

# Australian Retirement Trust Pty Ltd

Trustee of Australian Retirement Trust

## Financial Report

For the year ended 30 June 2023

ABN: 88 010 720 840

Issued: 21 September 2023

Australian Retirement Trust Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Australian Retirement Trust Pty Ltd

266 George Street

BRISBANE QLD 4000

A description of the nature of the Company's operations and its principal activities is included in the directors' report.

# Contents

Directors' report	3
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## Financial Statements

Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9

## Notes to the Financial Statements

1 General information	10
2 New accounting standards and interpretations	12
3 Revenue	13
4 Expenses	13
5 Income tax	14
6 Financial instruments	16
7 Share capital	17
8 Cash	18
9 Financial Risk Management	19
10 Commitments, contingent assets, and contingent liabilities	22
11 Key management personnel	22
12 Related parties	23
13 Trustee entity liabilities and right of indemnification	25
14 Economic dependency	27
15 Auditor's remuneration	27
16 Subsequent events	27
Directors' declaration	28
Independent auditor's report	29
Auditor's independence declaration	32
Financial Glossary	33

# Australian Retirement Trust Pty Ltd

## Directors' Report For the year ended 30 June 2023

The Directors of Australian Retirement Trust Pty Ltd (Directors) present their report, together with the financial report of Australian Retirement Trust Pty Ltd (ARTPL or the Company) and its controlled entity (the Group), for the financial year ended 30 June 2023 and the auditor's report thereon. The controlled entity is QSuper Board Pty Ltd (QSB).

### Directors

The following persons were directors of the Company at any time during the financial year and up to the date of this report, unless otherwise stated:

Name	Date commenced as director <sup>4</sup>	Date ceased
Andrew Fraser (Chair) <sup>1</sup>	15 September 2015	
Elizabeth Mohle (Deputy Chair) <sup>2</sup>	28 February 2022 [01 December 2013]	
Linda Apelt	27 January 2023	
Mark Burgess	01 July 2023	
Michael Clifford	01 February 2016	
Bruce Cowley	28 February 2022 [01 December 2019]	
Mary Elizabeth Hallett	27 March 2014	
Shayne Maxwell	28 February 2022 [01 June 2018]	
Kate Ruttiman	28 February 2022 [01 December 2018]	
Aaron Santelises	30 June 2022	
Michael Traill	16 September 2015	
Janine Walker	28 February 2022 [01 December 2021]	
Georgina Williams	20 July 2018	
Mary-Anne Curtis	28 February 2022 [01 July 2018]	30 October 2022
Don Luke (Chair) <sup>3</sup>	28 February 2022 [01 January 2020]	30 November 2022

1 Andrew Fraser was appointed to the position of Chair from 15 October 2022

2 Elizabeth Mohle was appointed to the position of Deputy Chair from 15 October 2022

3 Don Luke ceased as Chair on 14 October 2022

4 Individuals who have two commencement dates are former Trustees of the QSuper Board and the second date is their commencement date for the QSuper Board

# Australian Retirement Trust Pty Ltd

## Directors' Report For the year ended 30 June 2023

### Company secretary

The following persons were secretaries of the Company at any time during the financial year and up to the date of this report, unless otherwise stated:

Name	Date commenced as secretary	Date ceased
Kristy Huxtable	14 March 2022	
Trevor Golden	28 February 2022	
Krystle Rae	09 March 2018	

### Rounding of amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191* dated 24 March 2016. The Company has elected not to round amounts to the nearest one thousand dollars as the impact on prior year comparative information may be misleading. As a result, all financial information presented has been rounded to the nearest dollar unless otherwise stated.

### Dividends

No dividends were declared or paid by the Company with respect to the 2022/2023 financial year (2021/2022: \$Nil). Neither the Directors, nor the Company in general meeting, have the power to declare dividends.

### Operating and financial review for the year

#### Principal activities

The Company's principal activity is to act as the trustee of Australian Retirement Trust (ART), Sunsuper Pooled Superannuation Trust (PST) and Sunsuper Infrastructure Trust 3 (SIT3). QSB did not provide any services during the year ended 30 June 2023.

The income and property of the Company must be applied by the Company for the purpose of carrying out its principal activity and must not be distributed to the shareholders of the Company.

#### Review of operations

The total comprehensive income of the Group for the financial year was \$16,793,680 (2022: \$20,722,157). The costs relating to the Company's activities were incurred and paid by the Company and the Company charged trustee fees to ART and the PST to recover costs.

### Significant changes in the state of affairs

There were no significant changes in the state of affairs of ARTPL during the year.

### Events subsequent to reporting date

On 7 September 2023, Bernard Reilly resigned from the position of Chief Executive Officer of ART effective 29 February 2024.

No significant events have occurred since the end of year ended 30 June 2023 which would impact on the financial report of the Group for the year ended on that date.

# Australian Retirement Trust Pty Ltd

## Directors' Report For the year ended 30 June 2023

### Likely developments

The directors are not aware of any information or development that would be likely to have an impact on the operations of the Company.

### Environmental regulation

The Group's operations are not subject to any significant environmental regulations under a law of the Commonwealth or of a State or Territory.

The Group has not incurred any liability (including for rectification) under any environmental legislation.

### Indemnification and insurance of officers

ART Group Services Limited (formerly QSuper Limited) (AGS), a related entity, has taken out director indemnity insurance cover during the year ended 30 June 2023 insuring the directors of the Company, the company secretary and all officers of the Company, and of any related body corporate, against a liability incurred as a director, secretary or officer, to the extent permitted by law. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify an officer or auditor of the Company, or any related body corporate, against a liability incurred as such an officer or auditor.

