

**2023 Annual Financial Report**  
**Sunsuper Pooled Superannuation Trust**  
**Part of Australian Retirement Trust**

For the year ended 30 June 2023

ABN: 14 732 571 880

Issued: 21 September 2023

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# Sunsuper Pooled Superannuation Trust

## Trustee's Report For the year ended 30 June 2023

The directors of Australian Retirement Trust Pty Ltd, the Trustee of Sunsuper Pooled Superannuation Trust ("the Trust"), present their report together with the financial statements of Sunsuper Pooled Superannuation Trust for the year ended 30 June 2023.

### Trustee

The Trustee of Sunsuper Pooled Superannuation Trust is Australian Retirement Trust Pty Ltd (ABN 88 010 720 840; RSE Licence No. L0000291). The Trustee's registered office is 266 George Street, Brisbane QLD, 4000.

### Principal activities

The investment objective of the Trust, as set out in the governing documents of the Trust and in accordance with the provisions of the Trust's Deed, is to be used as an investment vehicle supporting the overall investment strategy of Australian Retirement Trust whilst Australian Retirement Trust continues to be the only investor in the Trust.

The Trust did not have any employees during the year.

There were no significant changes in the nature of the Trust's activities during the year.

### Directors

The following persons held office as directors of the Trustee during the year or since the end of the year and up to the date of this report:

<b>Name</b>	<b>Date Commenced</b>	<b>Date Ceased</b>
Andrew Fraser (Chair) <sup>(1)</sup>	16 September 2015	
Elizabeth Mohle (Deputy Chair), AM <sup>(1)</sup>	28 February 2022	
Linda Apelt	27 January 2023	
Mark Burgess	01 July 2023	
Michael Clifford	01 February 2016	
Bruce Cowley	28 February 2022	
Mary Elizabeth Hallett	27 March 2014	
Shayne Maxwell	28 February 2022	
Kate Ruttiman	28 February 2022	
Aaron Santelises	30 June 2022	
Michael Traill, AM	16 September 2015	
Janine Walker, AM	28 February 2022	
Georgina Williams	20 July 2018	
Mary-Anne Curtis	28 February 2022	30 October 2022
Don Luke <sup>(2)</sup>	28 February 2022	30 November 2022

(1) Andrew Fraser was appointed as Chair of the ART Board, and Elizabeth Mohle was appointed Deputy Chair, from 15 October 2022.

(2) Don Luke was Chair of the ART Board from 28 February 2022 until 14 October 2022.

### Review and results of operations

During the year, the Trust continued to invest funds in accordance with the governing documents of the Trust and in accordance with the provisions of the Trust's Deed.

The profit for the year after tax expense attributable to unitholders was \$779m (2022: \$2,396m).

# Sunsuper Pooled Superannuation Trust

## Trustee's Report For the year ended 30 June 2023

### Significant changes in state of affairs

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Trust that occurred during the reporting period.

### Likely developments and expected results of operations

The Trust will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Trust and in accordance with the provisions of the Trust's Deed.

The results of the Trust's operations will be affected by a number of factors, including the performance of investment markets in which the Trust 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.

Further information on likely developments in the operations of the Trust and the expected results of those operations have not been included in this report because the Trustee believes it would likely result in unreasonable prejudice to the Trust.

### Indemnity and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Trust in regards to insurance cover provided to either the officers of Australian Retirement Trust Pty Ltd or the auditors of the Trust. So long as the officers of Australian Retirement Trust Pty Ltd act in accordance with the Trust's Deed and the law, the officers remain indemnified out of the assets of the Trust against losses incurred while acting on behalf of the Trust. The auditors of the Trust are in no way indemnified out of the assets of the Trust.

### Fees paid to and interests held in the Trust by the Trustee or its associates

Fees paid to the Trustee and its associates out of Trust property during the year are disclosed in note 5 on page 32 of the financial statements.

No fees were paid out of Trust property to the directors of the Trustee during the year.

The number of interests in the Trust held by the Trustee or its associates as at the end of the year are disclosed in note 5 of the financial statements.

### Interests in the Trust

The movement in units on issue in the Trust during the year is disclosed in note 11 of the financial statements.

The value of the Trust's assets and liabilities is disclosed on the statement of financial position and derived using the basis set out in note 1 of the financial statements.

### Events occurring after the financial year

Except as disclosed in note 13 in the financial statements, no other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the operations of the Trust in future financial years, or the results of those operations in future financial years, or the state of affairs of the Trust in future financial years.

# Sunsuper Pooled Superannuation Trust

## Trustee's Report For the year ended 30 June 2023

This statement is made in accordance with a resolution of the Board of Directors of the trustee company, Australian Retirement Trust Pty Ltd.



Andrew Fraser

Chair

Brisbane

21 September 2023



Mary Elizabeth Hallett

Director

Brisbane

21 September 2023

# Sunsuper Pooled Superannuation Trust

## Statement of Financial Position As at 30 June 2023

	Note	2023 \$m	2022 \$m
<b>Assets</b>			
Cash and cash equivalents	1	12	101
Listed securities	1	2	11
Unlisted securities	1	17,448	16,243
Other interest-bearing securities	1	15	616
Derivative assets	1	5	9
Receivables	9	2	17
Current year tax assets		169	111
<b>Total assets</b>		<b>17,653</b>	<b>17,108</b>
<b>Liabilities</b>			
Payables	10	3	29
Derivative liabilities	1	4	-
Deferred tax liabilities	4(b)	335	352
<b>Total liabilities</b>		<b>342</b>	<b>381</b>
<b>Net assets</b>		<b>17,311</b>	<b>16,727</b>
<b>Equity</b>			
Unitholders' funds	11	17,311	16,727
<b>Total equity attributable to unitholders</b>		<b>17,311</b>	<b>16,727</b>

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

# Sunsuper Pooled Superannuation Trust

## Income Statement For the year ended 30 June 2023

	Note	2023 \$m	2022 \$m
<b>Investment income</b>			
Interest income	3	18	31
Dividend income	3	184	131
Distribution income	3	685	932
Changes in fair value of investments – realised	3	179	46
Changes in fair value of investments – unrealised	3	(180)	1,539
<b>Total income</b>		<b>886</b>	<b>2,679</b>
<b>Expenses</b>			
Direct investment expenses		(9)	(20)
Other expenses	8 & 12	(27)	(2)
<b>Total expenses</b>		<b>(36)</b>	<b>(22)</b>
<b>Profit before tax expense</b>		<b>850</b>	<b>2,657</b>
Tax expense	4(a)	(71)	(261)
<b>Profit for the year after tax expense attributable to unitholders</b>		<b>779</b>	<b>2,396</b>
Other comprehensive income for the year attributable to unitholders		-	-
<b>Total comprehensive income for the year attributable to unitholders</b>		<b>779</b>	<b>2,396</b>

The above Income Statement should be read in conjunction with the accompanying notes

## Sunsuper Pooled Superannuation Trust

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

	Note	2023 \$m	2022 \$m
<b>Total equity at the beginning of the year</b>		16,727	11,337
Profit for the year after tax expense attributable to unitholders		779	2,396
Other comprehensive income for the year attributable to unitholders		-	-
<b>Total comprehensive income for the year</b>		<b>779</b>	<b>2,396</b>
Transactions with owners in their capacity as owners:			
Applications		2,715	5,765
Redemptions		(2,910)	(2,771)
<b>Total equity at the end of the year</b>	11	<b>17,311</b>	<b>16,727</b>

