



# **AWARE SUPER PTY LTD**

ABN 11 118 202 672

Financial Report

For the year ended 30 June 2023

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## **Independent Auditor's Report to the Board of Directors of Aware Super Pty Ltd**

### *Opinion*

We have audited the financial report of Aware Super Pty Ltd (the "Company") which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- Giving a true and fair view of the Company's financial position as at 30 June 2023 and of its 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 Report section of our report. We are independent of the Company 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 report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, 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 information included in the Company's Directors' report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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.

*Deloitte Touche Tohmatsu*

**DELOITTE TOUCHE TOHMATSU**

A handwritten signature in black ink that reads "Frances Borg".

Frances Borg  
Partner  
Chartered Accountants  
Sydney, 22 September 2023



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22 September 2023

Board of Directors  
Aware Super Pty Ltd  
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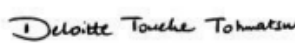
**Auditor's Independence Declaration to Aware Super Pty Ltd**

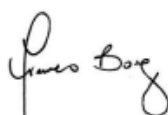
In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Board of Directors of Aware Super Pty Ltd.

As lead audit partner for the audit of the financial statements of Aware Super 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

A handwritten signature in black ink, appearing to read "Frances Borg".

Frances Borg  
Partner  
Chartered Accountants

# Directors' Declaration

The Directors declare that:

- a) In the Directors' opinion, there are reasonable grounds to believe that the Aware Super Pty Ltd will be able to pay its debts as and when they become due and payable;
- b) In the Directors' opinion, the attached financial statements and notes thereto are in compliance with International Financial Reporting Standards, as stated in Note 2 to the financial statements; and
- c) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and give a true and fair view of the financial position and performance of the Aware Super Pty Ltd.

Signed in accordance with a resolution of the Directors made pursuant to Section 295(5) of the Corporations Act 2001.

On behalf of the Directors



*Director*  
Aware Super Pty Ltd



*Director*  
Aware Super Pty Ltd

Signed at 388 George Street, Sydney this 22<sup>nd</sup> day of September 2023.

# Directors' Report

The Directors of Aware Super Pty Ltd (the "Trustee") submit herewith the annual report of the Trustee for the financial year ended 30 June 2023. To comply with the Corporations Act 2001, the Directors report as follows:

## Directors

The Directors of the Trustee at any time during the financial year were:

Mr N Cochrane (retired 28 February 2023)

Ms S Mostyn (appointed 1 March 2023)

Ms P Carew

Mrs A Masiero

Mr J Dixon

Ms A Nigro

Mr M Morey (resigned 24 October 2022)

Mr S Little (appointed 4 November 2022)

Ms P Faulkner AO

Ms J Furlan

Mr P Moffitt

Ms R Ramwell

Mr T Symondson (resigned 31 January 2023)

Ms L Clarke (appointed 1 February 2023)

There were no new Directors of the Trustee appointed since 30 June 2023, the end of the financial year.

## Principal Activities

The principal activity of the Trustee is the provision of trustee services for Aware Super (the "Fund").

## Review of Operations

The operating profit after deducting income tax expense for the year was \$Nil (2022: \$Nil).

# Directors' Report (continued)

## Changes in State of Affairs

There was no significant change in the state of affairs of the Trustee during the financial year.

## Subsequent Events

No significant events have occurred since the end of the reporting period which would impact the net assets of the Trustee and the Fund as at 30 June 2023 or the Statement of Changes in Net Assets of the Fund for the year ended on that date.



# Directors' Report (continued)

## Directors' Meetings

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each Director (whilst they were a Director or committee member).

