

**Diversa Group Life Pool**  
**ARSN 149 439 841**

**Contents to the financial report**

Directors' report	3
Auditor's Independence Declaration to the Directors of Diversa Superannuation Services Limited, as Responsible Entity for Diversa Group Life Pool	5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Net Assets Attributable to Members	8
Statement of Cash Flows	9
Notes to the financial statements	10
Directors' declaration	13
Independent auditor's report to the members of Diversa Group Life Pool	14

**Diversa Group Life Pool**  
**ARSN 149 439 841**

**Directors' report**  
**31 December 2013**

The Directors of Diversa Superannuation Services Limited (ABN 77 107 165 962), the Responsible Entity of Diversa Group Life Pool (the "Scheme"), submit their report for the Scheme for the half year ended 31 December 2013.

**DIRECTORS**

The names of the Directors of the Responsible Entity in office during the half year until the date of this report are:

P.W. Mueller  
S. J. Korchinski  
A.J. Craig

The Directors were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

**PRINCIPAL ACTIVITIES**

The principal activity of the Scheme during the half year was to pool member's premiums in order to gain access to life, total and permanent disablement and trauma insurance at a reduced cost.

**SCHEME INFORMATION**

Diversa Group Life Pool is an Australian registered scheme, and was constituted on 25 February 2011. Diversa Superannuation Services Limited, the Responsible Entity of the Scheme, is incorporated and domiciled in Australia.

The registered office and principal place of business of the Responsible Entity is located at Level 9, 1 Eagle Street Brisbane QLD 4000.

**REVIEW OF RESULTS AND OPERATIONS**

**Results and distributions**

Net Profit or loss attributable to members for the half year ended 31 December 2013 was \$nil.

**FEES PAID TO AND INTERESTS HELD BY THE RESPONSIBLE ENTITY AND ASSOCIATES**

The following fees were paid to the Responsible Entity and its associates out of Scheme property during the half year. Management fees for the half year paid to the Responsible Entity amounted to \$877.

Expenses incurred by the Responsible Entity on behalf of the Scheme amounted to \$28,195.

The Responsible Entity has chosen not to be reimbursed for these expenses by the Scheme.

**SCHEME ASSETS**

At 31 December 2013 the Scheme held assets to a total value of \$4025. The basis for valuation of the assets is disclosed in Note 2 to the financial statements.

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

Other than that detailed above, there were no significant changes to the state of affairs of the Scheme during the half year.

**Diversa Group Life Pool  
ARSN 149 439 841**

**Directors' report (continued)  
31 December 2013**

**SIGNIFICANT EVENTS AFTER THE BALANCE DATE**

There has been no matter or circumstance that has arisen since the end of the half year that has significantly affected, or may significantly affect, the Scheme's operations in future financial years, the results of those operations or the Scheme's state of affairs in future financial years.

**LIKELY DEVELOPMENTS AND EXPECTED RESULTS**

The Scheme will be maintained in accordance with the Scheme Constitution and continue to be maintained in order to attract new members.

**ENVIRONMENTAL REGULATION AND PERFORMANCE**

The operations of the Scheme are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Scheme.

**AUDITOR'S INDEPENDENCE DECLARATION**

An independence declaration has been provided to the Directors by the auditor of Diversa Group Life Pool, Hunt Professional Group, and is attached to the Directors' report.

Signed in accordance with a resolution of the Directors.

**Director  
Sydney**

Dated: .../.../ 2014

**Auditor's Independence Declaration to the Directors of Diversa Superannuation Services Limited, as Responsible Entity for Diversa Group Life Pool**

In relation to our review of the financial report of Diversa Group Life Pool for the half year ended 31 December 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

**Hunt Professional Group**  
**Phillip S. Hunt**  
**Partner**  
Company Auditor No. 309298

.../.../ 2014

**Diversa Group Life Pool**  
**ARSN 149 439 841**

**Statement of Financial Position**  
**As at 31 December 2013**

	Note	2013 \$	2012 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash at bank	4	2,048	2,869
Premiums receivable	5	1,977	3,032
GST receivable		-	5,056
TFN withholding tax receivable		-	905
<b>TOTAL CURRENT ASSETS</b>		<b>4,025</b>	<b>11,862</b>
<b>TOTAL ASSETS</b>		<b>4,025</b>	<b>11,862</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Premiums received in advance		270	-
Administration fees payable		334	9,841
Insurance premiums payable		3,421	2,021
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,025</b>	<b>11,862</b>
<b>TOTAL LIABILITIES</b>		<b>4,025</b>	<b>11,862</b>
<b>NET ASSETS</b>		<b>-</b>	<b>-</b>