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



## Sunsuper Pooled Superannuation Trust

### Statement of Cashflows For the year ended 30 June 2023

	Note	2023 \$m	2022 \$m
<b>Cash flows from operating activities</b>			
Dividends and trust distributions received		868	1,061
Interest income received		22	26
Income tax paid		(146)	(106)
Other general administration expenses		(36)	(20)
<b>Net inflows/(outflows) of cash from operating activities</b>	<b>7</b>	<b>708</b>	<b>961</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investments		414	789
Purchase of investments		(1,649)	(3,997)
<b>Net inflows/(outflows) of cash from investing activities</b>		<b>(1,235)</b>	<b>(3,208)</b>
<b>Cash flows from financing activities</b>			
Proceeds from applications by unitholders	11	2,715	5,086
Payments for redemptions by unitholders	11	(2,276)	(2,770)
<b>Net inflows/(outflows) of cash from financing activities</b>		<b>439</b>	<b>2,316</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(88)</b>	<b>69</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>101</b>	<b>31</b>
Effects of foreign currency exchange rate changes on cash and cash equivalents		(1)	1
<b>Cash and cash equivalents at the end of the year</b>	<b>1</b>	<b>12</b>	<b>101</b>

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

## Sunsuper Pooled Superannuation Trust

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

### Trust operations & basis of preparation

#### (a) Nature of the trust

The SunsUPER Pooled Superannuation Trust ("the Trust") was established under a Trust Deed dated 29 February 1996 as amended ("Trust Deed"). The Trust commenced on 14 May 1996 being the date when funds were first received. Under the provisions of the Trust Deed, the Trustee may terminate the Trust upon giving unitholders sixty days' notice.

The Trustee of the Trust is Australian Retirement Trust Pty Ltd (the "Trustee"). The Trustee's registered office is 266 George Street, Brisbane, Queensland 4000.

The Trustee is incorporated and domiciled in Australia.

The financial statements are presented in Australian currency.

The financial statements are for the period from 1 July 2022 to 30 June 2023 ("the year ended").

The financial statements were authorised for issue by the directors on 21 September 2023. The directors of the Trustee have the power to amend and reissue the financial statements.

#### (b) Statement of compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Superannuation Industry (Supervision) Act 1993 and Regulations (SIS) in Australia, and the Trust Deed.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within twelve months, except for investments in financial assets where the amount expected to be recovered or settled within twelve months after the end of the year cannot be reliably determined.

#### *Compliance with International Financial Reporting Standards*

The financial statements of the Trust also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

#### (c) Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business. In making this assessment, the Trustee has considered future events and conditions for the period of 12 months following the approval of these financial statements.

#### (d) Significant accounting policies

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

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

### Trust operations & basis of preparation

#### (e) Rounding

In accordance with ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191 dated 24 March 2016, all financial information presented has been rounded to the nearest one million dollars unless otherwise stated.

#### (f) Significant accounting judgements, estimates, and assumptions

The Trust makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### (g) Macro Environment Impacts

As an investment vehicle supporting the investment strategy of Australian Retirement Trust and investing funds globally on behalf of members, the Trust is subject to macroeconomic factors throughout business cycles that impact on investment returns.

In the current financial year, the following factors were considered among other matters:

- World's central banks challenges regarding rising inflation and interest rates
- Tight labour markets and wage growth
- Potential for tighter monetary policy to detrimentally impact future economic growth

The Trust does not design portfolios based on short-term economic, market or geopolitical forecasts. However, the Trust does seek to capitalise on opportunities that inevitably emerge during times of heightened market volatility.

#### (h) Comparatives

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items in the notes to the financial statements have been amended.

Comparative figures have been adjusted to conform to the current year's presentation.

#### (i) Foreign currency translation

##### *Functional and presentation currency*

Items included in the Trust's financial statements are measured using the currency of the primary economic environment in which it operates ("the functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Trust competes for funds and is regulated. The Australian dollar is also the Trust's presentation currency.

## Sunsuper Pooled Superannuation Trust

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

### Trust operations & basis of preparation

#### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

The Trust does not isolate that portion of gains or losses on securities which is due to changes in foreign exchange rates from that which is due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit or loss.

#### (j) Consolidation

The Trust has assessed that it meets the definition of investment entity that is defined in Accounting Standard AASB 10 'Consolidated Financial Statements' and amended in AASB 2013-5 'Amendments to Australian Accounting Standards - Investment Entities', as it invests money on behalf of its unitholders for the purpose of obtaining an investment return and it measures investments on a fair value basis.

As a result of the investment entity exemption, the Trust is not required to prepare consolidated financial statements. A list of all controlled entities appears in Note 6 to the financial statements.

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

### INVESTMENTS AND INVESTMENT PERFORMANCE

#### Note 1 Investments

	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
Cash and cash equivalents	12	101
<b>Total cash and cash equivalents</b>	<b>12</b>	<b>101</b>
Listed securities	2	11
Unlisted securities	17,448	16,243
Other interest-bearing securities	15	616
Derivative assets	5	9
Derivative liabilities	(4)	-
<b>Total investments</b>	<b>17,466</b>	<b>16,879</b>

#### (a) Overview

The Trust invests for the long-term purpose of providing benefits for members up to and throughout retirement until proceeds are exhausted or paid out to members' beneficiaries post death.

Investments of the Trust, including derivatives, are managed by selected investment managers and the Trust's in-house investment team on behalf of the Trustee. The Trustee determines the overall investment objectives and strategy of the Trust.

The Trust contracts investment managers in various asset classes, sectors, management styles, strategies and geographies under investment mandates (hereafter referred to as mandates). The Trust's expectations of its managers are documented in the mandates agreed between the parties. Specific reporting and valuation requirements are included within the contracts to ensure sufficient information and transparency is provided for ongoing monitoring.

The investments, including derivatives, of the Trust are recorded at fair value and changes in the fair value are recognised in the income statement in the year they occur.

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

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

Transaction costs, including brokerage and stamp duty, that are incurred to acquire investment securities are recognised in the income statement as an expense as incurred. Transaction costs associated with direct investments in property and infrastructure, including legal and due diligence fees, are capitalised and recognised as part of the cost of the investment.

Cash comprises cash on hand and deposits at call. Cash equivalents are short-term, highly liquid investments with original maturities of three months or less. To qualify as cash equivalents, these investments must be easily converted into known cash amounts and have minimal risk of value fluctuations. Cash and cash equivalents are carried at face value or the gross value of the outstanding balance.

## Sunsuper Pooled Superannuation Trust

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

### Note 1 Investments

(b) Fair value measurement of financial assets and liabilities

(i) Fair value hierarchy

The Trust classifies fair value measurements using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities and includes market quoted investments. Quoted prices are obtained directly from an exchange on which the instruments are traded or obtained from a broker that provides an unadjusted quoted price from an active market for identical instruments. The main investments in this category are international listed equity securities whose fair value is determined using the last quoted sale price.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). This category includes fixed income securities and derivative contracts not traded on public exchanges and unlisted unit trusts that hold listed securities. Fixed income securities for which no active market is observable are valued at current market rates using broker quotations and/or independent pricing services
- Level 3- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) which include non-market quoted investments. Unlisted investments in infrastructure, real estate, private equity and alternatives are included in this category. Further information regarding unobservable inputs and the measurement of fair value for level 3 investments is included below.

(ii) Recognised fair value measurement

The table below sets out the financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised.

