

Diversa Trustees Limited

# **OneSuper**

**ABN: 43 905 581 638**

**RSE: R1001341**

Annual Report

For the Year Ended 30 June 2024

**OneSuper**  
**Financial Statements**  
**For the Year Ended 30 June 2024**

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## DIRECTORS' REPORT

The directors of Diversa Trustees Limited (the "Trustee"), as trustee for OneSuper (the "Fund"), submit herewith the annual report of the Fund for the financial year ended 30 June 2024. In order to comply with the provisions of the Corporations Act 2001, the directors of the Trustee report as follows:

### Principal activities

OneSuper is operated for the purpose of providing insurance benefits to members.

### Review of operations

During the financial year, the Fund recorded net investment income of \$429,201,981 (2023: \$121,727,163) and expenses of \$24,838,757 (2023: \$10,291,101). The net assets available for members benefits equal to \$6,175,237,217 (2023: \$1,312,761,417).

Volatility in investment markets, alongside high inflation and interest rates, has influenced the outcomes of superannuation activities.

Throughout the financial year, the Fund engaged in investments, with the carrying value of investments amounting to \$5,706,523,145 as at 30 June 2024 (2023: \$1,247,609,072). Details regarding the valuation of the Trust's assets are provided in Note 1 of the financial report.

The Fund operates within a dynamic environment characterised by various risks that may impact its financial prospects. Embracing a risk management approach aligned with industry best practices and regulatory expectations, the Fund aims to strike a balance between risk and reward for the benefit of its members. Key material business risks faced by the Fund include:

**Regulatory and Legislative Changes:** The dynamic regulatory landscape governing superannuation undergoes frequent adjustments, potentially presenting challenges to compliance and operational effectiveness. The Trustee diligently monitors regulatory developments, proactively adapting to changes, and maintains robust governance frameworks. Furthermore, the Trustee adjusts its strategies and operations to align with evolving legal requirements.

**Operational Risk:** Operational risks include various factors, including those associated with the operations of the Trustee oversight model and its service providers delivering services to the Scheme. These risks may arise from deficiencies or failures in the governance processes, internal controls, or operational procedures related to the oversight of the Trustee's activities. Potential risks include inadequate oversight of investment decisions, compliance failures, conflicts of interest, and ineffective management of third-party service providers. To mitigate operational risks, we maintain rigorous governance frameworks, conduct regular assessments of the Trustee oversight model, implement robust internal controls, and foster a culture of accountability and transparency.

**Climate Change:** Climate change presents both physical and transitional risks to investments, affecting asset valuations and long-term sustainability. Environmental, social, and governance (ESG) developments, along with emerging risks and opportunities, may impact investment returns for members. This is an emerging risk and the Trustee will monitor any ESG developments to identify issues that may impact investment returns for members.

### Changes in state of affairs

During the financial year, the Fund experienced a significant increase in Funds Under Management (FUM) as a result of multiple Successor Fund Transfers (SFTs) into the Fund. These transfers brought over assets and members from other superannuation funds, contributing to the overall growth in FUM. The integration of these assets has been completed in accordance with regulatory requirements, and the Fund continues to manage these assets in line with its investment strategy and governance frameworks.

### Subsequent events

A Successor Fund Transfer (SFT) involving another sub-fund is scheduled to take place on 30 September 2024, transferring members into the Fund from the Tidswell Master Superannuation Plan. This transfer will result in the addition of new members to the Fund.

No other significant events have occurred since the end of the reporting period that would impact the financial position of the Fund as at 30 June 2024, or on the results and cash flows of the Fund for the year ended on that date.

### Future developments

The Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the Investment Policy Statement. The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

There are no Future Developments that the Fund needs to disclose.

### Environmental regulations

The Fund's operations are not subject to any significant environmental regulation under either Commonwealth or State legislation. However, the Trustee believes that the Fund has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they may apply to the Fund.

#### Audit and non-audit services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are disclosed in the table below.

	2024 \$'000	2023 \$'000
Statutory assurance services required by legislation to be provided by the auditor	120	73
Other Services	-	-
Total	120	73

The auditor of OneSuper is BDO Audit and during the financial year, the auditor did not provide any non-audit services to the Fund. Further details on the compensation paid to the auditor are provided in Note 19 Remuneration of auditors to the financial statements including details of audit-related services provided during the year of \$120,000 (2023: \$73,425).

For the reasons set out above, the Directors are satisfied that the provision of non-audit services by the external audit during the year ended 30 June 2024 is compatible with the general standard of independence for external auditors imposed by the Corporations Act 2001 and did not compromise the audit independence requirements of the *Corporation Act 2001*.

#### Indemnities and insurance premiums for officers or auditors

Under the Trust Deed, the Trustee including its officers and employees, is indemnified out of the Fund's assets for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its powers, duties or rights in relation to the Fund.

The Trust has not indemnified any auditor of the Trust.

During the financial year the Trustee paid premiums in respect of its officers for professional indemnity insurance contracts for the year ended 30 June 2024. The Trustee has paid or agreed to pay in respect of the Trust, premiums in respect of such insurance contracts for the year ending 30 June 2024. The Fund did not reimburse the Trustee for such costs.

Details of the nature of the liabilities covered or the amount of the premium paid have not been included as such disclosure is prohibited under the terms of the contracts.

#### Rounding of amounts

The OneSuper is an entity of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

## REMUNERATION REPORT

The directors of the Trustee present the Remuneration Report for the Fund for the year ended 30 June 2024. The Remuneration Report forms part of the Directors' Report and has been audited in accordance with section 300C of the Corporations Act 2001. The Remuneration report details the remuneration arrangements for the Directors and the Key Management Personnel (KMP) of the Fund which includes persons who directly, indirectly, have authority and responsibility for planning, directing, and controlling the major activities of the Fund.

#### Remuneration objectives and principles

Our remuneration objectives and principles are firmly aligned with our commitment to both our members and colleagues. They serve as guiding principles in the development and implementation of our remuneration structures.

To ensure compliance with regulatory standards, the Trustee Board has established the Remuneration and Nomination Committee, as mandated by APRA Prudential Standards SPS 510 Governance (SPS 510) and CPS 511 Remuneration (CPS 511).

Our remuneration strategy undergoes an internal review on, at least, an annual basis, considering factors such as the size, complexity, and responsibilities of roles, individual performance and behaviour, as well as skills and experience consistent with our fiduciary duties and the best financial interests of our members. This review includes the utilisation of key performance indicators aligned with the trustee's strategic objectives and risk tolerance.

The policy may also be reviewed by an independent third party. No external review of the policy has been undertaken during the year.