### Auditor's independence and non-audit services

The Auditor's Independence Declaration is set out on page 33 and forms part of the Directors' Report for the financial year ended 30 June 2023. Details of the amount paid to Deloitte for audit services are set out in the notes to the financial statements.

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

On behalf of the Directors:



**Andrew Fraser**

Chair

Brisbane

21 September 2023



**Mary Elizabeth Hallett**

Director

Brisbane

21 September 2023

# Australian Retirement Trust Pty Ltd

## Statement of Comprehensive Income For the year ended 30 June 2023

	Notes	Consolidated		Parent	
		2023	2022	2023	2022
		\$	\$	\$	\$
<b>Income</b>					
Trustee fees	3	24,998,174	31,455,502	24,998,174	31,456,315
Interest income		1,192,871	57,262	1,191,779	56,101
<b>Total income</b>		<b>26,191,045</b>	<b>31,512,764</b>	<b>26,189,953</b>	<b>31,512,416</b>
<b>Expenses</b>					
Director remuneration and benefits	4	(1,545,196)	(1,275,350)	(1,545,196)	(1,275,350)
Insurance premiums		-	(352,092)	-	(352,092)
Professional fees		(573,573)	(144,120)	(573,573)	(144,120)
Other expenses		(78,523)	(135,897)	(78,515)	(135,897)
<b>Total expenses</b>		<b>(2,197,292)</b>	<b>(1,907,459)</b>	<b>(2,197,284)</b>	<b>(1,907,459)</b>
<b>Profit before tax</b>		<b>23,993,753</b>	<b>29,605,305</b>	<b>23,992,669</b>	<b>29,604,957</b>
Income tax (expense)	5	(7,200,073)	(8,883,148)	(7,199,748)	(8,882,800)
<b>Profit after tax</b>		<b>16,793,680</b>	<b>20,722,157</b>	<b>16,792,921</b>	<b>20,722,157</b>
<b>Total comprehensive income for the year</b>		<b>16,793,680</b>	<b>20,722,157</b>	<b>16,792,921</b>	<b>20,722,157</b>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

# Australian Retirement Trust Pty Ltd

## Statement of Financial Position as at 30 June 2023

	Notes	Consolidated		Parent	
		2023	2022	2023	2022
		\$	\$	\$	\$
<b>Current assets</b>					
Cash		45,531,773	30,243,572	45,529,535	30,070,430
Receivables	6	481,914	396,460	481,905	396,277
Prepayments		5,574	9,818	5,574	9,818
<b>Total current assets</b>		<b>46,019,261</b>	<b>30,649,850</b>	<b>46,017,014</b>	<b>30,476,525</b>
<b>Non-current assets</b>					
Deferred tax assets	5	69	743	69	743
Investment in QSuper Board Pty Ltd		-	-	814	814
<b>Total non-current assets</b>		<b>69</b>	<b>743</b>	<b>883</b>	<b>1,557</b>
<b>Total assets</b>		<b>46,019,330</b>	<b>30,650,593</b>	<b>46,017,897</b>	<b>30,478,082</b>
<b>Current liabilities</b>					
Payables and accruals	6	1,234,325	1,034,980	1,233,976	862,817
Current tax liabilities		7,199,156	8,823,444	7,198,831	8,823,096
<b>Total current liabilities</b>		<b>8,433,481</b>	<b>9,858,424</b>	<b>8,432,807</b>	<b>9,685,913</b>
<b>Total liabilities</b>		<b>8,433,481</b>	<b>9,858,424</b>	<b>8,432,807</b>	<b>9,685,096</b>
<b>Net assets</b>		<b>37,585,849</b>	<b>20,792,169</b>	<b>37,585,090</b>	<b>20,792,169</b>
<b>Equity</b>					
Share capital	7	13	13	13	13
Retained earnings		37,585,836	20,792,156	37,585,077	20,792,156
<b>Total equity</b>		<b>37,585,849</b>	<b>20,792,169</b>	<b>37,585,090</b>	<b>20,792,169</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

## Australian Retirement Trust Pty Ltd

### Statement of Changes in Equity For the year ended 30 June 2023

2023		Share capital \$	Retained earnings \$	Total \$
	Notes			
<b>Consolidated</b>				
<b>Balance at 1 July 2022</b>		13	20,792,156	20,792,169
<b>Total comprehensive income:</b>				
Profit for the year		-	16,793,680	16,793,680
<b>Balance at 30 June 2023</b>	<b>7</b>	<b>13</b>	<b>37,585,836</b>	<b>37,585,849</b>
<b>Parent</b>				
<b>Balance at 1 July 2022</b>		13	20,792,156	20,792,169
<b>Total comprehensive income:</b>				
Profit for the year		-	16,792,921	16,792,921
<b>Balance at 30 June 2023</b>	<b>7</b>	<b>13</b>	<b>37,585,077</b>	<b>37,585,090</b>
<b>2022</b>				
	Notes	Share capital \$	Retained earnings \$	Total \$
<b>Consolidated</b>				
<b>Balance at 1 July 2021</b>		6	69,999	70,005
<b>Total comprehensive income:</b>				
Shares issued	7	13	-	13
Shares cancelled		(6)	-	(6)
Profit for the year		-	20,722,157	20,722,157
<b>Balance at 30 June 2022</b>	<b>7</b>	<b>13</b>	<b>20,792,156</b>	<b>20,792,169</b>
<b>Parent</b>				
<b>Balance at 1 July 2021</b>		6	69,999	70,005
<b>Total comprehensive income:</b>				
Shares issued	7	13	-	13
Shares cancelled		(6)	-	(6)
Profit for the year		-	20,722,157	20,722,157
<b>Balance at 30 June 2022</b>	<b>7</b>	<b>13</b>	<b>20,792,156</b>	<b>20,792,169</b>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.