	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
<b>30 June 2023</b>				
International listed securities	2	-	-	2
<b>Other interest bearing securities</b>				
Fixed interest bonds	-	15	-	15
<b>Derivative assets / liabilities</b>				
Swaps	-	1	-	1
Forward foreign exchange contracts	-	-	-	-
<b>Unlisted securities</b>				
Infrastructure	-	297	2,809	3,106
Real estate	-	579	2,556	3,135
Private equity	-	-	6,847	6,847
Alternatives	-	864	3,496	4,360
<b>Total</b>	<b>2</b>	<b>1,756</b>	<b>15,708</b>	<b>17,466</b>

## Sunsuper Pooled Superannuation Trust

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

### Note 1 Investments

	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
<b>30 June 2022</b>				
International listed securities	11	-	-	11
<b>Other interest bearing securities</b>				
Fixed interest bonds	-	616	-	616
<b>Derivative assets / liabilities</b>				
Swaps	-	3	-	3
Forward foreign exchange contracts	-	6	-	6
<b>Unlisted securities</b>				
Infrastructure	-	-	2,099	2,099
Real estate	-	510	2,797	3,307
Private equity	-	-	6,325	6,325
Alternatives	-	1,169	3,343	4,512
<b>Total</b>	<b>11</b>	<b>2,304</b>	<b>14,564</b>	<b>16,879</b>

Refer to Note 2(b) regarding the sensitivity of price risk and changes on net assets. Refer to note 2 (c) and (d) for the Trust's approach to foreign exchange and interest rate risk for investments.

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

#### Transfer between levels

There were no transfers between levels for the year ended 30 June 2023 and 30 June 2022. There were also no changes made to any of the valuation techniques applied as of 30 June 2023.

## Sunsuper Pooled Superannuation Trust

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

### Note 1 Investments

#### (iii) Movement in fair value of Level 3 Investments

The following table shows a reconciliation of the movement in the fair value of investments categorised in Level 3 between the beginning and end of the reporting period.

30 June 2023	Listed equity securities \$m	Other interest- bearing securities \$m	Unlisted securities \$m	Total \$m
<b>Opening balances</b>	-	-	14,564	14,564
Changes in fair value	-	-	84	84
Purchases & in-specie equity applications	-	-	2,309	2,309
Sales	-	-	(1,249)	(1,249)
<b>Total</b>	-	-	<b>15,708</b>	<b>15,708</b>

  

30 June 2022	Listed equity securities \$m	Other interest- bearing securities \$m	Unlisted securities \$m	Total \$m
<b>Opening balances</b>	-	-	9,308	9,308
Changes in fair value	-	-	1,392	1,392
Purchases & SFT Transfers In	-	-	5,130	5,130
Sales	-	-	(1,266)	(1,266)
<b>Total</b>	-	-	<b>14,564</b>	<b>14,564</b>

Of the total gains or losses for the period included in the income statement, gains of \$84m (2022: gains of \$1,392m) relate to unlisted unit trusts held at the end of the reporting period. Fair value gains or losses on investment are included in 'Changes in fair value of investments'.

#### (iv) Valuation Process – Level 3 Investments

The Trust has adopted a Valuation Policy, which documents the key principles, methodologies and guidelines the Trust adopts to ensure it uses the most appropriate underlying asset valuations for unit pricing, regulatory compliance and financial statements. The Policy ensures that valuation techniques are consistent and may utilise independent parties to undertake reviews of the investment valuations on a periodical and as needs basis. The Trust's compliance with the Valuation Policy is governed by the Audit & Risk Committee ("ARC") of the Board.

The Trust has a Valuation Review Committee ("VRC"), which is a management committee whose primary focus is to make decisions involving out of cycle valuations of unlisted assets, or where there is a potential material asset valuation change resulting from market or other trigger events that occur from time to time. The determination of whether an unlisted asset valuation may be challenged or a more appropriate valuation may be available, and the decision to substitute an alternative unlisted asset valuation is at the discretion of the VRC.



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

### Note 1 Investments

All decisions made by the VRC are reported to the Valuation Oversight Committee ("VOC"), which is a sub-committee of the ART Board. The VOC is responsible for overseeing the VRC's activities to ensure the valuation of unlisted assets, and subsequent decisions to amend valuations are timely, prudent and maintain member equity.

The ARC, VOC and VRC fulfil the Trust's obligations to ensure member equity in managing valuation risks associated with the Trust's investments.

Where valuations are performed at a date other than balance sheet date, the Trust considers whether the valuation continues to remain appropriate as at the balance sheet date.

At 30 June 2023, no adjustments have been made by the Valuation Review Committee to any valuations received from independent external valuation experts.

#### *Fair Value of directly held assets*

In the case of directly held assets, the Trust or the Investment Manager appoints independent external valuation experts and property appraisers to provide regular investment valuations with most material investments being valued at least annually or more often if appropriate. The Trust has policies and procedures governing the appointment and rotation of third-party valuers. The expertise, knowledge and familiarity with local market conditions, market transactions and industry trends of the independent valuation experts and property appraisers are important inputs to the valuation process.

Valuations performed by third party valuers are reviewed by internal teams within the Trust to confirm that an appropriate valuation methodology has been used and that key inputs, assumptions and judgements made by the valuer are appropriate.

#### *Fair value of indirectly held assets*

The Trust generally values interests in level 3 investments managed by external investment managers using the valuation provided by the relevant external investment manager.

The Trust reviews the valuation methodology adopted by the relevant investment manager and makes further enquiries, as appropriate, relating to valuation methodology and key inputs used to determine valuations. Valuation techniques include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

The Trust ensures that the valuation techniques used by fund managers are consistent with the Trust's valuation policy, represent fair value and accepts the value provided by the fund managers unless there is a specific and objectively verifiable reason to vary from the value provided. Fund managers of indirect investments provide valuations on a monthly or quarterly basis.

## Sunsuper Pooled Superannuation Trust

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

### Note 1 Investments

The number and fair value of total direct and indirect Level 3 investments held by the Trust are shown in the table below:

30 June 2023	Directly held investments		Indirectly held investments		Total investments	
	Number	Fair value \$m	Number	Fair value \$m	Number	Fair value \$m
Infrastructure	2	1,001	7	1,809	9	2,810
Real estate	-	-	18	2,556	18	2,556
Private equity <sup>(1)</sup>	14	-	74	6,847	88	6,847
Alternatives <sup>(2)</sup>	1	290	124	3,205	125	3,495
Fixed interest bonds <sup>(1)</sup>	-	-	1	-	1	-
	<b>17</b>	<b>1,291</b>	<b>224</b>	<b>14,417</b>	<b>241</b>	<b>15,708</b>

30 June 2022	Directly held investments		Indirectly held investments		Total investments	
	Number	Fair value \$m	Number	Fair value \$m	Number	Fair value \$m
Infrastructure	2	862	7	1,236	9	2,098
Real estate	-	-	18	2,797	18	2,797
Private equity	14	3	72	6,322	86	6,325
Alternatives <sup>(2)</sup>	1	277	122	3,067	123	3,344
Fixed interest bonds <sup>(1)</sup>	-	-	1	-	1	-
	<b>17</b>	<b>1,142</b>	<b>220</b>	<b>13,422</b>	<b>237</b>	<b>14,564</b>

(1) Amount shown as nil due to rounding

(2) The most significant inputs to the Alternatives is the discount rate of the investment

As level 3 investments are valued using financial models, the resulting valuations are affected by non-observable inputs. The most significant inputs to these financial models are the discount rate and estimated future net cash flows of the investment.

The following table summarises the unobservable inputs used in fair value measurement of the Trust's material asset classes of directly held investments.