#### Key management personnel

The directors of the Trustee and other key management personnel of the Trustee during the financial year were:

##### Directors of the Trustee

Name	Date of appointment	Status
V. Plant (Chairperson)	4 May 2017	Independent
A. Peterson	28 Jun 2019	Chief Executive Officer
F. McNabb	28 Jun 2019	Independent
R. Beard	18 Feb 2021 (Resigned 27 Jul 2024)	Independent
S. Thomas	15 Aug 2023	Non-Executive
M. Walter	26 Jun 2023	Independent

**Other key management personnel**

The following is the list of executives, who at any time during the period up to the date of this report had an authority and responsibility for planning, directing and controlling activities either directly or indirectly:

Name	Date of	Position
J. Hartnett	14 Feb 2022	General Manager Office of Superannuation Trustees
J. Haymes	15 Feb 2022	General Manager Strategy
R. Griffith	12 Jul 2021	General Manager Investment Oversight & Board Company Secretary

The following section provides remuneration disclosures for the Key Management Personnel of the Trustee. As the Trustee manages multiple Funds, the disclosed remuneration incorporates awards granted across all Funds under its management, and as such, the amounts below are not specific to this Fund alone. Directors of the Trustee and other key management personnel do not receive remuneration directly from the Fund.

The executive remuneration and reward framework has three components:

- base pay;
- short-term discretionary bonuses; and
- other remuneration such as superannuation, annual leave and long service leave.

The combination of these comprises the executive's total remuneration

**FY24 remuneration for Directors and Key Management Personnel**

2024	Short-term employee benefits			Long-term employee benefits	Termination Benefits	Total incl accrued leave entitlements**
	Cash Salary & Fees	Cash Bonus	Superannuation	Annual and Long Service Leave*		
	\$	\$	\$	\$	\$	\$
	<b>Directors of the Trustee</b>					
V. Plant	\$ 220,000	\$ -	\$ -	-	-	\$ 244,200
A. Peterson	\$ 750,000	\$ 630,000	\$ 630,000	\$ 117,411	-	\$ 1,524,810
F. McNabb	\$ 155,000	\$ -	\$ -	-	-	\$ 172,050
R. Beard	\$ 161,096	\$ -	\$ -	-	-	\$ 178,817
S. Thomas	\$ 145,001	\$ -	\$ -	-	-	\$ 160,951
M. Walter	\$ 142,404	\$ -	\$ -	-	-	\$ 158,068
	<b>Other key</b>					
J. Hartnett	\$ 252,317	\$ 45,669	\$ 45,669	\$ 18,883	-	\$ 344,268
J. Haymes	\$ 229,585	\$ 45,514	\$ 45,514	\$ 5,587	-	\$ 295,130
R. Griffith	\$ 393,068	\$ 79,511	\$ 79,511	\$ 41,458	-	\$ 539,162

\*Annual Leave and Long Service Leave accrued during the year takes into consideration the impact of changes to the Superannuation Guarantee percentage. The amount represents the accrued amount less any time taken during the year and does not represent the amount paid.

\*\* The Corporations Regulations require KMP remuneration to be disclosed as it applies to an individual fund. The Trustee has determined that because the independent trustee model brings a unique set of responsibilities and accountabilities for the KMP which applies across all funds under trusteeship, the total remuneration of the KMP for all funds under trusteeship represents the appropriate remuneration to be disclosed in the financial statements of all funds under their trusteeship.

No key management personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

**Non Cash Benefits**

The Trustee does not pay non-cash benefits to its Directors or Key Management Personnel.

**Bonuses granted in the current financial year**

**Cash bonuses**

Key management personnel were granted and paid a cash bonus of \$800,694. The cash bonus was given in recognition of the substantial effort to negotiate and implement the trustee's strategy and these are discretionary in nature.

These bonuses are discretionary in nature and are based on the performance of individuals against financial and non-financial criteria as laid out in individual employee contracts. This performance is considered as part of the annual performance review process and the bonuses are subject to Executive approval. The bonus of the CEO is approved by the Remuneration and Nomination Committee.

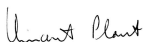
**Service agreements**

Remuneration arrangements for executives are formalised through employment agreements. These agreements outline the terms and conditions of employment, including the structure of remuneration packages and performance criteria.

**Director's resolution**

This directors' report is signed in accordance with a resolution of directors of the Trustee made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors of the Trustee



V.Plant  
Director  
Melbourne, 30 September 2024



Tel: +61 3 9603 1700  
Fax: +61 3 9602 3870  
[www.bdo.com.au](http://www.bdo.com.au)

Collins Square, Tower Four  
Level 18, 727 Collins Street  
Melbourne VIC 3008  
GPO Box 5099 Melbourne VIC 3001  
Australia

## **DECLARATION OF INDEPENDENCE BY JAMES DIXON TO THE DIRECTORS OF DIVERSA TRUSTEES LIMITED**

As lead auditor of OneSuper for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of OneSuper during the period.

**James Dixon**

**Director**

BDO

**BDO Audit Pty Ltd**

Melbourne, 30 September 2024

**STATEMENT OF FINANCIAL POSITION**  
**As at 30 June 2024**

		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Assets</b>			
Cash and cash equivalents	12	490,140	64,974
Investments held at fair market value	4	5,706,523	1,247,609
<b>Receivables</b>			
Interest receivable		34	386
Distributions and dividends receivable		62,426	12,547
Other receivables		21,518	261
<b>Other assets</b>			
Deferred tax assets	10	8,433	-
<b>Total Assets</b>		<u>6,289,074</u>	<u>1,325,777</u>
<b>Liabilities</b>			
Benefits payable		4,599	1,965
Accounts payable and accrued expenses		39,137	6,232
Current tax liabilities		34,517	1,631
Deferred tax liabilities	10	35,584	3,188
<b>Total Liabilities Excluding Member Benefits</b>		<u>113,837</u>	<u>13,016</u>
<b>Net Assets Available For Member Benefits</b>		6,175,237	1,312,761
Defined contribution member liabilities		6,168,192	1,299,508
Contributions not allocated to Members		3,091	-
<b>Total Net Assets</b>		<u>3,954</u>	<u>13,253</u>
<b>Equity</b>			
Operational Risk Reserve	9	14,050	3,730
Insurance premiums holding reserve		773	273
Administration reserve		9,382	1,680
Unallocated (deficit) / surplus		(20,251)	7,570
<b>Total Equity</b>		<u>3,954</u>	<u>13,253</u>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

## INCOME STATEMENT

For the Year Ended 30 June 2024

		2024	2023
	Notes	\$'000	\$'000
<b>Superannuation activities</b>			
Interest revenue		29,274	9,761
Dividend revenue		6,619	2,853
Distribution income		88,509	20,363
Net changes in fair value of investments	5	301,948	88,191
Other income		2,852	559
<b>Total Net (Loss) / Income</b>		<u>429,202</u>	<u>121,727</u>
<b>Less expenses</b>			
General administration expenses	11	<u>(24,839)</u>	<u>(10,291)</u>
<b>Total Expenses</b>		<u>(24,839)</u>	<u>(10,291)</u>
<b>Results From Superannuation Activities Before Income Tax Expense</b>		<u>404,363</u>	<u>111,436</u>
Income tax (expense) / benefit	10	<u>(29,393)</u>	<u>(379)</u>
<b>Results From Superannuation Activities After Income Tax Expense</b>		<u>374,970</u>	<u>111,057</u>
Net benefits allocated to defined contribution members		<u>(387,195)</u>	<u>(105,864)</u>
<b>Operating Result After Income Tax</b>		<u><u>(12,225)</u></u>	<u><u>5,193</u></u>