# Australian Retirement Trust Ltd

## Statement of Cash Flows For the year ended 30 June 2023

	Notes	Consolidated		Parent	
		2023	2022	2023	2022
		\$	\$	\$	\$
<b>Cash flows from operating activities</b>					
Receipts from customers		27,436,317	31,290,464	27,436,317	31,188,817
Payments to suppliers and directors		(4,378,310)	(1,307,391)	(4,206,504)	(1,211,075)
Interest received		1,053,881	45,223	1,052,631	33,101
Income tax refunded		(8,823,687)	674	(8,823,339)	674
<b>Net cash provided by operating activities</b>	<b>8</b>	<b>15,288,201</b>	<b>30,028,970</b>	<b>15,459,105</b>	<b>30,011,517</b>
<b>Cash flows from investing activities</b>					
Cash acquired net of payment for purchase of business		-	155,689	-	-
<b>Net cash provided by investing activities</b>		<b>-</b>	<b>155,689</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>					
Issue of Share Capital	7	-	13	-	13
<b>Net cash provided by financing activities</b>		<b>-</b>	<b>13</b>	<b>-</b>	<b>13</b>
<b>Net increase/(decrease) in cash held</b>		<b>15,288,201</b>	<b>30,184,672</b>	<b>15,459,105</b>	<b>30,011,530</b>
Cash and cash equivalents at beginning of financial year		30,243,572	58,900	30,070,430	58,900
<b>Cash and cash equivalents at end of reporting period</b>		<b>45,531,773</b>	<b>30,243,572</b>	<b>45,529,535</b>	<b>30,070,430</b>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 1 General information

#### Corporate information

Australian Retirement Trust Pty Ltd (ARTPL or the Company) is a for profit entity, limited by shares, incorporated and operating in Australia. The Company acts as trustee of Australian Retirement Trust (ART or the Fund), Sunsuper Pooled Superannuation Trust (PST), and Sunsuper Infrastructure Trust (SIT3).

The Company wholly owns QSuper Board Pty Ltd (QSB). QSB does not perform any business activities. Prior to 28 February 2022, QSB provided trustee services to QSuper.

The income and property of the Company must be applied by the Company for the purpose of carrying out its principal activity and must not be distributed to the shareholders of the Company. In the event the Company is wound up, the property of the Company must be paid into a superannuation fund for which the Company is trustee.

The registered office of ARTPL is 266 George Street, Brisbane QLD 4000.

#### Trustee obligations

The Company acts solely as trustee of ART, the PST and SIT3. The company financial statements have been prepared for the Company and as such do not account for the assets and liabilities of ART, the PST and SIT3. These liabilities are not brought to account in the Statement of Financial Position as it is not considered probable that the Company will be called upon to meet these liabilities, rather they will be met from the assets of ART, the PST and SIT3 respectively. Details of ART, the PST and SIT3 liabilities incurred by the Company, in its capacity as trustee of these entities, are disclosed in Note 13.

All expenses incurred by the Company in relation to direct Company expenses are paid by the Company. The Company charges trustee fees to ART and the PST in accordance with the Trust Deed. The Company also charged trustee fees to Sunsuper prior to 28 February 2022.

All expenses incurred by the Company in relation to the administration of the ART, the PST and SIT3 are paid by ART, the PST and SIT3 respectively and not reflected in these accounts.

#### Statement of compliance

These financial statements are general purpose financial statements for ARTPL and the Group, comprising the Company and its controlled entity (the Group), which have been prepared in accordance and comply with Australian Accounting Standards (AASs) and interpretations, and the *Corporations Act 2001*.

The financial report of the Company for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on 21 September 2023.

Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Consequently this financial report has been prepared in accordance with and complies with IFRS as issued by the IASB.

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 1 General information (continued)

#### Basis of preparation

The financial statements have been prepared on an accrual and going concern basis under the historical cost convention, except where otherwise specifically stated. In making this assessment, the Company has considered future events and conditions for the period of twelve months following the approval of these financial statements.

The financial statements are presented in Australian dollars, which is the functional currency of the Group. Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions.

#### Going Concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Significant accounting policies

The significant accounting policies have been set out within the relevant notes in these financial statements. The policies have been consistently applied to all periods presented in these financial statements.

#### Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements and estimates which are material to the financial reporting are found in the following notes:

Page	Note	
14	5	Income tax expense

#### Rounding of amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191* dated 24 March 2016. The Company has elected not to round amounts to the nearest one thousand dollars as the impact on certain balances disclosed in the financial statements may be misleading. As a result, all financial information presented has been rounded to the nearest dollar unless otherwise stated.

#### Comparatives

Where required by Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary made up to 30 June 2023. All intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated on consolidation.

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 2 New accounting standards and interpretations

#### Standards and Interpretations adopted during the year

At the date of their authorisation, there were no new and revised accounting standards or interpretations relevant to the Group that have had an impact on these financial statements.

#### Standards and Interpretations in issue not yet adopted

At the date of authorisation the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standard/Interpretation	Effective for annual reporting periods beginning on or after
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i>	1 January 2024
AASB 2021-2 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	1 January 2023

The initial application of the Standards and Interpretations issued but not yet effective will not have a material impact on the Group's financial statements. Management's assessment of the impact is as detailed below:

#### **AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* (effective 1 January 2024)**

The standard clarifies the requirements for classifying liabilities as current or non-current. There will be no change to the classification of the Company's liabilities as a result of the amendment. This standard will apply to the Company from 1 July 2024.