Directors	Board of Directors		Audit, Risk and Compliance Committee		Investment Committee		Member Services Committee		Remuneration and Human Resources Committee		Governance and Nominations Committee		Direct Assets Committee <sup>2</sup>	
	H	A	H	A	H	A	H	A	H	A	H	A	H	A
N Cochrane	5	5	-	-	5	5	-	-	-	-	2	2	-	-
Ms S Mostyn	3	3	-	-	2	2	-	-	-	-	2	2	-	-
Ms P Carew	8	8	-	-	-	-	5	5	10	10	4	4	-	-
Ms A Masiero	8	8	6	5	-	-	-	-	10	7	-	-	-	-
Mr J Dixon	8	8	-	-	7	7	-	-	10	10	-	-	12	12
Ms A Nigro	8	8	6	6	-	-	5	5	-	-	-	-	-	-
Mr M Morey	2	2	-	-	-	-	2	1	-	-	1	1	-	-
Mr S Little	5	4	-	-	-	-	3	3	-	-	2	1	-	-
Ms P Faulkner	8	8	-	-	6	6	-	-	-	-	4	4	12	11
Ms J Furlan	8	8	6	6	-	-	5	5	-	-	-	-	-	-
Mr P Moffitt	8	7	-	-	7	7	-	-	-	-	-	-	12	12
Ms R Ramwell	8	7	6	6	7	6	-	-	-	-	-	-	12	11
Mr T Symondson	4	3	-	-	-	-	-	-	4	1	2	2	-	-
Ms L Clarke	4	3	-	-	-	-	-	-	6	6	2	1	-	-

H: Number of meetings held during the time the Director held office or was a member of the committee during the year. This table does not include attendance at Board meetings of any controlled entities.

A: Number of meetings attended.

### Notes:

1. The Direct Assets Committee is a sub-committee of the Board's Investment committee but is included here for completeness.

# Directors' Report (continued)

## Directors' Benefits

Since 1 July 2022, no Director of the Trustee has received or become entitled to receive a benefit by reason of a commercial contract made by the Trustee or a related corporation with the Director or with a firm of which the Director is a member, or with an entity in which the Director has a substantial financial interest.

## Indemnification of officers and auditors

During the financial year, the Fund paid a premium in respect of a contract insuring the Directors of the Trustee, the company secretary and all executives of the Trustee and of any related body corporate against a liability incurred as a Director, secretary or executive to the extent permitted by the Corporations Law. Our insurers prohibit the disclosure of the nature of the liability and the amount of the premium.

The Trustee has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer of the Trustee or of any related body corporate against a liability incurred as an officer.

## Dividends

The Trustee's Constitution provides that no profit or dividends can be distributed to the members, either during the ordinary course of business or on a winding up or other dissolution of the Company.

## Future Developments

The disclosure of information regarding likely developments in the operations of the Trustee in future financial years and the expected results of those operations, because of their commercial sensitivity, could result in unreasonable prejudice to the Trustee. Accordingly, this information has not been disclosed in this report.

## Auditor's Independence Declaration

The Auditor's Independence Declaration is included on page 5 of the annual report.

## Rounding of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191* dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' report and the financial statements are rounded off to the nearest dollar, unless otherwise indicated.

# Directors' Report (continued)

The Directors' report is signed in accordance with a resolution of the Directors made pursuant to Section 298(2) of the Corporations Act 2001.

On behalf of the Directors



**Director**

Aware Super Pty Ltd



**Director**

Aware Super Pty Ltd

Signed at 388 George Street, Sydney this 22<sup>nd</sup> day of September 2023.

# Statement of Financial Position

## as at 30 June 2023

	Note	2023 \$	2022 \$
<b>Current assets</b>			
Cash and cash equivalents		11	11
Receivables	4	78,214	85,056
<b>Total current assets</b>		<b>78,225</b>	<b>85,067</b>
<b>Total assets</b>		<b>78,225</b>	<b>85,067</b>
<b>Current liabilities</b>			
Accounts payable		78,214	85,056
<b>Total current liabilities</b>		<b>78,214</b>	<b>85,056</b>
<b>Total liabilities</b>		<b>78,214</b>	<b>85,056</b>
<b>Net assets</b>		<b>11</b>	<b>11</b>
<b>Equity</b>			
Issued capital		11	11
<b>Total equity</b>		<b>11</b>	<b>11</b>

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

# Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>Revenue</b>			
Revenue from continuing operations	3	1,527,786	1,731,449
<b>Total revenue</b>		<b>1,527,786</b>	<b>1,731,449</b>
<b>Expenses</b>			
Other expenses		1,527,786	1,731,449
<b>Total expenses</b>		<b>1,527,786</b>	<b>1,731,449</b>
<b>Net profit before income tax</b>		-	-
Income tax expense		-	-
<b>Net profit after income tax</b>		-	-
Other comprehensive income		-	-
<b>Total comprehensive income attributable to members of the Company</b>		-	-