30 June 2023	Fair value \$m	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
International infrastructure	1,001	Discount rate	7.7-19.4%	The higher the discount rate the lower the fair value.
30 June 2022	Fair value \$m	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
International infrastructure	862	Discount rate	7.75-12.4%	The higher the discount rate the lower the fair value.

Sunsuper Pooled Superannuation Trust

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

Note 1 Investments

Fair values of other financial instruments

The Trust did not hold any financial instruments which were not measured at fair value in the statement of financial position. Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate their fair value.

## Sunsuper Pooled Superannuation Trust

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

### Note 2 Financial risk management

#### Overview

The investments of the Trust are managed on behalf of the Trustee by specialist sector fund managers who are required to invest the assets allocated for management in accordance with the terms of a written investment management agreement or relevant offer document. The Trustee has determined that the appointment of these managers is appropriate for the Trust and is in accordance with the Trustee's investment strategy.

A master custodian has been appointed on behalf of the Trustee and as such provides services in respect of the assets, including physical custody and safekeeping, settlement of trades, collection of dividends, securities lending and accounting for investment transactions. The Trust has implemented appropriate processes to obtain assurance over the custodian's internal control framework and to manage the appointment of any sub-custodians.

The assets and liabilities of the Trust are recognised at net market value as at the reporting date. Net market value approximates fair value less costs of realisation of investments. The cost of realisation of investments is minimal and therefore net market value that is carrying value approximates fair value. Changes in net market value are recognised through the statement of changes in equity.

The Trust is exposed to a variety of financial risks as a result of its activities. These risks include market risk (including currency or foreign exchange risk, fair value interest rate risk and price risk), credit risk and liquidity risk.

It is the responsibility of the Trustee to ensure that there is an effective risk management control framework in place. Consistent with regulatory requirements the Trustee has the function of overseeing the establishment and maintenance of risk-based systems and controls for the Trust. The Trustee has developed, implemented and maintains a Risk Management Framework (RMF).

The RMF identifies the Trustee's policies and procedures, processes and controls that comprise its risk management and control systems. These systems address all material risks, financial and non-financial, likely to be faced by the Trust.

Annually, the Trustee certifies to APRA that adequate strategies have been put in place to monitor those risks, that the Trustee has systems in place to provide reasonable assurance, that the Trustee complies with legislative and prudential requirements and that the Trustee has satisfied itself as to the compliance with the RMF.

Three separate sensitivity analysis have been prepared for different market factors using reasonably possible changes in risk variables.

These variables are based on the various indices applicable to the underlying assets of the unit trusts, which have been determined by the Trust's custodians. The Trust has reviewed these variables and considers them appropriate for use in the sensitivity analyses, which have been performed on a before tax basis and are individually examined in the risk factors below.

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust's risk management and investment policies, approved by the Trustee, seek to minimise the potential adverse effects of these risks on the Trust's financial performance.

## Sunsuper Pooled Superannuation Trust

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

### Note 2 Financial risk management

#### b) Price risk

##### *Source of risk*

Price risk is the risk that the total value of investments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Trust has investments in a variety of assets which are exposed to price risk.

As the majority of the Trust's financial instruments are carried at fair value with changes in fair value recognised in the income statement, all changes in market conditions will directly affect investment income.

##### *Risk mitigation*

Price risk is mitigated by the Trust's investment managers by constructing a diversified portfolio of instruments traded on various markets.

##### *Sensitivity analysis*

In accordance with AASB 7 Financial Instruments: Disclosures, the sensitivity analysis is based on historical data over the past five (5) years and reasonably possible investment return range movements by asset class during the financial year.

The following table illustrates the impact of price risk on the value of investments of the Trust:

	<b>% range</b>	<b>Low ± \$m</b>	<b>High ± \$m</b>
<b>30 June 2023</b>			
Listed Securities <sup>(1)</sup>	7-13%	-	-
Unlisted Securities - Infrastructure	8-16%	248	497
Unlisted Securities - Real estate	3-5%	94	157
Unlisted Securities - Private equity	14-26%	959	1,780
Unlisted Securities - Alternatives	10-18%	436	785
<b>30 June 2022</b>			
Listed Securities	7-13%	1	1
Unlisted Securities - Infrastructure	8-14%	168	294
Unlisted Securities - Real estate	4-7%	132	231
Unlisted Securities - Private equity	13-25%	822	1,581
Unlisted Securities - Alternatives	5-9%	226	406

<sup>(1)</sup> Amount shown as nil due to rounding

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

### Note 2 Financial risk management

#### c) Foreign exchange risk

Foreign currency risk is the risk that the net market value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

#### *Source of risk*

The Trust is exposed to foreign exchange risk as a result of investments in financial instruments denominated in foreign currency. In addition, the Trust undertakes certain transactions denominated in foreign currencies, hence is exposed to the effects of exchange rate fluctuations.

#### *Risk mitigation*

These transactions may require forward currency contracts for the purposes of currency settlement. Exchange rate exposures are managed within the Australian Retirement Trust, within approved policy parameters. This exchange rate exposure is managed in line with the Trustee's investment policies and the RMF. The Trust's overall strategy in foreign currency risk management remains unchanged from 2022.

Net foreign currency exposure at 30 June 2023 was \$17,456m (2022: \$16,940m) with the largest exposure being to the US dollar.

#### *Sensitivity analysis*

An increase in the value of foreign currencies by 10% (2022:10%) relative to the AUD would increase the net assets of the Trust by \$1,746m (2022: \$1,694m), a decrease in the value of foreign currencies by 10% (2022:10%) relative to the AUD would decrease the net assets of the Trust by \$1,746m (2022: \$1,694m).

## Sunsuper Pooled Superannuation Trust

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

### Note 2 Financial risk management

The Trust's exposure to foreign exchange rate movements on its investments is as follows:

30 June 2023	US Dollars A\$m	Euro A\$m	Swedish Kroner A\$m	British Pound A\$m	Other currencies A\$m
<b>Assets</b>					
Cash and cash equivalents	10	-	-	1	-
Listed securities	-	-	-	2	-
Unlisted securities	16,463	702	199	62	-
Other interest-bearing securities	-	-	15	-	-
Derivative assets	-	3	-	2	-
Receivables	-	1	1	-	-
<b>Total assets</b>	<b>16,473</b>	<b>706</b>	<b>215</b>	<b>67</b>	<b>-</b>
<b>Liabilities</b>					
Payables	(1)	-	-	-	-
Derivative liabilities	-	(2)	-	(2)	-
<b>Total liabilities</b>	<b>(1)</b>	<b>(2)</b>	<b>-</b>	<b>(2)</b>	<b>-</b>
<b>Net assets / Total equity</b>	<b>16,472</b>	<b>704</b>	<b>215</b>	<b>65</b>	<b>-</b>
Foreign currency contracts exposure	-	(1)	-	1	-
<b>Net exposure</b>	<b>16,472</b>	<b>703</b>	<b>215</b>	<b>66</b>	<b>-</b>

30 June 2022	US Dollars A\$m	Euro A\$m	Swedish Kroner A\$m	British Pound A\$m	Other currencies A\$m
<b>Assets</b>					
Cash and cash equivalents	79	12	-	8	-
Listed securities	5	-	-	6	-
Unlisted securities	15,290	644	193	91	-
Other interest-bearing securities	547	34	22	13	-
Derivative assets	3	4	-	2	-
Receivables	10	4	-	-	-
<b>Total assets</b>	<b>15,934</b>	<b>699</b>	<b>215</b>	<b>120</b>	<b>-</b>
<b>Liabilities</b>					
Payables	(27)	-	-	-	-
Derivative liabilities	-	-	-	-	-
<b>Total liabilities</b>	<b>(27)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets / Total equity</b>	<b>15,907</b>	<b>698</b>	<b>215</b>	<b>120</b>	<b>-</b>
Foreign currency contracts exposure	75	(58)	-	(17)	-
<b>Net exposure</b>	<b>15,982</b>	<b>640</b>	<b>215</b>	<b>103</b>	<b>-</b>

## Sunsuper Pooled Superannuation Trust

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

### Note 2 Financial risk management

#### d) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

#### Source of risk

The Trust has direct exposure to interest rate changes on the valuation and cash flows of its interest-bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain entities in which the Trust invests and impact on the valuation of certain assets that use interest rates as an input in their valuation model. Therefore, the sensitivity analysis may not fully indicate the total effect on the Trust's net assets attributable to unitholders of future movements in interest rates.