#### **AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* (effective 1 January 2023)**

The Standard is not expected to have a material impact on the Company, as the Company already adopts a detailed and transparent approach to disclosure of material information. This standard will apply to the Company from 1 July 2023.

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 3 Revenue

#### Trustee fee

##### *Trustee service fees*

The Company receives a fee for the provision of trustee services to ART, the PST and SIT3. The Company has determined that the provision of trustee services is a service that is a performance obligation satisfied over time. The basis of measurement is the costs incurred within the relevant reporting period.

##### *Trustee indemnity fee*

The Company receives a fee (Trustee Indemnity fee), and accumulates capital (Trustee Capital), on its own balance sheet for the purpose of satisfying liabilities for which the Company cannot be indemnified out of the assets of ART. The Company has assessed the performance obligation associated with this revenue to be the provision of the indemnity, which is immediate, rather than any future claims made on the capital. The revenue is recognised in full upon invoice.

##### *Disaggregation of Trustee fees*

		2023	2022
		\$	\$
<b>Consolidated</b>			
<b>Revenue stream</b>	<b>Revenue recognition</b>		
Trustee service fee	Over time	2,184,232	1,853,391
Trustee indemnity fee	Point in time	22,813,942	29,602,111
<b>Total</b>		<b>24,998,174</b>	<b>31,455,502</b>
<b>Parent</b>			
<b>Consolidated</b>			
<b>Revenue stream</b>	<b>Revenue recognition</b>		
Trustee service fee	Over time	2,184,232	1,854,204
Trustee indemnity fee	Point in time	22,813,942	29,602,111
<b>Total</b>		<b>24,998,174</b>	<b>31,456,315</b>

### Note 4 Expenses

#### Directors' remuneration and benefits

Directors' remuneration and benefits includes fees, superannuation and payroll tax.

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 5 Income tax

Income tax expense for the year comprises current and deferred tax recognised in the Statement of Comprehensive Income.

Current and deferred tax is recognised as an expense or income in the Statement of Comprehensive Income, except where it relates to items credited or debited directly to equity.

#### Recognition and measurement

The Company is subject to the Income Tax Assessment Act 1936 and Income Tax Assessment Act 1997, and within these provisions the corporate tax rate of 30% has been applied.

#### Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates and tax laws enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

#### Deferred tax

Deferred tax is determined using the balance sheet method, providing for temporary differences arising from differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation of the asset or settlement of the liability, using tax rates enacted or substantively enacted at reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The Company expects that the reversal of existing taxable temporary differences will give rise to sufficient future taxable profits to realise the full value of reported deferred tax assets.

Deferred tax assets and deferred tax liabilities are offset only when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Management has applied critical judgment and estimation in determining the extent of tax losses to be recognised in deferred tax assets. The tax losses recognised in deferred tax assets have been estimated based on expected future taxable profit.

#### Use of judgments, estimates and assumptions

Significant judgement is required in determining the provision for income taxes. There are transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain.

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 5 Income tax (continued)

#### (a) Major components of income tax

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current income tax	7,199,155	8,882,472	7,198,830	8,882,124
Adjustment in respect of prior years	244	2	244	2
Net movement in deferred tax asset	674	674	674	674
<b>Total income tax benefit</b>	<b>7,200,073</b>	<b>8,883,148</b>	<b>7,199,748</b>	<b>8,882,800</b>

A reconciliation of differences between prima facie tax calculated at 30% of the profit before income tax for the year and the actual tax expense recognised in the Statement of Comprehensive Income for the year is set out below.

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net profit before income tax	23,993,753	29,605,305	23,992,669	29,604,957
Prima facie income tax (expense)/benefit at the rate of 30%	7,198,126	8,881,591	7,197,801	8,881,487
Tax effect of non-deductible expenses and non-assessable income				
Non-deductible expenses	1,703	2,173	1,703	2,173
Adjustments for deferred tax for current year	(674)	(1,292)	(674)	(1,536)
Deferred tax expense/(benefit) relating to the origination and reversal of temporary differences	918	676	918	676
<b>Total income tax (expense)/benefit reported in income statement</b>	<b>7,200,073</b>	<b>8,883,148</b>	<b>7,199,748</b>	<b>8,882,800</b>

#### (b) Deferred income tax

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Movements in deferred tax asset</b>				
Opening balance	743	1,417	743	1,417
Change to Statement of Comprehensive Income	(674)	(674)	(674)	(674)
Prior year under provision	-	-	-	-
<b>Closing balance at 30 June</b>	<b>69</b>	<b>743</b>	<b>69</b>	<b>743</b>
<b>Deferred tax asset comprises</b>				
Other	69	743	69	743
<b>Total deferred tax asset</b>	<b>69</b>	<b>743</b>	<b>69</b>	<b>743</b>

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 6 Financial Instruments

The Group has applied AASB 9 *Financial Instruments* relating to classification, measurement and impairment requirements for financial instruments.

#### Financial assets

Management classifies financial assets based on the Group's business model and the contractual cash flow characteristics of the financial asset. The Group's business model is primarily that of "hold to collect" (where assets are held in order to collect contractual cash flows) and does not acquire financial assets for the purpose of selling in the short term. The Group primarily holds financial assets that meet this classification which are subsequently measured at amortised cost.