*The above income statement should be read in conjunction with the accompanying notes.*



**STATEMENT OF CHANGES IN MEMBER BENEFITS**  
**For the Year Ended 30 June 2024**

		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Opening Balance Of Member Benefits (as at 1 July)</b>		1,299,508	1,202,380
Contributions:			
- Employer contributions		253,289	74,184
- Member contributions		79,912	16,057
- Government co-contributions		606	337
Transfers in from other superannuation funds		191,619	162,773
Member transfers in from SFT		4,560,775	-
Income tax on contributions		(39,329)	(11,357)
<b>Net After Tax Contributions</b>		<u>5,046,872</u>	<u>241,994</u>
Benefits paid to members		(524,364)	(226,770)
Insurance premiums charged to member accounts	8	(68,984)	(40,199)
Death & disability benefits credited to member accounts		31,985	12,077
Compensation payment to members		96	441
Reserve transferred to/(from) members			
- Operational Risk Reserve		-	-
- Unallocated surplus		9,838	763
Tax benefit on insurance premiums		-	2,958
Net benefits allocated comprising:			
- Net investment income/(loss)		387,195	115,641
- Administration expenses		(13,954)	(9,777)
<b>Closing Balance Of Member Benefits (as at 30 June)</b>		<u><u>6,168,192</u></u>	<u><u>1,299,508</u></u>

*The above statement of changes in member benefits should be read in conjunction with the accompanying notes.*

**STATEMENT OF CHANGES IN EQUITY**  
For the Year Ended 30 June 2024

	Operational Risk Reserve	Unallocated Surplus	Insurance Reserve	Administration Reserve
	\$'000	\$'000	\$'000	\$'000
<b>Opening Balance as at 1 July 2022</b>	3,650	1,955	2,766	2,731
Operating result	80	6,163	-	(1,051)
Net transfers (to)/from member accounts	-	(763)	(2,493)	-
Tax benefit not reflected in closing member benefits	-	215	-	-
<b>Closing Balance as at 30 June 2023</b>	<u>3,730</u>	<u>7,570</u>	<u>273</u>	<u>1,680</u>
<b>Opening Balance as at 1 July 2023</b>	3,730	7,570	273	1,680
Operating result	34	(19,604)	-	7,344
Net transfers (to)/from member accounts	-	(9,838)	500	358
SFT transfer to OneSuper	10,286	-	-	-
Tax benefit not reflected in closing member benefits	-	1,621	-	-
<b>Closing Balance as at 30 June 2024</b>	<u>14,050</u>	<u>(20,251)</u>	<u>773</u>	<u>9,382</u>
	<b>Total Equity</b>			
	<b>\$'000</b>			
<b>Opening Balance as at 1 July 2022</b>	11,102			
Operating result	5,192			
Net transfers (to)/from member accounts	(3,256)			
Tax benefit not reflected in closing member benefits	215			
<b>Closing Balance as at 30 June 2023</b>	<u>13,253</u>			
<b>Opening Balance as at 1 July 2023</b>	13,253			
Operating result	(12,225)			
Net transfers (to)/from member accounts	(8,980)			
SFT transfer to OneSuper	10,286			
Tax benefit not reflected in closing member benefits	1,621			
<b>Closing Balance as at 30 June 2024</b>	<u>3,954</u>			

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

**STATEMENT OF CASH FLOWS**  
For the financial year ended 30 June 2024

		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash Flows From Operating Activities</b>			
Interest received		29,626	9,375
Dividends received		6,619	-
Distributions received		38,629	27,472
Management fee rebate		2,852	-
General administration expenses paid		(24,728)	(10,416)
Death and disability proceeds received from insurer		31,984	12,077
Insurance premiums paid	8	(65,351)	(38,748)
Sundry income		-	523
Tax (paid)/refund		9,231	4,176
<b>Net Cash Inflow/(Outflow) From Operating Activities</b>	13	<b>28,862</b>	<b>4,459</b>
<b>Cash Flows From Investing Activities</b>			
Sale of financial instruments		1,676,271	457,241
Purchases of financial instruments		(5,830,188)	(503,431)
<b>Net Cash Inflow/(Outflow) From Investing Activities</b>		<b>(4,153,917)</b>	<b>(46,190)</b>
<b>Cash Flows From Financing Activities</b>			
Employer contributions received		253,289	74,184
Member contributions received		80,518	16,394
Transfers in from other superannuation funds		191,619	162,773
Member transfers in from SFT		4,560,775	-
Benefit payments to members or beneficiaries		(521,730)	(228,070)
Compensation payment to members		95	441
Tax refund/(paid) on contributions		(14,345)	(15,339)
<b>Net Cash inflow/(Outflow) From Financing Activities</b>		<b>4,550,221</b>	<b>10,383</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalents</b>		<b>425,166</b>	<b>(31,348)</b>
Cash and cash equivalents at the beginning of the financial year		64,974	96,322
<b>Cash And Cash Equivalents At The End Of The Financial Year</b>	12	<b>490,140</b>	<b>64,974</b>

The above statement of cash flows should be read in conjunction with the accompanying notes.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General Information

OneSuper (ABN 43 905 581 638) (the "Fund") is a retail superannuation fund domiciled in Australia. The Fund is primarily involved in providing retirement benefits to its members. The Fund was constituted by a Trust Deed dated 18 March 1991 as amended.

In accordance with amendments to the Superannuation Industry (Supervision) Act 1993 the Fund is registered with the Australian Prudential Regulation Authority ("APRA") as a Registrable Superannuation Entity ("RSE") R1001341.

The Fund is a defined contribution fund. Members are either those employees of Australian-based employers who have selected the Fund as the default fund for their employees or those members who have voluntarily selected the Fund.

The Trustee of the Fund during the reporting period was Diversa Trustees Limited (ABN 49 006 421 638) (RSE No L0000635). The address of the Fund's registered office is Level 9, 2 Southbank Boulevard, Southbank Victoria.

Both the Trustee and the Fund are domiciled in Australia and registered with APRA.

These financial statements cover the Fund as an individual entity. The financial statements of the Fund were authorised for issue by the directors of the Trustee on 30 September 2024. The directors of the Trustee have the power to amend and re-issue these financial statements.

### 2. Summary of material accounting policies

Unless covered in other notes to the financial statements, the principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

#### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, the Corporations Act 2001 and Corporations Regulations 2001 and the provisions of the Trust Deed. The financial statements are presented in the Australian currency.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial investments and net assets available for member benefits.

#### (b) Financial instruments

##### (i) Classification

The Fund's investments are classified as at fair value through the income statement. They comprise:

- Financial instruments held for trading.

Derivative financial instruments such as futures, forward contracts, options and interest rate swaps are included under this classification, however the Fund presently is not directly exposed to or involved in the use of derivative financial instruments. However, some of the underlying investments may utilise derivative financial instruments to hedge or partially hedge specific exposures. The fund does not enter into, hold or issue derivative financial instruments for trading purposes.

- Financial instruments designated at fair value through income statement upon initial recognition.

These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange traded debt and equity instruments, unlisted trusts and commercial paper.

