 Fees* (SRF 540.0). SRF 540.0 collects information about fees charged during the reporting period. Information reported in SRF 540.0 is required primarily for prudential and publication purposes.

## Reporting level

SRF 540.0 must be completed for each registrable superannuation entity (RSE), defined benefit RSE, pooled superannuation trust (PST), eligible rollover fund (ERF) and MySuper product.

## Reporting basis and unit of measurement

Report all items on SRF 540.0 in accordance with the Australian Accounting Standards unless otherwise specified.

Items on SRF 540.0 must be reported with respect to transactions that occurred during the reporting period.

Items on SRF 540.0 are to be reported as thousands of dollars.

## Specific instructions

Terms highlighted in *bold italics* indicate that the definition is provided in these instructions.

### Fees paid

Item 1 collects information about each type of fee, excluding activity fees, and the manner in which it was paid.

<b>Item 1</b>	<p>Report the aggregate amount of each fee, excluding <i>activity fees</i>, as a separate line in item 1. <i>Activity fees</i> must be reported in item 3. Where a fee has been paid via one or more sources, report a separate line for each source of payment for that fee.</p> <p>Report the fee type in column 1, the source of payment in column 2 and the value of fees paid, gross of any <i>fee rebate</i>, in column 3.</p> <p>Where the source of payment is not listed in item 1 column 2 report the fee in item 1.1. Report the fee type in column 1, a description of the source of payment in column 2 and the value of fees paid column 3; otherwise leave item 1.1 blank.</p> <p>The fee types are: <i>administration fee</i>, <i>advice fee</i>, <i>exit fee</i>,</p>
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	<p><i>insurance fee, investment fee, switching fee</i> and ‘other fee’.</p> <p>The sources of payment are: <i>fee paid by member, fee paid by employer-sponsor, fee paid by reserve</i> and <i>fee paid by RSE licensee</i>.</p>
<i>Activity fee</i>	Represents a fee charged to a member that relates to an activity of an RSE licensee that is engaged in at the request, or with the consent, or a member or that relates to a member and is required by law. Reference: SIS Act, s. 29V(7).
<i>Administration fee</i>	Represents a fee charged to a member, gross of tax obligations, that relates to the administration or operation of the fund. Reference: SIS Act, s. 29V(2).
<i>Advice fee</i>	Represents a fee charged to a member, gross of tax obligations, that relates to the provision of financial product advice to a member by the RSE licensee and which is not incorporated into another fee. Reference: SIS Act, s. 29V(8).
<i>Exit fee</i>	Represents a fee charged to a member to recover the costs of disposing of all or part of members' interests in a fund. Reference: SIS Act, s. 29V(6).
<i>Insurance fee</i>	Represents a fee charged to a member that relates directly to insurance premiums paid by the RSE licensee in relation to a member or members. Excludes: insurance contracts where the benefit to the member is based on the performance of an investment rather than the realisation of a risk. Reference: SIS Act, s. 29V(9).
<i>Investment fee</i>	Represents a fee charged to a member, gross of tax obligations, that relates to the investment of the assets of the entity. Reference: SIS Act, s. 29V(3).
<i>Switching fee</i>	Represents a fee charged to a member to recover costs of switching all or part of members' interests within the fund. Reference: SIS Act, s. 29V(5).
<i>Fee paid by member</i>	Represents where the fee charged to the member has been paid directly either as a deduction from the member's account, member's contributions or from the investment return before crediting the member's account balance.
<i>Fee paid by employer sponsor</i>	Represents where the employer-sponsor, within the meaning given in s.16(1) of the SIS Act, pays the fee. Include: fees paid by way of an employer contribution that has not been allocated to member accounts, and, fees paid directly by an employer to a service provider without passing through the RSE.
<i>Fee paid by reserve</i>	Represents where the fee is paid from a reserve with the RSE.

<b><i>Fee paid by RSE licensee</i></b>	Represents where the RSE licensee pays the fee, either as a payment into the RSE by the RSE licensee or directly by the RSE licensee to a service provider without passing through the RSE.
<b><i>Fee rebate</i></b>	Represents a rebate received against fees charged to members.

### Fees rebates and fee discounts

Item 2 collects information about any fee rebates or fee discounts for each type of fee charged, excluding activity fees.