#### Receivables

##### *Recognition and measurement*

Trade receivables and other assets are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Receivable from related party	278,652	203,935	278,652	203,935
Unbilled revenue	41,057	164,096	41,057	164,096
Interest receivable	162,205	23,231	162,196	23,048
GST receivable	-	5,198	-	5,198
<b>Total receivables</b>	<b>481,914</b>	<b>396,460</b>	<b>481,905</b>	<b>396,277</b>

#### Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire or is realised.

#### Financial liabilities

Financial liabilities, including payables are originally measured at fair value. Financial liabilities are subsequently measured at amortised cost, using the effective interest method. Due to the short-term nature of other financial liabilities, amortised cost approximates the carrying value.



## Australian Retirement Trust Pty Ltd

### Notes to the Financial Statements For the year ended 30 June 2023

#### Note 6 Financial Instruments (continued)

##### Trade and other payables

##### *Recognition and measurement*

These amounts represent liabilities for goods and services provided to the Group prior to the end of the period which are unpaid. The amounts are unsecured and are usually paid within 30 days of invoice receipt. Trade and other payables are recognised at fair value less transaction costs and are subsequently measured at amortised cost. Due to their short-term nature, the carrying amounts of trade and other payables are considered to be the same as their fair value.

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Other payables and accruals	86,660	125,253	86,660	186,310
Payable to related party	1,120,103	909,727	1,119,754	676,507
GST payable	27,562	-	27,562	-
<b>Total payables</b>	<b>1,234,325</b>	<b>1,034,980</b>	<b>1,233,976</b>	<b>862,817</b>

##### Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, expire or are realised.

#### Note 7 Share capital

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Ordinary Shares – 13 fully paid shares	13	13
	<b>13</b>	<b>13</b>

##### Ordinary shares – terms and conditions

Ordinary shares are issued to the Directors of the Company on their appointment as directors. Under the Company's constitution only Company directors may be shareholders and each director may only hold one share in the Company. A shareholder may only receive consideration of \$1 for the transfer of a Company share. There has been no movement in issued capital in the current financial year.

##### Franking account

The franking account balance of the Company is \$8,937,198 (2022: \$113,510).

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 8 Cash

Cash comprises cash on hand and deposits at call. Cash is carried at face value or the gross value of the outstanding balance.

Reconciliation of net change in cash from operating activities to total comprehensive income after income tax.

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net income (loss) for the reporting period	16,793,680	20,722,157	16,792,921	20,722,157
<i>Changes in operating assets and liabilities</i>				
Movement in receivables	(85,454)	(221,026)	(85,628)	(270,793)
Movement in prepayments	4,244	349,068	4,244	349,068
Movement in current tax assets	-	4,031	-	4,031
Movement in deferred tax assets	674	674	674	674
Movement in trade and other payables	199,345	350,622	371,159	383,284
Movement in current tax liabilities	(1,624,288)	8,823,444	(1,624,265)	8,823,096
	<b>(1,505,479)</b>	<b>9,306,813</b>	<b>(1,333,816)</b>	<b>9,289,360</b>
Net cash inflow from operating activities	<b>15,288,201</b>	<b>30,028,970</b>	<b>15,459,105</b>	<b>30,011,517</b>

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 9 Financial risk management

#### Overview

ART's activities expose it to a variety of risks, both financial and non-financial. ART has a Risk Management Framework in place to monitor, address and report on these risks. The Company is responsible for the Risk Management Framework and is also responsible for the oversight of its operation by management. The Risk Management Framework is reviewed and approved annually by the Company. The Risk Management Framework incorporates the Risk management Strategy, including Risk Appetite Statements.

The Risk Management Strategy outlines Material Risks, including Operational, Investment, Financial and Strategic risks.

The Company reviews and agrees on policies for managing each of these risks and may establish committees as it considers necessary or appropriate to assist it in carrying out its responsibilities.

The Company recognises that sound and prudent risk management is an integral part of its good governance practice. Risk management policies and processes are established to guide the identification and analysis of the risks faced by ART, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and ART's activities.

The board Audit & Risk Committee (ARC) assists the Company by providing assistance in governance and oversight responsibilities in relation to internal and external audit functions, internal controls, financial reporting, risk management, anti-money laundering, compliance and corporate insurance.

The Finance Committee has been established by the ART Board to provide assistance in discharging the Board's corporate governance and oversight responsibilities in relation to such matters as: financial and capital management, oversight of ART's investment in QInsure, actuarial matters associated with defined benefit plans, successor fund transfer matters and brand / sponsorship activities.

The board Investment Committee assists the Company by providing assistance in governance and oversight responsibilities in relation to investment governance and setting the Fund's investment principles and objectives; monitoring the adequacy of the Fund's investment options to meet member retirement needs; the use of investment delegations; investment policies; as well as monitor investment performance and investment risk.

#### Use of judgments, estimates and assumptions

The Group measures risk exposure using a variety of methods as follows:

<b>Risk exposure</b>	<b>Measurement method</b>
Credit risk	Ageing analysis
Liquidity risk	Maturity analysis
Capital risk management	Operational risk financial requirement

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 9 Financial risk management (continued)

#### Credit risk

Credit risk refers the risk that a counterparty to the financial instrument will default on its contractual obligation resulting in financial loss to the Group.

#### Source of risk

As at 30 June 2023, the Group's maximum exposure to credit risk without taking into account any other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective financial assets as stated in the consolidated Statement of Financial Position.

#### Risk mitigation

The Group assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

Deposits with banks are held only with independently rated parties with a minimum rating of 'A'.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment. No collateral is held as security relating to the financial assets held by the Group.

The Group seeks to limit its exposure to credit risk in terms of outstanding receivables by predominantly dealing with ART.