These investments are managed and their performance is evaluated on a fair value basis in accordance with the Fund's investment strategy.

(ii) *Recognition/de-recognition*

Financial assets and financial liabilities are recognised on the date the Fund becomes party to the contractual agreement (trade date) and changes in the fair value of the financial assets or financial liabilities are recognised from this date.

Investments are de-recognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all of the risks and rewards of ownership.

(iii) *Measurement*

At initial recognition, the Fund measures a financial asset or liability at fair value. Transaction costs are expensed in the income statement.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through income statement are measured at fair value. Gains and losses are presented in the income statement in the period in which they arise as net changes in fair value of financial instruments.

For further details on how the fair values of financial instruments are determined refer to note 4.

(iv) *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability at the same time.

**(c) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from investing activities, as movements in the fair value of these securities represent the Fund's main income generating activity.

**(d) Revenue recognition**

Interest revenue is recognised in profit or loss for all financial instruments that are held at fair value through profit or loss using the effective interest method. Income from cash and cash equivalents is presented as interest income. Interest income on assets held at fair value through profit or loss is included in the net changes in fair value of financial instruments. Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(b) to the financial statements.

Dividend and trust distribution income is recognised gross of withholding tax in the period in which the Fund's right to receive payment is established.

The Trustee has informed the Administrator to allocate unallocated surplus's to members accounts in a timely manner.

**(e) Receivables**

Receivable amounts are generally received within 30 days of being recorded as receivables.

Collectability of trade receivables is reviewed regularly. Debts which are known to be uncollectable are written off by reducing the carrying amount.

**(f) Payables**

Payables include liabilities and accrued expenses owing by the Fund which are unpaid as at the end of the reporting period. These amounts are unsecured and are usually paid within 30 days of recognition.

**(g) Benefits paid/payable**

Benefits paid/payable are valued at the amounts due to members at reporting date. Benefits paid/payable comprise pensions accrued at balance date and lump sum benefits of members who are due a benefit but had not been paid at balance date.

**(h) Contributions received and transfers from other funds**

Contributions received and transfers from other Funds are recognised in the statement of changes in member benefits when the control of the contribution or transfer has transferred to the Fund. They are recognised gross of any taxes.

**(i) Use of estimates**

The preparation of the financial statements requires the making of some estimates and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates. Estimates are continually evaluated, and any revisions are recognised in the period in which they occur. Estimates are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel. Refer to note 4 for details.

**(j) New accounting standards and interpretations**

The Fund has applied the following standards and amendments for the first time for its annual reporting period commencing 1 July 2023:

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies Definition of Accounting Estimates [AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2]
- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction [AASB 112]
- AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules [AASB 112]

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

***New accounting standards and interpretations not yet adopted***

Certain amendments to accounting standards have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the Fund. These amendments are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

<b>New or revised requirement</b>	<b>Title</b>	<b>Effective Date</b>	<b>30 June 2024 Applicability</b>
AASB 2020-1	Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current, AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date and AASB 2023-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	1 January 2024	Optional
AASB 2020-6	Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current - Deferral of Effective Date	1 January 2024	Optional
AASB 2022-5	Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback	1 January 2024	Optional
AASB 2023-1	Amendments to Australian Accounting Standards - Amendments to Australian Accounting Standards—Supplier Finance Arrangements	1 January 2024	Optional

There are no other new accounting standards and other authoritative pronouncements that are expected to have a material impact on the Fund.

### **Climate related and other emerging risk disclosure**

On 27 March 2024, Treasury released the Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024 (the Bill). Schedule 4 of the Bill introduces a proposed new mandatory climate related financial disclosure regime. The Bill outlines the introduction of reporting obligations in three groups over a four-year period, based on criteria such as revenue, assets, number of employees, and whether the entity has existing climate reporting obligations. The first phase for large entities is scheduled to commence on 1 January 2025. Specific reporting content will be established in new accounting standards under the Australia Sustainability Reporting Standards (ASRS) set by the Australian Accounting Standards Board (AASB), with new assurance standards to be developed and maintained by the Australian Auditing and Assurance Standards Board (AUASB). The fund is not expected to have reporting obligations until 1 July 2027.

### **Other legislative or government developments**

The Fund is a registrable superannuation entity that is subject to amendments made to the Corporations Act 2001 by the Treasury Laws Amendment (2002 Measures No.4) Act 2022. These amendments are effective for financial years beginning on or after 1 July 2023 and bring registrable superannuation entities such as the Trust into the financial reporting provisions of the Corporations Act 2001.

Accordingly, for the Fund's income year ending 30 June 2024, the Trust will be required to prepare an annual report, consisting of a financial report (including financial statements, notes and a directors' declaration), a directors' report (including a remuneration report) and an attached auditor's report and auditor's independence declaration. There will be no impacts to the recognition and measurement requirements utilised in the preparation of the financial report of the Fund as a result of these changes.

### **(k) Rounding of amounts**

Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

## **3. Financial risk management**

The Fund's activities expose it to a variety of financial risks: market risk (including price risk, and interest rate risk), credit risk and liquidity risk.

The Trustee has taken into consideration the current global inflation, the rise in interest rates and the ongoing global uncertainty associated with the conflict in Ukraine in preparing these financial statements. As a result, assessing fair value as at reporting date involves increased uncertainties around the underlying assumptions for valuations given the very wide range of potential paths forward for both economies, policy responses and asset fundamentals.

The Investment Governance Framework ("IGF") sets out the Trustee's policies and procedures for the selection, management and monitoring of investments for the Fund. For each investment option offered by the Fund, the Trustee seeks to maximise the returns derived for the level of risk to which the Fund is exposed.

### **(a) Market risk**

#### *(i) Price risk*

The Fund is exposed to unlisted unit trusts price risk. These arise from investments held by the Fund for which prices in the future are uncertain.

The Trustee mitigates price risk through diversification and a careful selection of securities. Compliance with the IGF and supporting investment guidelines are monitored by the Trustee on a regular basis.

At 30 June, the fair value of investments exposed to price risk were as follows:

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Equity securities	699,609	162,597
Unlisted unit trusts	4,393,389	988,426
Exchange traded fund	216,250	-
Separately managed accounts (ASX listed securities)	33,228	42,222
Net exposure to price risk	<u>5,342,476</u>	<u>1,193,245</u>

(ii) *Cash flow and fair value interest rate risk*

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates.

Financial instruments with fixed interest rates expose the Fund to fair value interest rate risk.

The table below summarises the Fund's direct exposure to interest rate risk.