#### Sensitivity Analysis

A 100 basis point (2022: 100 basis point) movement represents management's assessment of a reasonably possible maximum change in interest rates. As at 30 June 2023 a 100 basis point movement would have a \$0m (2022: \$8m) impact on the net assets of the Trust.

The Trust's exposure to interest rate risks, categorised by maturity dates is shown below:

30 June 2023	Floating	Fixed interest rate			Non-interest	Total
	interest rate	Less than	1 to 5 years	Over 5 years	bearing	
	\$m	1 year	\$m	\$m	\$m	\$m
		\$m				
<b>Assets</b>						
Cash and cash equivalents	12	-	-	-	-	12
Listed securities	-	-	-	-	2	2
Unlisted securities	-	-	-	-	17,448	17,448
Other interest-bearing securities	-	-	-	15	-	15
Derivative assets	-	-	-	-	5	5
Receivables	-	-	-	-	2	2
Current year tax assets	-	-	-	-	169	169
<b>Total assets</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>17,626</b>	<b>17,653</b>
<b>Liabilities</b>						
Payables	-	-	-	-	3	3
Derivative liabilities	-	-	-	-	4	4
Deferred tax liability	-	-	-	-	335	335
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>342</b>	<b>342</b>
<b>Net assets / Total equity</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>17,284</b>	<b>17,311</b>



## Sunsuper Pooled Superannuation Trust

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

#### Note 2 Financial risk management

30 June 2022	Floating	Fixed interest rate			Non-interest	Total
	interest rate	Less than	1 to 5 years	Over 5 years	bearing	
	\$m	1 year	\$m	\$m	\$m	\$m
		\$m				
<b>Assets</b>						
Cash and cash equivalents	101	-	-	-	-	101
Listed securities	-	-	-	-	11	11
Unlisted securities	-	-	-	-	16,242	16,242
Other interest-bearing securities	426	-	41	149	-	616
Derivative assets	-	-	-	-	9	9
Receivables	-	-	-	-	17	17
Current year tax assets	-	-	-	-	112	112
<b>Total assets</b>	<b>527</b>	<b>-</b>	<b>41</b>	<b>149</b>	<b>16,392</b>	<b>17,109</b>
<b>Liabilities</b>						
Payables	-	-	-	-	30	30
Derivative liabilities	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	352	352
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>382</b>	<b>382</b>
<b>Net assets / Total equity</b>	<b>527</b>	<b>-</b>	<b>41</b>	<b>149</b>	<b>16,010</b>	<b>16,727</b>

#### e) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Trust. Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the statement of financial position reporting date.

The Trust's financial assets held at fair value represent a highly diversified portfolio of underlying assets and in the opinion of the Trustee do not represent a material concentrated credit risk.

The credit risk associated with distributions receivable is considered to be minimal since none of these assets are impaired nor past due but not impaired.

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

### Note 2 Financial risk management

#### f) Liquidity risk

Liquidity risk is the risk that the Trust will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments. The Trust is wholly owned by Australian Retirement Trust and manages its liquidity as required to support the overall investment strategy of the Australian Retirement Trust. The risk management guidelines adopted are designed to minimise liquidity and cash flow risk through:

- ensuring that there is no unmanageable exposure to illiquid or thinly traded financial instruments, and
- applying limits to ensure there is no concentrated liquidity risk to a particular counterparty or market.

The value of the liabilities to unitholders is determined by the value of the assets.

The following table summarises the maturity profile of the Trust's financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Trust can be required to pay.

	<1 month \$m	1-3 months \$m	3-12 months \$m	1-5 years \$m	5+ years \$m	Fair value \$m
<b>30 June 2023</b>						
<b>Financial liabilities:</b>						
Trade and other payables (excluding cash collateral)	3	-	-	-	-	3
Payables for investments purchased	-	-	-	-	-	-
<b>Total undiscounted financial liabilities (excluding derivatives)</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>
<b>Net settled derivatives:</b>						
Forward foreign exchange contracts	-	-	1	-	-	1
Swaps and warrants	-	-	-	-	-	-
<b>Total undiscounted derivatives inflow / (outflow)</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>
Net cash collateral (payable) /receivable	-	-	-	-	-	-
<b>Net derivatives (including net cash collateral)</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>

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

### Note 2 Financial risk management

	<1 month \$m	1-3 months \$m	3-12 months \$m	1-5 years \$m	5+ years \$m	Fair value \$m
<b>30 June 2022</b>						
<b>Financial liabilities:</b>						
Trade and other payables (excluding cash collateral)	4	-	-	-	-	4
Payables for investments purchased	26	-	-	-	-	26
<b>Total undiscounted financial liabilities (excluding derivatives)</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30</b>
<b>Net settled derivatives:</b>						
Forward foreign exchange contracts	-	-	6	-	-	6
Swaps and warrants	-	-	-	3	-	3
<b>Total undiscounted derivatives inflow / (outflow)</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>3</b>	<b>-</b>	<b>9</b>
Net cash collateral (payable) /receivable	7	-	-	-	-	7
<b>Net derivatives (including net cash collateral)</b>	<b>7</b>	<b>-</b>	<b>6</b>	<b>3</b>	<b>-</b>	<b>16</b>

#### g) Capital risk management

The amount of unitholders' funds can change significantly on a daily basis as the Trust may be subject to daily applications and redemptions at the discretion of unitholders.

The Trust is wholly owned by Australian Retirement Trust and manages its capital as required to support the overall investment strategy of the Australian Retirement Trust.

Since 1 July 2013, the Trustee has been 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 Trustee determines is necessary to respond to these losses.

The Trustee has assessed the operational risk financial requirement for its business operations (Australian Retirement Trust and the Trust) as per the requirements of the APRA Superannuation Prudential Standard SPS 114. Australian Retirement Trust holds the balance of the ORFR to cover all of the Trustee's business operations. The ORFR includes an amount attributable to the Trust and is calculated at 0.10% of Trust net assets. The amount of ORFR held by Australian Retirement Trust which is attributed to the Trust at 30 June 2023 is \$18m (2022: \$17m).

The Trustee may call upon the ORFR to make a payment to address an operational risk that has occurred and caused the unitholder to sustain a loss, or to be deprived of a gain, to which they otherwise would have been entitled, in relation to their unit holding in the Trust.

## Sunsuper Pooled Superannuation Trust

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

### Note 3 Revenue

#### a) Recognition and measurement

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and that revenue can be reliably measured. The specific recognition criteria must also be met before revenue is recognised.

#### b) Changes in fair value of investments

Changes in fair value of investments are recognised as revenue and are determined as the difference between the fair value at year end or consideration received (if sold during the year) and the fair value as at the prior year end or cost (if the investment was acquired during the period). Financial assets are stated at fair value, with any gains or losses arising on re-measurement recognised in the income statement.