**Diversa Group Life Pool  
ARSN 149 439 841**

**Statement of Comprehensive Income  
For the half year ended 31 December 2013**

	Note	2013 \$	2012 \$
<b>INCOME</b>			
Premiums received		10,752	6,954
Interest received	6	27	1,094
Claims received		-	300,000
<b>TOTAL INCOME</b>		<u><b>10,779</b></u>	<u><b>308,048</b></u>
<b>EXPENSES</b>			
Bank fees		190	90
Claims paid to members		-	300,000
Premiums paid to insurer		9,518	6,648
Administration fees		877	1,310
Adviser fees		194	-
<b>TOTAL EXPENSES</b>		<u><b>10,779</b></u>	<u><b>308,048</b></u>
<b>Benefits accrued/(reduced) as a result of operations before income tax</b>		-	-
Less: Income tax expense/(benefit)		<u>-</u>	<u>-</u>
<b>Benefits accrued/(reduced) as a result of operations before income tax</b>		<u><u>-</u></u>	<u><u>-</u></u>

**Diversa Group Life Pool**  
**ARSN 149 439 841**

**Statement of Changes in Net Assets Attributable to Members**  
**For the half year ended 31 December 2013**

	<b>Application for membership</b>	<b>Net assets attributed to members</b>
Balance at 1 July 2013	-	-
Issue of memberships	3	-
Redemption of membership	-	-
	<hr/>	<hr/>
	-	-
Decrease in net assets attributed to members from transactions to membership	-3	-
Change in net assets attributed to members	-	-
	<hr/>	<hr/>
<b>Balance at 31 December 2013</b>	<b>-</b>	<b>-</b>

**Diversa Group Life Pool**  
**ARSN 149 439 841**

**Statement of Cash Flows**  
**For the half year ended 31 December 2013**

	Note	2013 \$	2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Premiums received		10,685	22,610
Premiums paid		(8,007)	(44,637)
Premiums refunded		(1,398)	(50,986)
Claim proceeds received		-	300,000
Claim payments made		-	(300,000)
Bank interest		27	1,094
Bank fees		(190)	(90)
Administration fees paid		(801)	(13,245)
<b>NET CASH (USED IN)/FROM OPERATING ACTIVITIES</b>		<b>316</b>	<b>(85,255)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>			
		<b>316</b>	<b>(85,255)</b>
Cash and cash equivalents at beginning of the financial year		<b>1,732</b>	<b>88,123</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>7</b>	<b>2,048</b>	<b>2,868</b>



## **Diversa Group Life Pool**

### **ARSN 149 439 841**

#### **1. Corporate information**

The registered office of the Responsible Entity is located at Level 9, 1 Eagle Street Brisbane QLD 4000.

The objective of the Scheme is to pool member's premiums in order to gain access to Life, Total and Permanent Disablement and Trauma Insurance at a reduced cost.

The financial statements of Diversa Group Life Pool for the half year ended 31 December 2013 were authorised for issue in accordance with a resolution of the Board of Directors on .../.../ 2014.

#### **2. Accounting Policies**

##### **2.1 Statement of Compliance**

The half year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial reporting Standard IAS 34 Interim Financial Reporting. The half year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

##### **2.2 Basis of preparation**

This condensed general purpose financial report for the half year ended 31 December 2013 has been prepared on an historical cost basis, except for financial assets and financial liabilities held at fair value through profit or loss, that have been measured at fair value. Cost is based on the fair values of consideration given in exchange for assets. All amounts are presented in Australian Dollars and all values are rounded to the nearest dollar except where otherwise indicated.

##### **2.3 Changes to accounting policy**

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the most recent annual financial report, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Scheme has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standard Board (the AASB) that are relevant to their operations and effective for the current reporting period.

There are no new and revised Standards and amendments thereof and Interpretations effective for the current reporting period that are relevant to the Scheme.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Scheme's accounting policies and has no effect on the amounts reported for the current or prior periods. The new and revised Standards and Interpretations have not had a material impact and not resulted in changes to the Scheme's presentation of, or disclosure in, its half year financial statements.