The following table represents the Group's maximum exposure to credit risk:

	Consolidated		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash at bank	45,531,773	30,243,572	45,529,535	30,070,430
Receivable from related entity	319,709	368,031	319,709	368,031
Receivables – other	162,205	28,429	162,196	28,246
<b>Total</b>	<b>46,013,687</b>	<b>30,640,032</b>	<b>46,011,440</b>	<b>30,466,707</b>

#### Past due or impaired

No financial assets have had their terms renegotiated to prevent them from being past due or impaired and are stated at the carrying amounts as indicated.

#### Ageing analysis

Management has classified the age of the Group's financial assets as being fully-performing.  
Management has not classified any assets as being past due or impaired.

#### Liquidity risk

Liquidity risk is the risk that the Group may not have liquid financial assets available or is not able to liquidate financial assets in time to settle financial liabilities as they fall due.

## Australian Retirement Trust Pty Ltd

### Notes to the Financial Statements For the year ended 30 June 2023

#### Note 9 Financial risk management (continued)

##### *Source of risk*

ARTPL acts as the trustee of ART, PST and SIT3. The Company incurs liabilities on behalf of ART, PST and SIT3. The amendments to sections 56 and 57 of the *Superannuation Industry (Supervision) Act 1993* provide that on or after 1 January 2022, a superannuation trustee is prohibited from indemnifying itself out of the assets of a superannuation fund for certain costs.

##### *Liquidity risk (continued)*

##### *Risk mitigation*

The Company maintains a reserve in its personal capacity ("Trustee Capital") funded from fees charged to ART for trustee services provided.

The Company is also party to a Trustee Indemnity Arrangement with Precision Administration Services Pty Ltd ("PAS"), a wholly owned entity of ART. Under the terms of the arrangement, PAS provides a limited indemnity to the Company for matters such as civil penalties. The indemnity is funded through a premium on the services fee charged to ART.

##### *Maturity analysis*

As at 30 June 2023, the Company holds trustee capital of \$37,441,555 (2022: \$20,721,478).

All trade payables are expected to be settled in the next 12 months. Cash and other liquid current assets in excess of current liabilities are held to settle these as they fall due.

The Group maintains a cashflow forecasting model to ensure adequate liquidity is available to meet liabilities as they fall due. Receivables and trade payables are strictly managed to agreed payment terms.

##### *Capital risk management*

The Company, in its capacity as trustee for ART and the PST, is required to maintain adequate financial resources to address losses arising from operational risks that may affect its business operations. The Operational Risk Financial Requirement (ORFR) is the target amount of financial resources that the Company determines is necessary to respond to these losses.

The Company set an ORFR target amount at 0.25% of ART net assets plus 0.10% of the PST net assets. The entire ORFR balance requirement is held within ART.

The Company, in its capacity as trustee, may call upon the resources held to meet the ORFR target amount to make a payment to address an operational risk. This may materialise and be caused by one or more beneficiaries of ART or the PST sustaining a loss, or being deprived of a gain, to which they otherwise would have been entitled, in relation to their benefits in ART or in the PST.

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 10 Commitments, contingent assets, and contingent liabilities

#### Contingent liabilities

A class action was filed in the Victorian Registry of the Federal Court on 24 November 2021 against the QSuper Board Pty Limited (as trustee of QSuper). The claim relates to the disclosure issued on 17 May 2016 in relation to changes to insurance policy premiums for members' insurance cover that took effect on 1 July 2016.

QSuper Board Pty Limited strongly refutes and vigorously defends the allegations made in the class action proceedings brought against it, and is defending the claim.

There are no other material commitments, contingent assets or contingent liabilities as at 30 June 2023.

### Note 11 Key management personnel

#### Key management personnel

The following persons had authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, during the reporting period and are considered key management personnel (KMP) in accordance with the definition in AASB 124 *Related Parties*:

- i) Current Directors of the Company;
- ii) Former Directors of the Company who have been a director during the reporting period.

#### Director remuneration

Director remuneration consists of Board and committee fees and superannuation guarantee contributions. Reasonable expenses are also reimbursed. The fees reflect the demands on and responsibilities of those directors. Director remuneration has been paid directly by the Company or by ART and its subsidiaries. The Company's remuneration policy is reviewed at least every 3 years.

#### Evaluation of the Board and key management personnel

The Board has implemented a process for the periodic review and evaluation of its performance and the performance of its committees, individual directors and key management personnel.

Director remuneration is reviewed at least annually. Remuneration levels are benchmarked against independent external sources. The directors and other key management personnel are paid in accordance with the remuneration policy. In the case of directors, fees may be paid to the director, paid to the employer of the director or salary sacrificed as superannuation contributions.

	2023	2022
	\$	\$
Directors' fees	1,268,144	1,017,154
Post-employment benefits <sup>(i)</sup>	134,270	128,126
<b>Total compensation made</b>	<b>1,402,415</b>	<b>1,145,280</b>

(i) Post-employment benefits consist entirely of contributions paid or payable to superannuation plans. These include salary sacrifice payments.

(ii) In accordance with policy, directors of the Company who are active Queensland Public Sector employees are not entitled to be remunerated for their Board activities.

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 12 Related parties

The Company is the trustee of ART. During the period, a number of transactions were undertaken between the Company, ART and its wholly owned subsidiaries.