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

## for the year ended 30 June 2023

	2023 \$	2022 \$
<b>Cash flows from operating activities</b>		
Cash receipts in the course of operations	1,534,627	1,702,315
Cash payments in the course of operations	(1,534,627)	(1,702,315)
<b>Net cash flow from operating activities</b>	-	-
<b>Cash flows from investing activities</b>	-	-
<b>Net cash flow from investing activities</b>	-	-
<b>Cash flows from financing activities</b>		
Proceeds from issue of preference shares	3	1
Redemption of preference shares	(3)	(4)
<b>Net cash from financing activities</b>	-	(3)
<b>Net increase/(decrease) in cash and cash equivalents</b>	-	(3)
Cash and cash equivalents at the beginning of the financial year	11	14
<b>Cash and cash equivalents at the end of the financial year</b>	11	11

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

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

	Note	Contributed equity \$	Retained earnings \$	Total \$
<b>Balance at 1 July 2021</b>		14	-	14
Issue of preference shares	7	1	-	1
Redemption of preference shares	7	(4)	-	(4)
Total comprehensive income for the year, net of income tax		-	-	-
<b>Balance at 30 June 2022</b>		11	-	11
<b>Balance at 1 July 2022</b>		11	-	11
Issue of preference shares	7	3	-	3
Redemption of preference shares	7	(3)	-	(3)
Total comprehensive income for the year, net of income tax		-	-	-
<b>Balance at 30 June 2023</b>		11	-	11

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

# Notes to the Financial Statements

## 1. Operations of the Trustee Company

Aware Super Pty Ltd (ABN 11 118 202 672) (the "Trustee") is the trustee of Aware Super (ABN 53 226 460 365) (the "Fund"). The Fund is both a defined contribution and a defined benefit superannuation fund. Originally established as a defined contribution fund under the *First State Superannuation Act 1992(NSW)*, and as constituted by the Trust Deed dated 19 February 1999 (as amended), the Fund also provides defined benefits following its merger with Health Super Fund on 30 June 2011. The Fund provides superannuation benefits (including income streams), and insurance benefits (where applicable) to members and their dependants or beneficiaries.

On 1 May 2006, the Fund became a regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993.

On 18 April 2013, the Trustee was authorised to offer a MySuper product with effect from 1 July 2013.

The Trustee holds all assets of the Fund in trust and is liable for all liabilities of the Fund. The Trustee is entitled to indemnity from the assets of the Fund. The Fund is a reporting entity for accounting and taxation purposes.

The principal place of business of the Fund is:

Level 28  
388 George Street  
Sydney, NSW 2000

## 2. Basis of Preparation and Significant Accounting Policies

### 2.1 Basis of preparation

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards, and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB) and comply with other requirements of the law.

The financial statements comprise the individual financial statements of Aware Super Pty Limited. For the purposes of preparing the financial statements, the Company is a 'for profit' entity.

The financial statements have been prepared on a historical cost basis. Historical cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise indicated.



## 2. Basis of Preparation and Significant Accounting Policies (continued)

### 2.1 Basis of preparation (*continued*)

The following significant accounting policies have been adopted in the preparation and presentation of the financial report. Unless otherwise stated, these policies are consistent with those applied in the previous year.

### 2.2 Statement of Compliance

Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company 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.

The financial statements were authorised for issue by the Directors on 22 September 2023.

### 2.3 Rounding of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial statements are rounded off to the nearest dollar, unless otherwise indicated.

### 2.4 Going concern

The financial statements have been prepared on the going concern basis. The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue to meet its debts as they fall due until at least the next twelve months from the date of signing these financial statements.

## 2. Basis of Preparation and Significant Accounting Policies (continued)

### 2.5 Cash and Cash Equivalents

Cash includes cash on hand and deposits held at call with a bank or financial institution and highly liquid investments with short periods to maturity which are readily convertible to cash and which are subject to insignificant risk of changes in value.

### 2.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when the Trustee invoices the Fund for reimbursement of the remuneration paid/payable to the Directors.