	2023 \$m	2022 \$m
<b>Unrealised investments held at reporting date</b>		
Cash and cash equivalents	(1)	1
Listed securities	(4)	(3)
Other interest-bearing securities	32	(41)
Derivative assets and liabilities	(8)	9
Unlisted securities	(199)	1,573
	<u>(180)</u>	<u>1,539</u>
<b>Realised investments during the reporting period</b>		
Cash and cash equivalents	9	14
Listed securities	1	11
Other interest-bearing securities	3	-
Derivative assets and liabilities	12	4
Unlisted securities	154	17
	<u>179</u>	<u>46</u>
<b>Total changes in fair value</b>	<u>(1)</u>	<u>1,585</u>

#### c) Investment income

Interest income is recognised in the income statement using the effective interest method.

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense. Trust distributions are recognised on an entitlements basis when declared.

## Sunsuper Pooled Superannuation Trust

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

### Note 3 Revenue

#### d) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Trust by third parties such as audit fees and investment management fees, have been passed onto the Trust. The Trust qualifies for Reduced Input Tax Credits (RITC) at a rate of 55% to 75% hence investment management fees and other expenses have been recognised in the income statement net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

#### e) Interest income

	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
Fixed interest securities - foreign	18	31
	<b>18</b>	<b>31</b>

## Sunsuper Pooled Superannuation Trust

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

### Note 4 Income tax

Tax status of the Trust and of the unitholders with respect to unit holdings

The Trust is taxed as a pooled superannuation trust in accordance with Part IX of the Income Tax Assessment Act 1997, as amended. The Trust meets all of its liability for tax on investment income directly and therefore its unitholders are exempt from income tax on any gains arising from the disposal of their units in the Trust.

The income tax rate used is 15% (2022: 15%) as it is the expectation of the Trustee that the Trust will be treated as a complying fund under the APRA rules. If the Trust is subsequently deemed to be a non-complying trust for the current year, the income tax rate for the current year would be 45% (2022: 45%).

#### Current tax

The tax expense/(income) for the year is the tax payable on the current year's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

#### Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates applicable to the Trust. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction that at the time of the transaction did not affect either accounting or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

#### Key Estimates

Significant judgement is required by the Trustee 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.

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

	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
Current income tax	(88)	(111)
Adjustment of current tax of prior periods	-	(16)
Deferred income tax	17	(134)
	<u>(71)</u>	<u>(261)</u>

## Sunsuper Pooled Superannuation Trust

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

### Note 4 Income tax

A reconciliation of differences between prima facie income tax expense calculated at 15% and income tax expense as reported in the income statement before income tax, including a summary of deferred income tax is set out below:

	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
Profit before income tax	850	2,657
Prima facie income tax expense / (benefit) at the rate of 15%	127	399

Tax effect of non-deductible expenses and non-assessable income in calculating the taxable amount:

Foreign tax credits	(48)	(46)
CGT concession	(17)	(99)
Other adjustments	9	(8)
Adjustment of current tax of prior periods	-	15
Income tax expense	<u>71</u>	<u>261</u>

(b) Deferred tax income	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
Net unrealised revenue gains/(losses)	-	(3)
Net unrealised capital gains/(losses)	335	355
<b>Net deferred tax (asset)/liabilities</b>	<u>335</u>	<u>352</u>

## Sunsuper Pooled Superannuation Trust

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

### Note 5 Related party transactions

#### Trustee

The Trustee of Sunsuper Pooled Superannuation Trust is Australian Retirement Trust Pty Ltd.

#### Key management personnel

##### (a) Directors

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly during the year and up to the date of this report:

Name	Position Title	Date Commenced	Date Ceased
Andrew Fraser (Chair) <sup>(1)</sup>	Director - Employer nominated	16 September 2015	
Elizabeth Mohle (Deputy Chair), AM <sup>(1)(2)</sup>	Director - Member nominated	28 February 2022	
Linda Apelt	Director – Employer Nominated	27 January 2023	
Mark Burgess	Director – Independent	01 July 2023	
Michael Clifford	Director - Member nominated	01 February 2016	
Bruce Cowley <sup>(2)</sup>	Director - Member nominated	28 February 2022	
Mary-Anne Curtis <sup>(2)</sup>	Director - Employer nominated	28 February 2022	30 October 2022
Mary Elizabeth Hallett	Director - Employer nominated	27 March 2014	
Shayne Maxwell <sup>(2)</sup>	Director - Member nominated	28 February 2022	
Kate Ruttiman <sup>(2)</sup>	Director - Member nominated	28 February 2022	
Aaron Santelises	Director - Member nominated	30 June 2022	
Michael Traill, AM	Director - Independent	16 September 2015	
Janine Walker, AM <sup>(2)</sup>	Director - Employer nominated	28 February 2022	
Georgina Williams	Director - Employer nominated	20 July 2018	
Don Luke (Chair) <sup>(3)</sup>	Director - Independent	28 February 2022	30 November 2022

(1) Andrew Fraser was appointed as Chair of the ART Board, and Elizabeth Mohle was appointed Deputy Chair, from 15 October 2022.

(2) Directors of Australian Retirement Trust Pty Ltd on 28 February. During FY22, they were Directors of QSuper Board (QSuper Board Pty Ltd).

(3) Don Luke was Chair of the ART Board from 28 February 2022 until 14 October 2022

##### (b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly during the financial year:

Name	Position Title	Employer <sup>(1)</sup>
Bernard Reilly	Chief Executive Officer	ART People Services Pty Ltd
Ian Patrick	Chief Investment Officer	ART People Services Pty Ltd
Anthony Rose	Chief Financial Officer	ART People Services Pty Ltd
Anne Browne	Chief Risk Officer	ART People Services Pty Ltd

(1) Other key management personnel are employed by ART People Services Pty Ltd (formerly (One QSuper Pty Ltd), however all employment benefits are paid from the Australian Retirement Trust.

#### Key management personnel unitholdings

At 30 June 2023 no key management personnel held units in the Trust (2022: Nil).



## Sunsuper Pooled Superannuation Trust

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

### Note 5 Related party transactions

#### Key management personnel compensation

Remuneration arrangements changed during the year as the Trust was not part of Australian Retirement Trust for the whole reporting period. During the reporting period, remuneration packages of the directors were paid by SunsUPER Pty Ltd as well as Australian Retirement Trust Pty Ltd, remuneration of other key management personnel were also paid by ART People Services Pty Ltd (formerly One QSuper Pty Ltd). No amounts are paid by the Trust directly to the directors of the Trustee or other key management personnel. No director or any other key management personnel of the Trustee has received any remuneration other than amounts received in their capacity as a full-time employee of a related entity. Payments made from the Trust to the Trustee and to Australian Retirement Trust do not include any amounts attributable to the compensation of key management personnel remuneration.

During the year no director of the Trustee has received or become entitled to receive any benefit either directly or through a contract made by the Trust with a director or with a firm of which the director is a member or with an entity in which the director has a substantial interest, except at terms set out in the Trust Deed, or otherwise outlined above.

#### Key management personnel loan disclosures

The Trust has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the year.

#### Other transactions within the Trust

From time to time directors of SunsUPER Pooled Superannuation Trust, or their director related entities may invest in or withdraw from Australian Retirement Trust, which is the only investor in the Trust. These investments or withdrawals are on normal commercial terms.

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Trust during the year and there were no material contracts involving key management personnel's interests existing at year end.

