

CARE SUPER PTY LTD
A.B.N. 91 006 670 060
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

**CARE SUPER PTY LTD
A.B.N. 91 006 670 060**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

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CARE SUPER PTY LTD
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DIRECTORS' REPORT

The Directors present their report together with the financial statements of CARE Super Pty Ltd (the Company) for the year ended 30 June 2023 and the auditor's report thereon. In compliance with the provisions of the Corporations Act 2001, the Directors' Report is as follows:

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Employer Representatives

Michael Drew (appointed 1 January 2023)
Michelle Gardiner (retired 31 December 2022)
Jeremy Johnson
Merran Kelsall
Katherine Sampson
Terence Wetherall

Member Representatives

Linda Scott (Chair)
Anthony Cavanagh
Rebecca Girard
Robert Potter
Vanessa Seagrove

Principal Activity

The principal activity of the Company during the financial year was to act as Trustee of CARE Super and establish and maintain the Trustee Resilience Reserve. No significant change in the nature of the activity occurred during the year.

CARE Super Pty Ltd held an Australian Financial Services Licence and RSE Licence during the year.

Operating and financial review

The Company derived income of \$3,718,938 (2022: \$21,648,435) for the provision of Trustee Services to CARE Super and for investing the Trustee Resilience Reserve. Expenses of \$2,501,987 (2022: \$6,924,803) were incurred during the year resulting in \$1,216,951 net profit after tax (2022: \$14,723,632).

Dividends

Under the terms of the Company's constitution, the shareholders of the Company are not entitled to receive dividends from the Company.

Significant Changes in the State of Affairs

In the previous financial year, a fee of 0.10% (\$21.583 million, including GST) of CARE Super's net assets was transferred from CARE Super to the Company. This was in response to government reforms that came into effect from 1 January 2022 and affected all regulated superannuation funds. The reforms mean that if a superannuation fund trustee became liable for a penalty under any Commonwealth Law or pays an infringement notice, from 1 January 2022 the money cannot be paid from the superannuation fund. The trustee would become liable for such payments.

By transferring a portion of the assets from CARE Super's General Reserve to a new 'Trustee Resilience Reserve' held by the Company, the Trustee can hold the capital required to pay any future penalty. The Trustee sought advice from the Supreme Court of Victoria, which determined the transfer of assets in the manner proposed to protect the Trustee was justified and fundamental to protecting the best financial interests of members.

On 30 May 2023, the CARE Super Trustee and Spirit Super Trustee signed an Implementation Deed for Successor Fund Transfer, confirming the parties' intention to transfer all transferring members entitlements and assets of CARE Super to Spirit Super by way of a successor fund transfer.

Events subsequent to reporting date

Since the end of the financial year, the parties are working towards implementation of the successor fund transfer, which subject to completion of a range of conditions, is expected towards the end of the 2024 calendar year.

Environment Regulation and Performance

The Company is not impacted by any environmental regulations.

Insurance of Officers

During the financial year, the Company paid premiums of \$680,676 (2022: \$568,782) to insure the directors (as named above) and officers of the Company against any liability incurred.

Indemnity of Auditors

The auditors of the Company are in no way indemnified out of the assets of the Company.

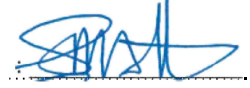
DIRECTORS' REPORT (CONTINUED)

Lead Auditor's Independence and declaration

The Lead auditor's independence declaration is set out on page 15 and forms part of the directors' report for the financial year ended 30 June 2023.

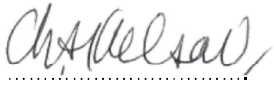
The Directors' report is made out in accordance with a resolution of the directors.

On behalf of the board



(Director)

Date: 28 September 2023



(Director)

Date: 28 September 2023

CARE SUPER PTY LTD
A.B.N. 91 006 670 060

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 \$	2022 \$
ASSETS			
Cash and cash equivalents	4	120,047	19,631,570
Receivables		273,109	-
Financial assets	5	16,065,588	-
Income tax receivable		32,416	-
TOTAL ASSETS		<u>16,491,160</u>	<u>19,631,570</u>
CURRENT LIABILITIES			
Other payables		290,293	-
Income tax payable	6	-	4,907,878
Deferred tax liabilities	6	260,224	-
TOTAL LIABILITIES		<u>550,517</u>	<u>4,907,878</u>
NET ASSETS		<u>15,940,643</u>	<u>14,723,692</u>
EQUITY			
Contributed equity	9	60	60
Trustee resilience reserve	3(g)	15,940,583	14,723,632
TOTAL EQUITY		<u>15,940,643</u>	<u>14,723,692</u>