#### *Reimbursements*

The Trustee's predominant source of revenue is the receipt of fees charged for the provision of trustee services to the Aware Super Group. Director fees are accrued on a monthly basis and charged to Aware Super the "Fund" monthly in arrears.

Management considered the detailed criteria for the recognition of revenue set out in AASB 15 *Revenue from Contracts with Customers* and, in particular, whether the entity had transferred control of the goods to the customer. In accordance with AASB 15, the provision of services constitutes the provision of an asset, which is often transferred to the customer and consumed immediately. The reimbursements are for a series of performance obligations incurred in delivering trustee services to Aware Super and its related entities. Revenue is recognised when each performance obligation is met, being when costs are incurred.

### 2.7 Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables where the effect of discounting is immaterial.

The Trustee applies the AASB 9 simplified approach to measuring expected credit losses ("ECL"), which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Expected loss rates are based on historical actual write-off rates and forward-looking indicators that might impact the recoverability of balances.

With the exception of intercompany receivables, the Trustee considers that default has occurred when a financial asset is more than 90 days past due unless the Trustee has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

### 2.8 Payables

Accounts payable are recognised when the Fund becomes obliged to make future payments resulting from the purchase of goods and services and are recognised at their nominal value which is equivalent to net market value.

## 2. Basis of Preparation and Significant Accounting Policies (continued)

### 2.9 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST); except where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the Statement of Financial Position.

### 2.10 Use of Judgements and Estimates

In the application of Accounting Standards, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustment in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

### 2.11 Adoption of new and revised accounting standards

The Trustee has adopted all the recognition and measurement requirements in all new and revised Standards and Interpretations issued by the AASB, that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2022. These are:

- Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments (AASB 2020-3)
- The Annual Improvements include amendments to seven Standards, AASB 1 First-time Adoption of IFRS, AASB 3 Business Combinations, AASB 9 Financial Instruments, AASB 116 Property, plant, and equipment, AASB16 Leases, AASB 137 Provisions, Contingent Liabilities and Contingent Assets and AA141 Agriculture.

The adoption of the above Standards and Interpretations for the financial year ended 30 June 2023 had no significant impact on the financial results of the Trustee.

### 2.12 Accounting Standards and Interpretations Issued, but not yet effective

A number of Australian Accounting Standards and Interpretations are in issue but are not effective for the current year end. The reported results and position of the Trustee will not change on adoption of these pronouncements as they do not result in any changes to the Trustee's existing accounting policies. Adoption will, however, result in changes to information currently disclosed in the financial statements. The Trustee does not intend to adopt any of these pronouncements before their effective dates.

### **2.13 Upcoming legislative and regulatory changes, not yet effective**

Aware Super Pty Ltd as the trustee of Aware Super ("the Fund") is responsible for the preparation of the financial statements of the Fund.

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

Accordingly, for the Fund's income year ending 30 June 2024, the Fund will be required to prepare an annual report, consisting of a financial report (including financial statements, notes and a directors' declaration), a directors' report (including a remuneration report) and an attached auditor's report and auditor's independence declaration. The annual report will be made available on the Fund's website within three months of the end of the Fund's income year (i.e. by 30 September 2024).

### 3. Revenue

	2023 \$	2022 \$
<b>Reimbursement from the Fund for:</b>		
Remuneration and reimbursements paid to Directors	1,445,939	1,615,684
Payroll tax on Directors' remuneration	81,847	115,765
<b>Total Revenue</b>	<b>1,527,786</b>	<b>1,731,449</b>

### 4. Receivables

	2023 \$	2022 \$
Amount due from the Fund	78,214	85,056
	<b>78,214</b>	<b>85,056</b>

### 5. Remuneration of External Auditors

Amounts paid or payable for external audit services in relation to the Trustee that have been paid by the Fund:

	2023 \$	2022 \$
Deloitte Touche Tohmatsu - Aware Super Pty Ltd Financial Report	16,800	16,000

### 6. Contingent Liabilities

The Trustee had no contingent liabilities at 30 June 2023 (2022: \$Nil).

## 7. Issued Capital

Under the terms of the Constitution of the Trustee, eleven (2022: eleven) \$1.00 Redeemable Preference Shares issued are to members of the Trustee.