<b>As at 30 June 2024</b>	<b>Floating interest rate \$'000</b>	<b>Fixed interest rate \$'000</b>	<b>Non-interest bearing \$'000</b>	<b>Total \$'000</b>
<b>Financial assets</b>				
Cash and cash equivalents	490,140	-	-	490,140
Cash held in investments	156,570	207,477	-	364,047
Net exposure interest rate risk	646,710	207,477	-	854,187

<b>As at 30 June 2023</b>	<b>Floating interest rate \$'000</b>	<b>Fixed interest rate \$'000</b>	<b>Non-interest bearing \$'000</b>	<b>Total \$'000</b>
<b>Financial assets</b>				
Cash and cash equivalents	64,974	-	-	64,974
Due from brokers – receivables for securities sold	53,282	1,081	-	54,363
Net exposure interest rate risk	118,256	1,081	-	119,337

(b) **Summarised sensitivity analysis**

The following table summarises the sensitivity of the Fund's operating profit and net assets attributable to unitholders to interest rate risk and price risk. The reasonably possible movements in the risk variables have been based on the Trustee's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and market volatility. Actual movements in the risk variables may be greater or less than anticipated due to a number of factors. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

	<b>Price Risk</b>		<b>Interest rate risk</b>	
	<b>Impact on operating profit/Net assets attributable to unitholders</b>			
	<b>-15%</b>	<b>+7.5%</b>	<b>-75 bps</b>	<b>+75 bps</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>30 June 2024</b>	(801,371)	400,686	(6,406)	6,406
<b>30 June 2023</b>	(178,987)	89,493	(487)	487

(c) **Credit risk**

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due, causing a financial loss to the Fund.

The main credit risks, to which the Fund is exposed, arises from the Fund's investment in cash and cash equivalents, interest bearing securities, units in unit trusts and other receivables. The Trustee monitors the Fund's credit risk exposure on a regular basis.

(i) *Fixed interest securities*

The Fund presently is not directly exposed to or involved in the use of fixed interest securities. However, some of the Fund's underlying investments may, as part of the respective fund manager's investment strategy, include fixed interest securities.

(ii) *Derivative financial instruments*

The Fund presently is not directly exposed to or involved in the use of derivative financial instruments. However, some of the Fund's underlying investments may, as part of the respective fund manager's investment strategy, utilise derivative financial instruments to hedge or partially hedge specific exposures. The Fund does not enter in to, hold or issue derivative financial instruments for trading purposes.



(iii) *Settlement of securities transactions*

All transactions in listed securities are settled for upon delivery using brokers approved by the Trustee. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment.

(iv) *Cash and cash equivalents*

The Fund's exposure to credit risk for cash and cash equivalents is considered low as all counterparties have a rating of BBB+ in 2024 (BBB+ or higher in 2023) as determined by Standard and Poors.

(v) *Assets in custody*

The clearing and depository for the Fund's security transactions are concentrated with three counterparties. They are State Street Australia Limited (appointed as new Custodian from 1 December 2023), Certane CT Pty Ltd and J.P.Morgan Nominees Australia Limited. State Street Australia Limited had a credit rating of AA as at 30 June 2024 (30 June 2023 rating AA) Certane CT Pty Ltd does not have a credit rating (30 June 2023 no rating). J.P.Morgan Nominees Australia Limited had a credit rating of A+ as at 30 June 2024 (30 June 2023 rating A+). Sandhurst Trustees Limited had a credit rating of BBB+ as at 30 June 2024 (BBB+ at 30 June 2023).

(vi) *Maximum exposure to credit risk*

The Fund's maximum exposure to credit risk is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

(d) **Liquidity risk**

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations to members or counterparties in full as they fall due or can only do so on terms that are disadvantageous.

The Fund is obligated to pay member benefits upon request. The Trustee's policy is therefore to primarily hold investments that are traded in an active market and can be readily disposed. Only a limited proportion of its assets are held in investments not actively traded on a stock exchange or ordinarily redeemable within a short period of time. The Fund's overall liquidity risks are monitored by the Trustee at least annually.

(i) *Maturities of financial liabilities*

The tables below show the Fund's financial liabilities based on their contractual maturities using undiscounted cash flows. Due to brokers and benefits payable are payable on demand. Liabilities to defined contribution members are payable upon request. The Fund considers it is highly unlikely that all liabilities to members would fall due at the same time.

<b>As at 30 June 2024</b>	<b>Less Than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Non-derivatives</b>				
Benefits payable	4,599	-	-	4,599
Other payables	39,137	-	-	39,137
Liability for accrued benefits	6,168,192	-	-	6,168,192
	<u>6,211,928</u>	<u>-</u>	<u>-</u>	<u>6,211,928</u>
<b>As at 30 June 2023</b>	<b>Less Than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Non-derivatives</b>				
Benefits payable	1,965	-	-	1,965
Other payables	6,232	-	-	6,232
Liability for accrued benefits	1,299,508	-	-	1,299,508
	<u>1,307,705</u>	<u>-</u>	<u>-</u>	<u>1,307,705</u>

The liability for accrued benefits have been included in the less than one month column. This is the earliest date on which the Fund can be required to pay members' vested benefits, however the Trustee does not anticipate that members will call upon amounts vested to them during this time.

## 4. Fair value measurement

### (a) Fair value hierarchy

The Fund classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities. These inputs are readily available in the market and are normally obtainable from multiple sources.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly. The Trustee values fixed interest securities held by the Fund using broker quotes, units in unit trusts using the unit price provided by the underlying fund manager and OTC derivatives using valuation models.
- Level 3: one or more of the significant inputs are not based on observable market data, examples include discount rates and other material unobservable inputs. The Trustee values units in unit trusts classified as level 3 using the unit price provided by the underlying fund manager. These unit trusts hold illiquid investments such as unlisted property and private equity.

#### Recognised fair value measurements

The table below sets out the Fund's financial assets and liabilities at fair value according to the fair value hierarchy.

As at 30 June 2024	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial Assets</b>				
Cash and cash equivalents	364,047	-	-	364,047
Equity securities	699,609	33,228	-	732,837
Units in unit trusts	-	4,392,472	917	4,393,389
Exchange traded funds	216,250	-	-	216,250
<b>As at 30 June 2024</b>	<b>1,279,906</b>	<b>4,425,700</b>	<b>917</b>	<b>5,706,523</b>

As at 30 June 2023	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial Assets</b>				
Cash and cash equivalents	54,363	-	-	54,363
Equity securities	162,598	42,222	-	204,820
Units in unit trusts	-	987,581	845	988,426
<b>As at 30 June 2023</b>	<b>216,961</b>	<b>1,029,803</b>	<b>845</b>	<b>1,247,609</b>

There has been a reclassification from level 1 to level 2 for some assets in Managed accounts included in Equity securities.

#### Movement in level 3 investments

The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers to and from level 3 in the fair value hierarchy for the year ended 30 June 2024 and 30 June 2023.

	2024	2023
	\$'000	\$'000
Opening balance	845	332
Change in fair value	72	513
Closing balance	<u>917</u>	<u>845</u>

#### Valuation inputs and relationships to fair value

The Funds' level 3 investments comprise units in unit trusts which hold illiquid investments such as unlisted property and private equity. The following table summarises the quantitative information about the significant unobservable inputs used by the Trustee in level 3 fair value measurements.

Description	Fair value as 30 June \$'000	Unobservable inputs	Relationship of unobservable inputs to fair value
2024 Unlisted unit trusts	\$917	Redemption price	Higher (lower) redemption price (+/- 10%) would increase/ (decrease) fair value by \$91,745
2023 Unlisted unit trusts	\$845	Redemption price	Higher (lower) redemption price (+/- 10%) would increase/ (decrease) fair value by \$84,482

#### Valuation process

The Trustee reviews valuations of the financial instruments required for financial reporting purposes, including level 3 fair values. Changes in level 2 and 3 fair values are analysed at each reporting date by the Trustee.