Australian Retirement Trust Pty Ltd

#### Transactions with related parties

	2023	2022
	\$	\$
<b>Sales of goods and services</b>		
Trustee fees from ART	24,947,489	23,278,005
Allocation of operating expenses to ART	230,801	8,895
Trustee fees from Sunsuper Superannuation Fund <sup>(i)</sup>	-	7,777,475
Allocation of operating expenses to Sunsuper Superannuation Fund <sup>(i)</sup>	-	11,893
Trustee fees from Sunsuper Pooled Superannuation Trust	50,685	92,670
Allocation of operating expenses to PAS	25	85
<b>Purchase of goods and services</b>		
Allocation of operating expenses from ART	(136,620)	(1,169)
Allocation of operating expenses from Sunsuper Superannuation Fund <sup>(i)</sup>	-	(8,924)
Labour hire fees from APS	(1,170,548)	(209,633)
Allocation of operating expenses from AGS	(60,514)	-

(i) Transactions with Sunsuper Superannuation Fund are pre 28 February 2022

#### Outstanding balances from related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties other than key management personnel:

	Consolidated		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
Fees receivable from ART related entities	278,652	203,935	278,652	203,935
Fees payable to ART related entities	(1,120,103)	(909,727)	(1,119,754)	(676,507)

# Australian Retirement Trust Pty Ltd

## Notes to the Financial Statements For the year ended 30 June 2023

### Note 12 Related parties (continued)

#### Other related parties

The Company is responsible for managing ART, and ensures it operates in the best interest of all members and continues to comply with all legal requirements.

ART has entered into transactions with other entities with which it shares common directorship or key management personnel. This includes the receipt of superannuation contributions and other minor transactions such as membership subscriptions and seminar registrations.

In addition to the items referred to, below is a summary of the significant transactions between the Company and these related entities. This includes payments made by any of the wholly owned subsidiaries of ART.

	2023	2022
	\$	\$
<i>Fees paid to the employer of Director (included in compensation of key management personnel (refer note 11))</i>		
Queensland Council of Unions <sup>(ii)</sup>	93,751	104,508
The Australian Workers' Union of Employees, Queensland <sup>(i)(ii)</sup>	80,157	54,887
Queensland Police Union of Employees <sup>(i)</sup>	45,489	15,163
Queensland Nurses and Midwives' Union <sup>(i)</sup>	121,714	40,571
Queensland Teachers Union of Employees <sup>(i)</sup>	106,346	35,449
 <i>Committee fees paid to the employer of a committee member</i>		
The Australian Workers' Union of Employees, Queensland <sup>(ii)</sup>	-	73,431

(i) These entities are considered related parties from 28 February 2022 at which point their member nominated representatives were appointed as directors of the Company.

(ii) These entities were shareholders and as a result, related parties of the Company from 1 July 2021 through to 28 February 2022. On this date, the Company restructured its share capital, resulting in these entities ceasing to be related parties by reason of being shareholders from this point forward.



## Australian Retirement Trust Pty Ltd

### Notes to the Financial Statements For the year ended 30 June 2023

#### Note 13 Trustee entity liabilities and right of indemnification

On behalf of ART, PST and SIT3, the Company has incurred liabilities as at 30 June 2023. As trustee, the Company has a right of indemnity from the assets of ART, the PST and SIT3.

The Company notes that amendments to sections 56 and 57 of the *Superannuation Industry (Supervision) Act 1993* provide that on or after 1 January 2022, a superannuation trustee is prohibited from indemnifying itself out of the assets of a superannuation fund for certain costs including administrative, civil or criminal penalties imposed by Commonwealth legislation. The Company maintains a reserve in its personal capacity ("Trustee Capital") funded from fees charged to ART for trustee services provided in order to meet such costs should they arise.

The Company is also party to a Trustee Indemnity Arrangement with PAS, a wholly owned entity of ART. Under the terms of the arrangement, PAS provides a limited indemnity to the Company for matters such as civil penalties. The indemnity is funded through a premium on the services fee charged to ART.

The assets of ART, PST and SIT3 are not directly available to meet any liabilities of the Company acting in its own right.

#### Trustee capital held by the Company

	2023	2022
	\$	\$
Trustee capital	37,441,555	20,721,478

The position of ART is presented as follows:

	2023	2022
	\$'m	\$'m
<b>Liabilities</b>		
Benefits payable and other liabilities	5,489	7,532
Deferred tax liabilities	2,838	1,592
Defined contribution member liabilities	223,020	199,052
Defined benefit member liabilities	28,924	29,497
<b>Total liabilities</b>	<b>260,271</b>	<b>237,673</b>
<b>Assets</b>		
Investments	242,686	219,747
Other assets	20,841	20,535
Current tax assets	1	528
<b>Total assets</b>	<b>263,528</b>	<b>240,810</b>
<b>Net assets</b>	<b>3,257</b>	<b>3,137</b>

The assets of ART were therefore sufficient to discharge all liabilities and vested benefits as at 30 June 2023.

## Australian Retirement Trust Pty Ltd

### Notes to the Financial Statements For the year ended 30 June 2023

#### Note 13 Trustee entity liabilities and right of indemnification (continued)

The position of PST is presented as follows:

	2023 \$'m	2022 \$'m
<b>Liabilities</b>		
Other payables	3	29
Financial liabilities held at fair value through profit or loss	4	-
Deferred tax liabilities	335	352
<b>Total liabilities</b>	<b>342</b>	<b>381</b>
<b>Assets</b>		
Investments	17,470	16,879
Cash and cash equivalents	12	101
Current tax asset	169	111
Other receivables	2	17
<b>Total assets</b>	<b>17,653</b>	<b>17,108</b>
<b>Net assets</b>	<b>17,311</b>	<b>16,727</b>

The assets of PST were therefore sufficient to discharge all liabilities as at 30 June 2023.