Only Directors of the Trustee are eligible to become a member and hold a share. The terms of issue of the Redeemable Preference Shares do not permit the distribution of dividends and they are not transferable. On redemption of the shares, the only right held by the member is the repayment of the \$1.00 issue price.

	2023	2022
	\$	\$
<b>Issued Capital</b>		
<b>Opening balance at 1 July</b>	<b>11</b>	14
Issue of preference shares	<b>3</b>	1
Redemption of preference shares	<b>(3)</b>	(4)
<b>Closing balance at 30 June</b>	<b>11</b>	11

## 8. Related Parties

The Aware Super Pty Ltd is the Trustee of Aware Super (the "Fund").

The Trustee is reimbursed by the Fund, on a cost recovery basis, for the remuneration paid to Directors. Details of the amount of reimbursement paid by the Fund during the year are disclosed in Note 3 and the amount receivable from the Fund at balance date is disclosed in Note 4.

## 8. Related Parties (continued)

The following were key management personnel of the Fund. No Executive is a Director of the Trustee.

Non-Executive Directors of the Trustee	
Mr N Cochrane	Independent Director & Chairman of the Board (retired 28 February 2023)
Ms S Mostyn	Independent Director & Chairman of the Board (appointed 1 March 2023)
Ms P Carew	Member representative, Australian Nursing and Midwifery Federation (VIC branch)
Ms A Masiero	Member representative, Australian Education Union (VIC branch)
Mr J Dixon	Member representative, Unions NSW
Ms A Nigro	Member representative, Unions NSW
Mr M Morey	Member representative, Unions NSW (resigned 24 October 2022)
Mr S Little	Member representative, Unions NSW (appointed 4 November 2022)
Ms P Faulkner AO	Employer representative, jointly appointed by Department of Education and Training Victoria and the Victorian Public Sector Commission
Ms J Furlan	Employer representative, NSW Department of Premier and Cabinet & the Treasury, NSW
Mr P Moffitt	Employer representative, NSW Department of Premier and Cabinet & the Treasury, NSW
Ms R Ramwell	Employer representative, NSW Department of Premier and Cabinet & the Treasury, NSW
Mr T Symondson	Employer representative, Victorian Healthcare Association (resigned 31 January 2023)
Ms L Clarke	Employer representative, Victorian Healthcare Association (appointed 1 February 2023)

Executives	
Ms D Stewart	Chief Executive Officer
Ms J Brennan	Chief Operating Officer
Ms J Couchman	Chief Risk Officer
Mr R Elliott	Group Executive, Finance Strategy & Transformation
Ms S Forman	Group Executive, Advice
Mr D Graham	Chief Investment Officer
Mr S Hill	Group Executive, People and Workplace Environment
Ms D Mika	Chief of Staff (Acting Group Executive, Member Growth until 11 October 2021, resigned 15 July 2022)
Mr I Pendleton	Group Executive, Legal & Company Secretary
Mr S Travis	Group Executive Member Growth

## 8. Related Parties (continued)

The key management personnel compensation in relation to services provided to the Fund is as follows:

KMP Compensation	2023 \$	2022 \$
Short term employee benefits, non-executive Directors' and Executives' salaries	<b>8,280,905</b>	8,098,842
Post-employment benefits, superannuation contributions made on behalf of non-executive Directors and Executives	<b>361,298</b>	371,159
Other long-term employee benefits, long service leave expenses for Executives	<b>1,036,278</b>	831,651
Termination benefits	<b>41,121</b>	33,695
<b>Total compensation</b>	<b>9,719,602</b>	9,335,347

The fees or salaries provided to Directors include superannuation fund contributions and fees received for acting as a Director or a member of a committee. Committee memberships are set out on page 8.

The membership terms and conditions for those Directors and Executives who are members of the Fund are the same as those available to other members of the Fund.

Where any of the Trustee's Directors are Directors, Consultants or Executives of, or otherwise related to, an entity with which the Fund transacts, those transactions are conducted on an arms-length basis, under normal commercial terms and conditions. The Trustee regularly updates its Conflicts Registers and ensures any conflicting interest is appropriately managed by, for example, the conflicted Director declaring their interest to the meeting, the Director being requested not to participate in the discussion, or the Director absenting himself or herself from the discussion.