Included in the above Level 3 balances are investments in LM Wholesale First Mortgage Income Funds with a value of 2024: \$917,452 (2023: \$844,818). This asset is frozen and is being wound up. A report from the Receiver dated 30 June 2024 indicates that once Court proceedings are finalised and Deed of settlement is entered to, subject to court approval, a final distribution will be made to unitholders. Due to confidentiality reasons, the Receiver was unable to provide details of the amounts to be realised, however, a comprehensive update of the projected return to investors will be provided in the next report pursuant to the ASIC Exemption. As such management considers the valuation at 30 June 2024 to represent the best estimate of fair value.

The LM Wholesale funds, of which the Fund is an investor, hold units in the LM First Mortgage Income Fund. The assets of the LM First Mortgage Income Fund will now be sold and once creditors have been paid any excess proceeds will be returned to unitholders. Due to confidentiality reasons, it is unable to provide details of the amounts to be realised, however a comprehensive update of the projected return to investors will be provided at a later date, pursuant to the ASIC Exemption.

## 5. Net changes in fair value of financial instruments

Net changes in financial assets and liabilities measured at fair value:

	2024	2023
	\$'000	\$'000
<b>Designated at fair value through profit or loss</b>		
Equity securities	45,778	12,059
Unlisted unit trusts	256,170	76,132
<b>Total</b>	<u>301,948</u>	<u>88,191</u>

## 6. Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, and the relevant activities are directed by means of contractual arrangements.

The Fund considers all investments in managed investment schemes (funds) to be structured entities. The Fund invests in underlying managed funds for the purpose of capital appreciation and or earning investment income.

The investee funds' objectives are to achieve medium to long term capital growth. The investee funds invest in a number of different financial instruments, including equities and debt instruments. The investee funds finance their operations by issuing redeemable shares which are puttable at the holder's option and entitle the holder to a proportional stake in the respective fund's net assets.

The exposure to investments in investee funds at fair value, by investment strategy, is disclosed below:

	Fair value of investment 2024	Fair value of investment 2023
	\$'000	\$'000
Cash funds	537,416	120,908
Fixed interest funds	890,942	200,444
Australian property funds	60,632	13,641
Australian equity funds	1,560,650	351,116
International property funds	145,764	32,794
International equity funds	1,090,565	245,356
Infrastructure funds	28,345	6,377
Other	79,075	17,790
<b>Total</b>	<u>4,393,389</u>	<u>988,426</u>

The fair value of financial assets 2024: \$4,393,389,386 (2023: \$988,425,749) is included in financial assets in the statement of financial position.

The Fund's maximum exposure to loss from its interests in investee funds is equal to the total fair value of its investments in the investee funds.

During the year ended 30 June 2024 total loss incurred on investments in investee funds were -\$256,170,113 (total loss 2023: -\$88,191,439).

During the year the Fund earned fair value gains and distribution income as a result of its interests in other funds.

## 7. Member liabilities

### (a) Recognition and measurement of member liabilities

The entitlements of members to benefit payments are recognised as liabilities. They are measured at the amount of the accrued benefits as at the reporting date, being the benefits that the Fund is presently obliged to transfer to members or their beneficiaries in the future as a result of the membership up to the end of the reporting period.

### (b) Defined contribution member liabilities

Defined contribution member account balances are measured using unit prices determined by the Trustee based on the underlying investment option values selected by members or alternatively reflect the fair value of the investments held by the members.

The defined contribution members bear the investment risk relating to the underlying investment options. Unit prices used to measure defined contribution member liabilities are updated each day for movements in investment values.

As at 30 June 2024, the net assets attributable to defined contribution members have been partially allocated. Unallocated amounts are shown in the statement of financial position as "Unallocated surplus / (deficit)" within equity.

## 8. Insurance arrangements

The Fund provides death and disability benefits to its members. The Trustee has a group and/or retail policies in place with third party insurance companies to insure these death and disability benefits for the members of the Fund.

The Fund collects premiums from members on behalf of the relevant insurance company. Insurance claim amounts are recognised where the insurer has agreed to pay the claim. Therefore, insurance premiums are not revenues or expenses of the superannuation entity and do not give rise to insurance contract liabilities or reinsurance assets. Insurance premiums charged to members' accounts and reinsurance recoveries allocated are recognised in the statement of changes in members' benefits.

The Trustee determined that the Fund is not exposed to material insurance risk because:

- members (or their beneficiaries) will only receive insurance benefits if the external insurer pays the claim
- insurance premiums are only paid through the Fund for administrative reasons, and
- insurance premiums are effectively set directly by reference to premiums set by an external insurer.

## 9. Reserves

### Operational risk financial reserve

The Trustee has established a combination of Operational Risk Trustee Capital ("ORTC") and Operational Risk Reserve ("ORR") in response to the operational risk financial requirement introduced into the Superannuation Industry (Supervision) Act 1993 from 1 July 2013. The ORTC and ORR are operated in accordance with the Operational Risk Financial Requirement Strategy. The purpose is to provide funding for incidents where losses may arise from an operational risk event relating to the Trust. The level of funding is determined by the Trustee based on an assessment of the risks faced by the Trust.

The ORR balance at the end of the reporting period was \$14,049,903 (2023: \$3,730,373) as disclosed in the Statement of Financial Position.

The ORTC balance at the end of the reporting period was \$2,229,000 (2023: \$250,000). This amount is held outside the Fund and not included in the Statement of Financial Position.

### Insurance premiums holding reserve

This reserve represents the annual insurance premiums collected on behalf of members in NEOS Super Plan Division but not yet remitted to the insurer. These amounts will be remitted to the insurer on a monthly basis.

### Administration reserve

The administration reserve has been established for the purpose of meeting the Fund's operating costs.

## 10. Income Tax

This note provides an analysis of the Fund's income tax expense and how the tax expense is affected by non-assessable and non-deductible items.

### (i) Accounting policy

Under the Income Tax Assessment Act, the Fund is a complying superannuation fund. As such, a concessional tax rate of 15% is applied on net investment earnings with deductions allowable for administrative and operational expenses. Financial assets held for less than 12 months are taxed at the Fund's rate of 15%. For financial assets held for more than 12 months, the Fund is entitled to a further discount on the tax rate leading to an effective tax rate of 10% on any gains/(losses) arising from the disposal of investments.