#### Trustee/manager's fees and other transactions

In accordance with the Trust Deed, the Trustee is entitled to charge a fee for acting as the Trustee of the Trust. For the year ended 30 June 2023 the Trust paid fees for trustee services of \$85,886 (2022: \$96,840).

During the year ended 30 June 2023, the Trust paid Australian Retirement Trust (unitholder party) \$0 (2022:\$0) for an allocation of operating expenses in relation to investment management. These charges were determined on the basis of the Trust's share of expenses incurred by Australian Retirement Trust.

## Sunsuper Pooled Superannuation Trust

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

### Note 5 Related party transactions

#### Related party schemes' unitholdings

Australian Retirement Trust, a related entity, is the only unitholder in the Trust.

All applications or redemptions of units in the Trust are on normal commercial terms.

<b>30 June 2023<sup>(1)</sup></b>	<b>Number of units held opening (Units)</b>	<b>Number of units held closing (Units)</b>	<b>Fair value of investment (\$)</b>	<b>Interest held (%)</b>	<b>Number of units acquired (Units)</b>	<b>Number of units disposed (Units)</b>
<b>Unitholder</b>						
Australian Retirement Trust	5,640,054,878	8,032,478,642	17,311,160,155	100	5,572,724,039	3,180,300,275
<b>30 June 2022<sup>(1)</sup></b>						
<b>Unitholder</b>						
Australian Retirement Trust	3,819,417,496	5,640,054,878	16,727,165,946	100	3,274,758,816	(1,454,121,434)

<sup>(1)</sup> Amount shown as whole dollars

## Sunsuper Pooled Superannuation Trust

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

### Note 6      Controlled entities

As per the Trust operations & basis of preparation note to the financial statements, the Trust is an investment entity and therefore not required to report on a consolidated basis. Details of the Trust's controlled entities are as follows:

Controlled entities	Country of Incorporation	Ownership Interest	
		2023	2022
Sunkina Choice LP	Jersey	100%	100%
Sunrock Discretionary Co-Investment Fund, LLC	USA	100%	100%
Sunvard LP	USA	100%	100%
Sunvest LLC	USA	100%	100%
Sunvest II LLC	USA	100%	100%
Sunstone Real Estate LP	USA	100%	100%
Corsun LLC	USA	100%	100%
Sunrock Discretionary Co-Investment Fund II, LLC	USA	100%	100%
Sunberg PE Opportunities Fund LLC	USA	99%	99%
Sunstone PE Opportunities Fund LLC	USA	100%	100%
Manikay SunsUPER Co-Investment Fund LLC	USA	100%	100%
Sunbridge Investments LLC	USA	100%	100%
Sunsira Infrastructure Fund LLC	USA	100%	100%
Caspian Suncas Fund LP	Canada	100%	100%
Sunhay LP	Cayman Islands	100%	100%
EIG SunsUPER Co-Investment II LP	Cayman Islands	100%	100%
Sunvard Opportunities Fund LLC	USA	100%	100%
Sunbern Alternative Opportunities Fund LLC	USA	100%	100%
SC Lowy SUNS CI LLC	USA	100%	100%
BVF-V W3 Co-Investment II, LP	USA	50%	55%
Fiberlight LLC	USA	25%	-

## Sunsuper Pooled Superannuation Trust

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

### Note 7 Reconciliation of net change in cash from operating activities

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

	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
Profit for the year after tax expense attributable to unitholders	779	2,396
Amortisation income	(1)	-
Changes in fair value of investments – unrealised	180	(1,540)
Changes in fair value of investments – realised	(179)	(45)
Net change in accrued income and GST receivable	-	(4)
Net interest bought/(sold)	(1)	(1)
Net change in receivables	6	-
Net change in accounts payable and accrued liabilities	-	2
Net change in tax benefits/tax liabilities	(75)	155
Dividend/distribution income reinvested	(1)	(2)
<b>Total net inflows/(outflows) from operating activities</b>	<b>708</b>	<b>961</b>

Sunsuper Pooled Superannuation Trust

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

Note 8 Operating expenses

Other operating expenses

	2023 \$m	2022 \$m
Statutory fees	1	-
Consultancy fees	1	1
Foreign tax paid	25	-
Other expenses	-	1
	<u>27</u>	<u>2</u>

## Sunsuper Pooled Superannuation Trust

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

### Note 9 Receivables

Receivables may include amounts for dividends, interest and securities sold where settlement has not yet occurred. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in note 3 above. Amounts are generally received within 30 days of being recorded as receivables.

Receivables include such items as Reduced Input Tax Credits (RITC) and application monies receivable from unitholders.

	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
Due from brokers - receivable for securities sold	1	10
Interest receivable	1	7
	<u>2</u>	<u>17</u>

## Sunsuper Pooled Superannuation Trust

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

#### Note 10 Payables

Payables include liabilities and accrued expenses owing by the Trust which are unpaid as at the end of the year. They are generally expected to be settled within 30 days of being recorded as a payable.

Trades are recorded on trade date, and normally settled within three business days. Purchases of financial instruments that are unsettled at the end of the year are included in payables.

	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
Due to brokers - payable for securities purchased	-	26
Management fees payable	1	2
Tax fees payable	1	-
Other payables	1	1
	<u>3</u>	<u>29</u>

## Sunsuper Pooled Superannuation Trust

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

### Note 11 Unitholders' funds

As stipulated within the Trust's Deed, each unit represents a right to an individual share in the Trust and does not extend to a right to the underlying assets of the Trust. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Trust.

Movements in number of units and unitholders' funds during the year were as follows:

	2023 No. m	2022 No. m	2023 \$m	2022 \$m
<b>Unitholders' units and funds</b>				
Opening balance	5,640	3,819	16,727	11,337
Applications	3,627	2,566	2,715	5,765 <sup>(1)</sup>
Redemptions	(1,235)	(745)	(2,910) <sup>(2)</sup>	(2,771)
Increase in unitholders' funds	-	-	779	2,396
<b>Closing balance</b>	<b>8,032</b>	<b>5,640</b>	<b>17,311</b>	<b>16,727</b>

(1) Applications include an in specie transfer of \$679,252,000. Australian Retirement Trust acquired, via successor fund transfer, Australia Post Superannuation Scheme on 30 April 2022 and this was invested in the Trust.

(2) Redemptions include an in specie transfer of \$634,395,000.

#### Redeemable units

The Trust issues redeemable units, which are redeemable at the holder's option and classified as equity in accordance with the AASB 132 Financial Instruments: Presentation AASB 2008-2 Amendments to Australian Accounting Standards — Puttable Financial Instruments and Obligations Arising on Liquidation.

Should the terms or conditions of the redeemable units change such that they no longer comply with the criteria for classification as equity in the revised AASB 132, the redeemable units would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the instrument's fair value at the date of reclassification. Any difference between the carrying amount of the equity instrument and the fair value of the liability at the date of reclassification would be recognised in equity.

Redeemable units can be put back to the Trust at any time for cash equal to a proportionate share of the Trust's net asset value.

Where the Trust re-purchases its redeemable units, the consideration paid, including any directly attributable incremental costs are deducted from equity attributable to the Trust's unitholders until the units are cancelled, reissued or disposed of. Where such units are subsequently sold or re-issued, any consideration received, net of any incremental transaction costs directly attributable are included in equity attributable to the Trust's unitholders.

The consideration received or paid for units is based on the value of the Trust's net assets value per redeemable unit at the date of the transaction. The Trust's assets predominantly comprise unlisted investment vehicles such as unit trusts, partnerships and directly held infrastructure investments. As observable prices are not available for these types of investments, the Trust has typically received valuations from investment managers, or from independent valuers appointed by them, who have used generally accepted valuation techniques to derive fair value in determining the Trust's net asset value for unit pricing purposes. The Trust's net asset value per unit is calculated by dividing the Trust's net assets by the total number of outstanding units.