## 9. Registrable Superannuation Entity Status – Guarantees and Warranties

On 1 May 2006, the Trustee was granted Registrable Superannuation Entity (RSE) Licence status regulated by the Australian Prudential Regulation Authority (APRA), to act as Trustee of the Fund which is a Public Offer Superannuation Fund.

The Trustee's RSE Licence requires it to have the following arrangements in place:

- a) An independent Custodian holding the assets of the Fund; and
- b) That the Custodian have at least \$5 million in net tangible assets.

### 9.1 Independent Custodian

State Street Australia Limited is the Fund's custodian for investments and related cash.

The custody and administration of the fund are performed by the following entities on 30 June 2023:

Whole of Aware Super fund	Administration of Fund	Custodian
Heritage StatePlus Retirement Fund	First State Super Product Services Trust (Self-administered)	State Street
Heritage VicSuper	Self-administered	State Street
Balance of Aware Super (including former WA Super and VISSF defined contribution members)	Mercer Administration Services (Australia) Pty Limited (until 30 April 2023) Self-administered (from 1 May 2023)	State Street
Heritage Victorian Independent Schools Superannuation Defined Benefit fund (VISSF) Defined Benefit funds	Link Group (until 31 March 2023) Self-administered (from 1 April 2023)	State Street

The administrators of the Fund are the custodian of the Fund's bank accounts that manage the processing of contributions, maintaining member records, and paying benefits.

### 9.2 Net Tangible Assets

The Trustee has received undertakings from the Custodian that it will maintain at all times during their appointment as custodian with the Trustee, either net tangible assets of at least \$5 million or be entitled to a benefit under an approved guarantee for \$5 million.

The undertakings enable the Trustee to comply with the requirements of its Registrable Superannuation Entity Licence.

## 10. Trustee and Right of Indemnification

The Trustee holds all assets of the Fund in trust and is liable for all liabilities of the Fund.

The assets and liabilities of Aware Super as at 30 June 2023 are as follows:

	2023 \$'m	2022 \$'m
<b>Assets</b>		
Financial assets	161,604	147,050
Other assets	2,244	2,284
<b>Total Assets</b>	<b>163,848</b>	<b>149,334</b>
<b>Liabilities</b>		
Payables	634	1,375
Financial Liabilities	197	1,484
Deferred tax liabilities	1,645	661
Member liabilities	159,934	145,092
<b>Total liabilities</b>	<b>162,410</b>	<b>148,612</b>
<b>Net Assets</b>	<b>1,438</b>	<b>722</b>

### Trustee Fee

Following the amendments (Amendments) to sections 56 and 57 of the Superannuation Industry (Supervision) Act 1993 (Cth) (**SIS Act**), Aware Super Pty Ltd (the **Trustee**) and its Directors will not be permitted to be indemnified out of the assets of Aware Super (the **Fund**) for criminal, civil or administrative penalties or amounts payable under infringement notices incurred in relation to a contravention of any law of the Commonwealth.

In order to prevent Trustee insolvency and the consequential costs to members of the Fund, the Trustee will need access to sufficient capital should any such penalties (or other personal liabilities) be imposed that cannot be satisfied by way of indemnity or insurance. It is proposed that the Trustee charge a trustee fee (**Trustee Fee**) under the existing trust deed power as and when needed to manage such personal financial risks, within appropriate parameters.

Under the Trust Deed, the Trustee may determine and charge a fee, to be retained for the Trustee's own purposes, for any of the duties or services that the Trustee performs in its capacity as trustee of the Fund. The use of this fee power is governed by a Trustee Fee Policy which determines that a fee may only be charged where the Trustee has incurred a relevant cost that it hasn't otherwise received compensation for. This fee is expected to be funded by the administration reserve of the Fund. The maximum fees that may be charged in a financial year is reviewed annually and was capped at \$42 million (exclusive of GST) for the financial year ended 30 June 2023. For the year-ended 30 June 2023, there was no actual Trustee Fee charged by the Trustee to the Fund.

## 11. Events Subsequent to Reporting Date

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely to significantly affect the operations of the Trustee, the results of those operations or the state of affairs of the Trustee in financial years subsequent to 30 June 2023.

End of Audited Financial Statements