Current tax is the expected tax payable on the estimated taxable income for the current year based on the applicable tax rate adjusted for instalment payments made to the ATO during the year and by changes in deferred tax assets and liabilities attributable to temporary differences.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### (ii) Income tax expense

	2024	2023
	\$'000	\$'000
Current tax expense		
Current tax on profits for the year	(2,892)	(5,245)
Adjustments for current tax of prior periods	(112)	(1,492)
<b>Current tax (benefit)</b>	<u>(3,004)</u>	<u>(6,737)</u>
Deferred tax expense		
Movement in temporary differences	32,397	7,117
<b>Income tax expense/(benefit)</b>	<u><u>29,393</u></u>	<u><u>379</u></u>

### (iii) Numerical reconciliation of income tax expense to prima facie tax payable

	2024	2023
	\$'000	\$'000
Operating result before income tax expense	404,363	111,436
Tax at the Australian rate of 15% (2024 – 15%)	60,654	16,715
Discount on capital gains	(3,174)	(2,421)
Non-taxable investment market value movement	(234)	(2,303)
Non-deductible expenses	104	84
Group Life Premiums	(9,803)	(5,274)
Other non-assessable income	(2,452)	(603)
Imputation credits	(15,593)	(4,326)
Adjustments for current tax of prior periods	(112)	(1,492)
<b>Income tax expense/(benefit)</b>	<u><u>29,393</u></u>	<u><u>379</u></u>

In addition to the above \$41,381,067 (2023: \$11,356,565) is recognised in the statement of changes in member benefits relating to tax on contributions deducted from member accounts.

(iv) *Deferred tax balances*

The balance comprises temporary differences attributable to:

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Deferred tax (liabilities) / assets</b>		
Financial assets measured at fair value through profit or loss Australian rate of 15% (2024 – 15%)	(36,857)	(3,960)
Accrued (income/expenses)	1,272	772
<b>Net deferred tax (liabilities) / assets</b>	<u>(35,584)</u>	<u>(3,188)</u>

In addition to the above \$8,318,366 is recognised in the statement of financial position relating to the deferred tax asset transferred in from ING Superannuation successor fund transfer.

The movements in temporary differences during the year are:

	<b>Beginning of year</b>	<b>Recognised in income</b>	<b>End of year</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>30 June 2024</b>			
Changes in accrued expenses	772	500	1,272
Net changes in fair value of financial instruments	(3,960)	(32,897)	(36,857)
Deferred tax (liability) / assets	<u>(3,188)</u>	<u>(32,397)</u>	<u>(35,585)</u>
<b>30 June 2023</b>			
Changes in accrued expenses	552	220	772
Net changes in fair value of financial instruments	3,376	(7,336)	(3,960)
Deferred tax (liability) / assets	<u>3,928</u>	<u>(7,116)</u>	<u>(3,188)</u>

## 11. General administration expenses

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Administration fees	8,551	3,429
Promoter fees	3,271	1,557
Trustee fees	2,713	1,366
Custody fees	1,234	692
Audit fees	123	76
Adviser Fees	3,813	2,971
Other expenses	5,134	200
	<u>24,839</u>	<u>10,291</u>

## 12. Cash and cash equivalents

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash at bank	490,140	64,974
	<u>490,140</u>	<u>64,974</u>

### 13. Reconciliation of profit/(loss) after income tax to net cash inflow/(outflow) from operating activities

#### (a) Reconciliation of profit/(loss) after income tax to net cash inflow/(outflow) from operating activities

	2024	2023
	\$'000	\$'000
Operating result after tax	(12,225)	5,193
Adjustments for:		
Net changes in financial instruments measured at fair value through the profit and loss	(301,948)	(88,191)
Net benefits allocated to defined contribution members	387,195	105,864
(Increase)/decrease in receivables	(79,217)	7,763
Increase/(decrease) in payables	68,426	501
Death and disability proceeds received from insurer	31,984	12,077
Insurance premiums paid	(65,351)	(38,748)
Net cash inflow (outflow) from operating activities	<u>28,864</u>	<u>4,459</u>

#### (b) Non-cash financing and investing activities

There were no non-cash financing activities during the year or in prior year.

### 14. Commitments

There are no commitments the Trustee is aware of as at the date of this report.

### 15. Contingent liabilities and contingent assets

There are no outstanding contingent assets or liabilities as at 30 June 2024 and 30 June 2023.

### 16. Successor fund transfers in

#### ING Superannuation Fund successor fund transfer

Members of ING Superannuation Fund (ABN 13 355 603 448) were successor fund transferred into the Fund on 1 December 2023 and included the transfer of assets and liabilities of ING Superannuation Fund to the Fund.

<b>Assets</b>	<b>\$'000</b>
Cash and cash equivalents	412,343
Investments held at fair market value	2,865,820
Deferred tax assets	8,318
Total assets transferred to successor fund	<u>3,286,482</u>
<b>Liabilities</b>	
Accounts payable and accrued expenses	17,205
Total liabilities transferred to successor fund	<u>17,205</u>
Net assets available for members benefits	<u>3,269,277</u>
<b>Represented by</b>	
Defined contribution member liabilities	3,254,018
Operational Risk Reserve	8,595
Administration reserves	1,300
Unallocated surplus	5,364
	<u>3,269,277</u>



### Spaceship Superannuation successor fund transfer

Members of Spaceship Super a sub-plan of Tidswell Master Superannuation Plan (ABN 34 300 938 877) were successor fund transferred into the Fund on 17 May 2024 and included the transfer of assets and liabilities of Spaceship Superannuation to the Fund.

<b>Assets</b>	<b>\$'000</b>
Cash and cash equivalents	3,101
Investments held at fair market value	859,992
Total assets transferred to successor fund	<u>863,093</u>
<b>Liabilities</b>	
Accounts payable and accrued expenses	3,002
Total liabilities transferred to successor fund	<u>3,002</u>
Net assets available for members benefits	<u>860,091</u>
<b>Represented by</b>	
Defined contribution member liabilities	854,582
Administration reserves	2,993
Unallocated surplus	2,516
	<u>860,091</u>

As at 30 June 2024 an amount of \$6,275,347 is payable from Spaceship Superannuation a subplan of Tidswell Master Superannuation Plan to OneSuper and is included in the Other Receivables in the Statement of Financial Position.

### Professional Super successor fund transfer

Members of Professional Super a sub-plan of Tidswell Master Superannuation Plan (ABN 34 300 938 877) were successor fund transferred into the Fund on 31 May 2024 and included the transfer of assets and liabilities of Professional Super to the Fund.

<b>Assets</b>	<b>\$'000</b>
Cash and cash equivalents	4,685
Investments held at fair market value	319,438
Receivables	26
Total assets transferred to successor fund	<u>324,149</u>
Net assets available for members benefits	<u>324,149</u>
<b>Represented by</b>	
Defined contribution member liabilities	320,535
Operational Risk Reserve	500
Administration reserves	2,973
Unallocated surplus	141
	<u>324,149</u>

As at 30 June 2024 an amount of \$4,544,152 is payable from Professional Super a subplan of Tidswell Master Superannuation Plan to OneSuper and is included in the Other Receivables in the Statement of Financial Position.

### Cruelty Free Super successor fund transfer

Members of Cruelty Free Super a sub-plan of Tidswell Master Superannuation Plan (ABN 34 300 938 877) were successor fund transferred into the Fund on 31 May 2024 and included the transfer of assets and liabilities of Cruelty Free Super to the Fund.