The position of SIT3 is presented as follows:

	2023 \$'000	2022 \$'000
<b>Liabilities</b>		
Distribution payable	3,541	723
Other payables	111	110
<b>Total liabilities</b>	<b>3,652</b>	<b>833</b>
<b>Assets</b>		
Investments	218,553	202,218
Cash and cash equivalents	3,770	961
Other receivables	16	6
<b>Total assets</b>	<b>222,339</b>	<b>203,185</b>
<b>Net assets</b>	<b>218,687</b>	<b>202,352</b>

The assets of SIT3 were therefore sufficient to discharge all liabilities as at 30 June 2023.

## Australian Retirement Trust Pty Ltd

### Notes to the Financial Statements For the year ended 30 June 2023

#### Note 14 Economic dependency

The Company relies on ART, PST and SIT3 for 100% of its trustee service revenue.

#### Note 15 Auditor's remuneration

##### Auditor's remuneration

During the financial year the following fees were paid or payable for services provided by the external auditors:

	Consolidated		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Deloitte Touche Tohmatsu</b>				
Audit of financial reports	44,859	42,320	26,267	29,280
Other regulatory assurance services	15,655	12,180	9,155	6,300
<b>Total fees paid or payable to external auditor</b>	<b>60,514</b>	<b>54,500</b>	<b>35,422</b>	<b>35,580</b>

#### Note 16 Subsequent events

On 7 September 2023, Bernard Reilly resigned from the position of Chief Executive Officer of ART effective 29 February 2024.

No other matters or circumstances have arisen since 30 June 2023 that have significantly affected or may significantly affect the operations in future financial years or the state of affairs of the Group in subsequent financial years.

## Australian Retirement Trust Pty Ltd

### Directors' Declaration For the year ended 30 June 2023

In the opinion of the Directors of Australian Retirement Trust Pty Ltd

- (a) the accompanying general purpose financial statements and notes are in accordance with:
- i. *Corporations Act 2001*, and other prescribed requirements, including complying with Australian Accounting Standards (including Interpretations) and the *Corporations Regulations 2001*; and
  - ii. giving a true and fair view of the Company and Group's financial position as at 30 June 2023 and of their performance for the financial year ended on that date.
- (b) the attached general purpose financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1 to the financial statements; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



**Andrew Fraser**

Chair

Brisbane

21 September 2023



**Mary Elizabeth Hallett**

Director

Brisbane

21 September 2023

# Independent Auditor's Report to the Members of Australian Retirement Trust Pty Ltd

## Report on the Audit of the Financial Reports

### *Opinion*

We have audited the financial reports of Australian Retirement Trust Pty Ltd (the "Company") and its subsidiary (the "Group") which comprise the Group and the Company's statements of financial position as at 30 June 2023, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial reports of the Group and the Company are in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group and the Company's financial position as at 30 June 2023 and of their financial performance for the year then ended; and
- 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 Reports* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 reports 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 Company (the "directors"), 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 directors are responsible for the other information. The other information comprises the directors' report for the year ended 30 June 2023, but does not include the financial reports and our auditor's report thereon.

Our opinion on the financial reports 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 reports, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial reports 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 Directors for the Financial Reports*

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

In preparing the financial reports, the directors are responsible for assessing the ability of the Group and the Company to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

## *Auditor's Responsibilities for the Audit of the Financial Reports*

Our objectives are to obtain reasonable assurance about whether the financial reports as a whole are 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 the financial reports.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial reports, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group or the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial reports or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Company to cease to continue as going concerns.
- Evaluate the overall presentation, structure and content of the financial reports, including the disclosures, and whether the financial reports represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.



We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in cursive script that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in cursive script that reads "David Rodgers".

**David Rodgers**

Partner

Chartered Accountants

Brisbane, 21 September 2023

A handwritten signature in cursive script that reads "Joanne Gorton".

**Joanne Gorton**

Partner

Chartered Accountants

Sydney, 21 September 2023

21 September 2023

The Board of Directors  
Australian Retirement Trust Pty Ltd  
266 George Street,  
Brisbane Queensland 4000

Dear Board Members


**Auditor's Independence Declaration to Australian Retirement Trust Pty Ltd**

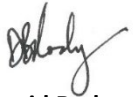
In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Australian Retirement Trust Pty Ltd.

As lead audit partner for the audit of the financial report of Australian Retirement Trust Pty Ltd for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

  
DELOITTE TOUCHE TOHMATSU

  
**David Rodgers**  
Partner  
Chartered Accountants

  
**Joanne Gorton**  
Partner  
Chartered Accountants



### Financial Glossary

<b>Term</b>	<b>Meaning</b>
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
AGS	ART Group Services Limited (formerly QSuper Limited) ACN 125 248 286
APS	ART People Services Pty Ltd (formerly One QSuper Pty Ltd) ACN 601 938 774
ART	Australian Retirement Trust, the Fund known as "ART" ABN 60 905 115 063 formerly known as QSuper
GST	Goods and Services Tax
IFRS	International Financial Reporting Standards
KMP	Key Management Personnel
ORFR	Operational Risk Financial Requirement
PAS	Precision Administration Services ACN 098 977 667
PST	Sunsuper Pooled Superannuation Trust
QSB	QSuper Board Pty Ltd ACN 657 707 009
SFT	Successor fund transfer
SIT3	Sunsuper Infrastructure Trust 3

### About our annual financial report

We're pleased to present our annual financial report for the year ended 30 June 2023. We've prepared this report for the Australian Securities and Investments Commission.

Our annual financial report is an important part of our corporate governance framework and gives a snapshot of our activities over the year. It includes information about the Group's performance, achievements, financial position and management.