<b>Item 2</b>	<p>Report each fee, excluding activity fees, to which a <b><i>fee rebate</i></b> or <b><i>fee discount</i></b> applies as a separate line in item 2. Activity fees must be reported in item 4. If there were no <b><i>fee rebates</i></b> or <b><i>fee discounts</i></b> for any fee type, leave item 2 blank.</p> <p>Report aggregate <b><i>fee rebates</i></b> and aggregate <b><i>fee discounts</i></b> for each fee on separate lines.</p> <p>Report the fee type in column 1, a description of the <b><i>fee rebate</i></b> or <b><i>fee discount</i></b> in column 2, the number of <b><i>member accounts</i></b> which received the <b><i>fee rebate</i></b> or <b><i>fee discount</i></b> in column 3 and the aggregate value of the <b><i>fee rebate</i></b> or <b><i>fee discount</i></b> applied to the <b><i>member accounts</i></b> in column 3, in column 4.</p> <p>The fee types are: <b><i>administration fee, advice fee, exit fee, insurance fee, investment fee, switching fee</i></b> and 'other fee'.</p>
<b><i>Fee discount</i></b>	Represents a discount applied against fees charged to members.
<b><i>Member account</i></b>	Represents a distinct entry recorded in the register of member accounts (or other equivalent mechanism).

### Activity fees

Item 3 collects each ***activity fee*** paid and the manner in which it was paid.

<b>Item 3</b>	<p>Report the aggregate amount of each <b><i>activity fee</i></b> as a separate line in item 3. Where a fee has been paid via one or more sources, report a separate line for each source of payment for that fee.</p> <p>Report a description of the <b><i>activity fee</i></b> in item 3 column 1.</p> <p>If the <b><i>activity fee</i></b> is charged in relation to the provision of financial product advice, report 'yes' in item 3 column 2; otherwise, report 'no'.</p> <p>Report the source of payment in item 3 column 3, in respect of the type of fee paid reported in item 3 column 1.</p> <p>Report the value of fees paid by each source, gross of any <b><i>fee rebate</i></b>, in item 3 column 4.</p>
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	<p>Where the source of payment is not listed in item 3 column 3 report the fee in item 3.1. Report a description of the <b>activity fee</b> in column 1. If the <b>activity fee</b> is charged in relation to the provision of financial product advice, report 'yes' in column 2; otherwise, report 'no'. Report a description of the source of payment in column 3, in respect of the type of fee reported in column 1. Report the value of fees paid by each source, gross of any <b>fee rebate</b>, in column 4.</p> <p>The sources of payment are: <b>fee paid by member</b>, <b>fee paid by employer-sponsor</b>, <b>fee paid by reserve</b> and <b>fee paid by RSE licensee</b>.</p>
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### Activity fee rebates and discounts

Item 4 collects fee rebates and fee discounts applied to each **activity fee** paid.

<p><b>Item 4</b></p>	<p>Report each <b>activity fee</b> to which a <b>fee rebate</b> or <b>fee discount</b> applies as a separate line in item 4. If there were no <b>fee rebates</b> or <b>fee discounts</b> for any <b>activity fees</b>, leave item 4 blank.</p> <p>Report aggregate <b>fee rebates</b> and aggregate <b>fee discounts</b> for each <b>activity fee</b> on separate lines.</p> <p>Report the same description of the <b>activity fee</b> in item 4 column 1 as reported in item 3 column 1 or item 3.1 column 1, as relevant. Report a description of the <b>fee rebate</b> or <b>fee discount</b> in column 2, the number of <b>member accounts</b> which received the <b>fee rebate</b> or <b>fee discount</b> in column 3 and the aggregate value of the <b>fee rebate</b> or <b>fee discount</b> applied to the <b>member accounts</b> in column 3, in column 4.</p>
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### Interpretation

For the purposes of these instructions:

- **defined benefit RSE** means an RSE that is a defined benefit fund within the meaning given in *Prudential Standard SPS 160 Defined Benefit Matters*;
- **eligible rollover fund (ERF)** has the meaning given in section 10(1) of the SIS Act;
- **financial product advice** has the meaning given in s. 766B of the *Corporations Act 2001*;
- **MySuper product** means a MySuper product within the meaning given in section 10(1) of the SIS Act regardless of whether or not it has a lifecycle investment strategy (within the meaning given in section 29TC(2) of the SIS Act);
- **pooled superannuation trust (PST)** has the meaning given in section 10(1) of the SIS Act;

- **RSE** means a registrable superannuation entity as defined in section 10(1) of the SIS Act that is not a defined benefit RSE, PST, ERF, small APRA fund or single member approved deposit fund<sup>1</sup>;
- **RSE licensee** has the meaning given in section 10(1) of the SIS Act;
- **SIS Act** means *Superannuation Industry (Supervision) Act 1993*; and
- **SIS Regulations** means *Superannuation Industry (Supervision) Regulations 1994*.

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<sup>1</sup> For the purposes of these instructions, ‘small APRA fund’ means a superannuation entity that is a regulated superannuation fund, within the meaning of the SIS Act, which has fewer than five members and ‘single member approved deposit fund’ means a superannuation entity that is an approved deposit fund, within the meaning of the SIS Act, and has only one member.