<b>Assets</b>	<b>\$'000</b>
Cash and cash equivalents	19,221
Investments held at fair market value	112,569
Receivables	220
Total assets transferred to successor fund	<u>132,010</u>
Net assets available for members benefits	<u><u>132,010</u></u>
<b>Represented by</b>	
Defined contribution member liabilities	131,638
Operational Risk Reserve	325
Administration reserves	305
Unallocated surplus/(deficit)	(258)
	<u><u>132,010</u></u>

As at 30 June 2024 an amount of \$372,000 is payable from Cruelty Free Super a subplan of Tidswell Master Superannuation Plan to OneSuper and is included in the Other Receivables in the Statement of Financial Position.

### Protect Super Plan 2 successor fund transfer

Members of Protect Super Plan 2 a sub-plan of Tidswell Master Superannuation Plan (ABN 34 300 938 877) were successor fund transferred into the Fund on 31 May 2024 and included the transfer of assets and liabilities of Protect Super Plan 2 to the Fund.

<b>Assets</b>	<b>\$'000</b>
Cash and cash equivalents	1,440
Receivables	481
Total assets transferred to successor fund	<u>1,921</u>
Net assets available for members benefits	<u><u>1,921</u></u>
<b>Represented by</b>	
Defined contribution member liabilities	-
Insurance billing reserve	1,810
Investment reserve	111
	<u><u>1,921</u></u>

## 17. Events occurring after the reporting period

Members of PPS Mutual Professionals a sub-plan of Tidswell Master Superannuation Plan (ABN 34 300 938 877) will be transferred via successor fund transfer to OneSuper on 30 September 2024.

No other significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund as at 30 June 2024 or on the results and cash flows of the Fund for the year ended on that date.

## 18. Related party transactions

### (a) Trustee

The Trustee of OneSuper is Diversa Trustees Limited. Amounts paid to the Trustee in form of fees and reimbursements are disclosed in Note 11, \$2,712,788 (30 June 2023 \$1,366,440).

As at 30 June 2024 \$58,699 (30 June 2023 \$58,699) was payable to the Trustee included in the Statement of Financial Position.

#### (i) Directors

Key management personnel includes persons who were directors of Diversa Trustees Limited at any time during the financial year as follows:

V. Plant (Chairperson), appointed 4 May 2017. M Terlet was Chairperson from the 1st July 2022 to 28th June 2023. V Plant became Chairperson from the 28th June 2023

A. Peterson, appointed 28 June 2019

F. McNabb, appointed 28 June 2019

R. Beard, appointed 18 February 2021, resigned 27 July 2024

S. Thomas, appointed 15 August 2022

M. Walter, appointed on 26 June 2023

None of the directors nor the Trustee are or were unitholders of the Fund.

#### (ii) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the financial year.

#### (iii) Remuneration of directors of the Trustee

The directors of the Trustee do not receive remuneration directly from the Fund.

### (b) Other entities with significant influence over the Fund

The Fund consists of 8 current divisions which are as follows:

- AIA Australia Risk Only Superannuation Solution
- Integrity
- Living Super
- Professional Super (including white label products: Student Super, Engineering Super and Cruelty Free Super)
- Protect Super Plan (including white label product: Encompass Protection)
- Spaceship Super
- Superhero Super
- YourChoice (including white label products: RetireSelect, Ensurity Super, Ausprac)

Promoters / Sponsors provide services to the individual divisions, and these are as follows:

#### **AIA Australia Risk Only Superannuation Solution**

The Promoter of the Division is AIA Australia Limited (ABN 79 004 421 638). The promoter does not receive any direct remuneration from the Fund.

#### **Integrity**

The Promoter of the Division is Integrity Life Australia Limited (ABN 83 089 981 073). The promoter does not receive any direct remuneration from the Fund.

#### **Living Super**

The Sponsor of the Fund is ING Bank (Australia) Limited (ABN 24 000 893 292). Under the Trust Deed the Sponsor is entitled to receive compensation for services provided to the Division.

#### **Professional Super (including white label products: Student Super, Engineering Super and Cruelty Free Super)**

The Promoter of the Division is Professional Superannuation Management Pty Ltd (ABN 31 617 160 791). Under the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

#### **Protect Super Plan (including white label product: Encompass Protection)**

The Promoter of the Division is Australian Life Development Pty Ltd (ABN 96 617 129 914). The promoter does not receive any direct remuneration from the Fund.

**Spaceship Super**

The Promoter of the Division is Spaceship Capital Limited (ABN 67 621 011 649). Under the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

**Superhero Super**

The Promoter of the Division is Superhero Markets Pty Ltd (ABN 36 633 254 261). Under the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

**YourChoice (including white label products: RetireSelect, Ensurity Super, AusPrac)**

The Promoter of the Division is OneVue Wealth Services Ltd (ABN 70 120 380 627). Under the Trust Deed the Promoter is entitled to receive compensation for services provided to the Division.

**19. Remuneration of auditors**

During the year the following fees were paid or payable for services provided by the auditor(s) of the Fund:

<b>Audit Services</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Auditor of the Fund – BDO Audit</b>		
Audit and review of financial statements and regulatory audit services	120	73
<b>Other Audit Services – Grant Thornton</b>		
Audit and review of the risk management framework	3	3
<b>Total</b>	<u>123</u>	<u>76</u>

Auditors' remuneration has been reported showing the net cost to the Fund.

## Trustees' declaration

### In the opinion of the directors of the Trustee of OneSuper:

- (a) the financial statements and notes set out on pages 12 to 28 are in accordance with the Corporations Act 2001, including:
  - (i) complying with Accounting Standards, the Corporation Regulations 2001 and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the Fund's financial position as at 30 June 2024 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable, and

This declaration is made in accordance with a resolution of the directors.

Director



30 September 2024

## INDEPENDENT AUDITOR'S REPORT

OneSuper (ABN 43 905 581 638)

### Report by the Registrable Superannuation Entity's Auditor to the trustee and members

#### Opinion

We have audited the financial report of OneSuper ('the RSE') comprising the statement of financial position as at 30 June 2024, the income statement, the statement of changes in members' benefits, the statement of changes in equity, the statement of cash flows for the year then ended and the trustee's declaration, including material accounting policy information and the trustee's declaration.

In our opinion the accompanying financial report of the RSE, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the RSE's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the RSE in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the trustee, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

The trustee is responsible for the other information. The other information comprises the information in the RSE's Directors report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of the trustee for the financial report**

The RSE's trustee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001 and the requirements of the *Superannuation Industry (Supervision) Act 1993* (SIS Act) and the *Superannuation Industry (Supervision) Regulations 1994* (SIS Regulations). The trustee is also responsible for such internal control as the trustee determines is necessary to enable the preparation and fair presentation of financial report that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustee is responsible for assessing the ability of the RSE to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the RSE or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf)

This description forms part of our auditor's report.

#### **Report on the Remuneration Report**

##### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included on pages 4 to 5 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of OneSuper, for the year ended 30 June 2024, complies with section 300C of the *Corporations Act 2001*.



### **Responsibilities**

The directors of the trustee are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300C of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**BDO Audit Pty Ltd**

BDO

A handwritten signature in black ink, appearing to read 'James Dixon'.

**James Dixon**

**Director**

Melbourne, 30 September 2024