## Sunsuper Pooled Superannuation Trust

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

### Note 11 Unitholders' funds

#### Applications and redemptions

Applications received for units in the Trust are recorded net of any entry fees payable prior to the issue of units in the Trust. Redemptions from the Trust are recorded gross of any exit fees payable after the cancellation of units redeemed.

Unit redemption prices are determined by reference to the net assets of the Trust divided by the number of units on issue.

## Sunsuper Pooled Superannuation Trust

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

### Note 12 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Trust:

<b>Deloitte Touche Tohmatsu</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Audit services</b>		
Financial statements and regulatory audit	142,345	127,756
Total remuneration for audit and other assurance services	<u>142,345</u>	<u>127,756</u>
<b>Non-audit services</b>		
Advisory Services	-	25,080
Total remuneration for non-audit services	<u>-</u>	<u>25,080</u>
<b>Total remuneration for auditors</b>	<u>142,345</u>	<u>152,836</u>

Sunsuper Pooled Superannuation Trust

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

Note 13                      Subsequent events

Since 30 June 2023, there have been no matters or circumstances that have significantly affected or may significantly affect the Trust.

## Sunsuper Pooled Superannuation Trust

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

### Note 14 Commitments, contingent assets, and contingent liabilities

The details of the Trust's commitments in relation to its investments are as follows:

	<b>2023</b>	<b>2022</b>
	<b>\$m</b>	<b>\$m</b>
Investments with uncalled commitments <sup>(1)</sup>		
Within one year	5,931	5,733
<b>Total</b>	<b>5,931</b>	<b>5,733</b>

(1) Investment commitments can be called upon at any time by the underlying investment manager depending on their requirements to fund new investments.

There are no other contingent assets or liabilities as at the reporting date (2022: Nil)

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

### Note 15 Environmental, social and governance management

The Trust's mission is to improve retirement outcomes for members to and through retirement.

The Trust considers the risks and opportunities of investments in a holistic way, which means including the financial impacts of environmental, social and governance (ESG) issues alongside other traditional financial matters. The approach is integral to the belief that sustainable investing leads to superior outcomes.

Investment strategies are guided by the following sustainability approaches, known as ESG integration, stewardship and, in limited cases, exclusions. The Trust also incorporates climate change and modern slavery considerations into investment decision making. A copy of the latest Sustainable Investment report can be viewed at [www.australianretirementtrust.com.au/investments/how-we-invest/responsible-investing](http://www.australianretirementtrust.com.au/investments/how-we-invest/responsible-investing)

#### Climate Change

##### *Governance*

Climate change represents a significant financial risk and opportunity in the context of the Trust's investment portfolios. Governments, regulators, communities, and members are increasingly focussed on climate change and the role of capital in effecting the transition to a low-carbon global economy. Managing the risks and opportunities of climate change is an important factor in pursuing the best financial interests of members.

The Climate Change Policy contains details on the beliefs, approaches to management and reporting that relate to climate change.

The Trustee is always responsible for the Trust's investments. The Trustee has delegated primary responsibility for implementing the relevant strategic options to manage ESG risk to Australian Retirement Trust's Chief Investment Officer (CIO) and primary oversight of the CIO to the Australian Retirement Trust Investment Committee.

Other parties to the ESG Integration include but are not confined to the following:

- Relevant Board sub-committees
- The Australian Retirement Trust Investment team
- Investment managers engaged by the Trust
- Service providers and advisers to the Trust.

The over-arching Australian Retirement Trust Investment Delegations position the Board as being responsible for the establishment of the Climate Change Policy's beliefs, governance, targets, and roadmap. The Climate Change Delegations establish the CIO as having Board-delegated authority to implement portfolio and active ownership activity.

##### *Strategy and Risk Management*

Strategy in this context refers to factors that contribute to the Trust's investment strategy, including asset allocation, the portfolio construction for each option, the combination of active or passive investments, liquidity, and the selection of our investment managers.

Climate change is recognised as financial risk, and there are different approaches as to how to incorporate it into the investment strategy. A new approach was adopted for the assessment of ESG credentials of the Trust's investment managers last financial year and implementation has continued during this financial year.

The Trust has established a baseline for asset classes where data is available, and this has continued this during this financial year.

Sunsuper Pooled Superannuation Trust

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

Note 15 Environmental, social and governance management

Modern Slavery

The Trust has undertaken annual exposure analysis and incorporated modern slavery considerations into due diligence and monitoring to meet the Trust's obligations under the Modern Slavery Act 2018. The Trust's first Modern Slavery statement as Australian Retirement Trust was submitted in December 2022.

## Sunsuper Pooled Superannuation Trust

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

### Note 16 Other accounting policies

#### Standards and interpretations adopted during the year

The Trust has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2022.

#### AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments

This amendment sets out to amend various other accounting standard, including AASB 9 Financial Instruments where it clarifies the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. There is no impact on Trust's financial statements due to these amendments.

#### Standards and interpretations in issue not yet effective

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

<b>Standard/Interpretation</b>	<b>Effective for annual reporting periods beginning on or after</b>
AASB 17 Insurance Contracts and AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts	1 January 2023
AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128, AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections	1 January 2025
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 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	1 January 2024
AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback	1 January 2024
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	1 January 2023
AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standard	1 January 2023

The initial application of the Standards and Interpretations issued but not yet effective will not have a material impact on the Trust's financial statements

## Sunsuper Pooled Superannuation Trust

# Trustee's Statement For the year ended 30 June 2023

In the opinion of the Trustee:

- (a) the financial statements and notes set out on pages 6 to 47 are drawn up so as to present fairly the financial position of Sunsuper Pooled Superannuation Trust as at 30 June 2023, the results of its operations, changes in equity and its cash flows for the financial year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements; and
- (b) the financial statements are prepared in accordance with the requirements of the Trust Deed and the Superannuation Industry (Supervision) Act 1993 and Regulations; and
- (c) Note 1 confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board; and
- (d) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the directors of the trustee company, Australian Retirement Trust Pty Ltd.



Andrew Fraser

Chair

Brisbane

21 September 2023



Mary Elizabeth Hallett

Director

Brisbane

21 September 2023



## **Sunsuper Pooled Superannuation Trust (ABN 60 905 115 063) Report by the Registrable Superannuation Entity ("RSE") Auditor to the unitholders**

### **Opinion**

We have audited the financial statements of Sunsuper Pooled Superannuation Trust for the year ended 30 June 2023 comprising the Statement of Financial Position, Income Statement, Statement of Changes in Equity, Statement of Cash Flows and notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, in accordance with Australian Accounting Standards the financial position of Sunsuper Pooled Superannuation Trust at 30 June 2023 and the results of its operations, cash flows, changes in equity for the year ended 30 June 2023.

### **Basis for Opinion**

We conducted the 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 Statements* section of our report. We are independent of the entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### **Responsibilities of the trustee for the Financial Statements**

The RSE's trustee is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards 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 statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements 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 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 these financial statements.

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

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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.
- Obtained 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 RSE's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Concluded on the appropriateness of the trustee's 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 RSE'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 statements, or if such disclosures are inadequate, to modify our audit 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 RSE to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicated with the trustee 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 identified during our audit.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

*David Rodgers*

**David Rodgers**

Partner

Chartered Accountants

Brisbane, 21 September 2023