##### ***AASB 9 Financial Instruments and related amendment AASB 2009-11***

AASB 9 applies to annual reporting periods beginning on or after 1 January 2013 and will therefore apply to the Scheme from 1 July 2013. The Scheme does not intend to early adopt AASB 9 as permitted by the standard, and the actual impact on initial application will depend on certain elections as disclosed below.

AASB 9 requires all financial instruments to be measured at fair value unless the criteria for amortised cost are met. The application of the standard is not expected to change the measurement basis of any of the Scheme's current financial instruments, however, AASB 9 allows the Scheme to elect to present gains and losses on equity securities through other comprehensive income, which may impact the presentation of these gains and losses. The impact of the standard may also change if the nature of the Schemes' activities or investments changes prior to initial application.

**Diversa Group Life Pool**  
**ARSN 149 439 841**

**3. Significant accounting judgments and estimates**

The preparation of the Scheme's financial statements requires management to make judgments, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

**Fair value of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

The judgments include considerations of liquidity and model inputs such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The models are calibrated regularly and tested for validity using prices from any observable current market transactions in the same instrument (without modification or repackaging) or based on any available observable market data.

**Functional Currency**

The primary objective of the Scheme is to generate returns in Australian Dollars, its funding currency. The liquidity of the Scheme is managed on a day-to-day basis in Australian Dollars in order to meet the operations of the Scheme. The Scheme's performance is evaluated in Australian Dollars. Therefore, management considers the Australian Dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

**Diversa Group Life Pool**  
**ARSN 149 439 841**

**4. Cash and cash equivalents**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	2,048	2,869

**5. Premiums Receivable**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Due from Diversa Group Salary Continuance Pool	1,977	1,835
Due from members	-	1,197
	<u>1,977</u>	<u>3,032</u>

**6. Interest revenue**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>Interest revenue</b>		
Cash and cash equivalents	27	1,094

**7. Statement of Cash Flows Reconciliation**

**(a) Reconciliation of change in net assets attributable to members to net cash flows from operating activities**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Change in net assets attributable to members	-	-
<b>Net changes in operating assets and liabilities:</b>		
(Increase) decrease in premiums receivable	67	(3,032)
(Increase) decrease in other receivables	-	(5,961)
Increase (decrease) in administration fees payable	(270)	9,841
Increase (decrease) in premiums payable	(113)	2,021
<b>Net cash provided by operating activities</b>	<u><b>(316)</b></u>	<u><b>2,869</b></u>

**Diversa Group Life Pool**  
**ARSN 149 439 841**

**Directors' declaration**

In accordance with a resolution of the Directors of Diversa Superannuation Services Limited, I state that:

In the opinion of the directors:

- (a) The financial statements and notes of the Scheme are in accordance with the *Corporations Act 2001*, including:
  - i. Giving a true and fair view of the Scheme's financial position as at 31 December 2013 and of its performance for the half year ended on that date; and
  - ii. Complying with Accounting Standards and *Corporations Regulations 2001*.
- (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2.1; and
- (c) There are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

On behalf of the board

**Director**  
**Sydney**  
Dated: .... / .... / 2014

## **Independent auditor's report to the members of Diversa Group Life Pool**

### **Report on the financial report**

We have reviewed the accompanying half year financial report of Diversa Group Life Pool (the Scheme), which comprises the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in net assets attributable to members and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### ***Directors' responsibility for the financial report***

The directors of the Responsible Entity are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half year financial report that is free from material misstatement, whether due to fraud or error.

### ***Auditor's responsibility***

Our responsibility is to express a conclusion on the half year financial report based on our view. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and other Financial Reports Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that may make us believe that the financial report is not in accordance with the *Corporations Act 2001* including; giving a true and fair performance of the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001. As the auditor of Diversa Group Life Pool, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the half year report.

A review of the half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

### ***Independence***

In conducting our review we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the Responsible Entity a written Auditor's Independence Declaration, a copy of which is attached to the directors' report.

## **Independent auditor's report to the members of Diversa Group Life Pool (continued)**

### ***Conclusion***

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Diversa Group Life Pool is not in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the scheme's financial position as at 31 December 2013 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

### **Hunt Professional Group**

#### **Phillip Hunt**

Partner

Company Auditor No. 309298

Sydney

Dated .... / .... / 2014