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 \$	2022 \$
Revenue from ordinary activities			
Interest		173,726	10,510
Trustee services		2,154,624	2,016,925
Trustee resilience reserve charge		-	19,621,000
Dividends and distributions		67,420	-
Net changes in fair value of financial instruments		1,309,251	-
Other investment income		13,917	-
Total Revenue		<u>3,718,938</u>	<u>21,648,435</u>
General Administration Expenses			
Bank fees		781	-
Director fees		1,094,192	926,240
Trustee liability insurance		680,676	568,782
Trustee office meetings, travel and education		379,756	521,903
Total General Administration Expenses		<u>2,155,405</u>	<u>2,016,925</u>
Profit from ordinary activities before income tax		1,563,533	19,631,510
Income tax (benefit)/expense	6	346,582	4,907,878
Profit/(loss) for the year		<u>1,216,951</u>	<u>14,723,632</u>
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		<u>1,216,951</u>	<u>14,723,632</u>

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

CARE SUPER PTY LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	Contributed Equity \$	Trustee Resilience Reserve \$	Total Equity \$
Balance at 1 July 2021		60	-	60
Profit for the financial year		-	14,723,632	14,723,632
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	14,723,632	14,723,632
Balance as 30 June 2022	9	60	14,723,632	14,723,692
Profit for the financial year		-	1,216,951	1,216,951
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	1,216,951	1,216,951
Balance as 30 June 2023	9	60	15,940,583	15,940,643

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 \$	2022 \$
Cash flows from operating activities			
Interest received		173,726	10,510
Trustee services fees received		2,154,624	2,016,925
Other Income received		-	19,621,000
General administration expenses paid		(2,138,221)	(2,016,925)
Income tax paid		(5,026,652)	-
Net cash (outflow)/inflow from operating activities	4	(4,836,523)	19,631,510
Cash flows from investing activities			
Dividends and Distributions received		67,420	-
Purchase of investments		(14,742,420)	-
Net cash (outflow)/inflow from investing activities		(14,675,000)	-
Net cash (outflow)/inflow from financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		(19,511,523)	19,631,510
Cash and cash equivalents at the beginning of the financial year		19,631,570	60
Cash and cash equivalents at the end of the financial year	4	120,047	19,631,570

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1. REPORTING ENTITY

CARE Super Pty Ltd is a company limited by shares that is incorporated and domiciled in Australia.

The registered office of CARE Super Pty Ltd is located at:

Level 6, 447 Collins Street
Melbourne, Victoria 3000

The principal activity of the Company during the financial year was to act as Trustee of CARE Super. The financial statements were authorised for issue by the directors on 27 September 2023.

The directors have the power to amend and reissue the financial statements.

NOTE 2. BASIS OF PREPARATION

(a) Basis of accounting

The financial statements are presented as a general purpose financial report and have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board as required by the Company's Registerable Superannuation Entity Licence and Australian Financial Services Licence conditions.

(b) Basis of measurement

The Financial Statements have been prepared using the historical cost convention and going concern assumption, except where it is stated that assets/liabilities are measured at fair value.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars which is the Company's functional currency.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue

Revenue is recognised to the extent that it is possible that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received.

Trustee services revenue

Under the terms of the Trust Deed, the Trustee is entitled to be reimbursed out of the Fund assets for all expenses and liabilities it incurs in connection with the Fund or in performing its obligations. This reimbursement is otherwise referred to as a Trustee Services Fee. The performance obligations associated with the Trustee Services Revenue are satisfied at a point in time, which is the point that the reimbursable expense is incurred by the Company. Trustee Services Fees are typically settled quarterly.

Trustee resilience reserve charge

The Trustee is entitled to charge a fee to hold on its own account against the risk of acting as Trustee of the Fund, which is otherwise referred to as a Trustee Resilience Reserve Charge. The Trustee Resilience Reserve Charge is held by the Trustee in a Trustee Resilience Reserve to indemnify the Trustee or Directors for non-indemnifiable liabilities. The performance obligations associated with the Trustee Resilience Reserve Charge are satisfied at a point in time and are typically reviewed annually.

The Trustee recognises the Trustee Resilience Reserve Charge when it is probable that it will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the Fund. Revenue is measured at the fair value of the consideration received or receivable.

Changes in fair value

Changes in the fair value of investments are calculated as the difference between the fair value at sale, or at balance date, and the fair value at the previous valuation point. All changes are recognised in the income statement.

Interest

Interest revenue on cash and other financial assets carried at fair value is recorded according to the terms of the contract and is recognised in the income statement.

Dividends and distributions

Dividend and distribution revenue is recognised when the Company's right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Significant Accounting Judgements, Estimates and Assumptions

In applying Australian Accounting Standards, it is necessary for management to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily available from other sources. These judgements, estimates and associated assumptions are formed based on historical experience and various other factors believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. When accounting estimates or assumptions are revised, the revision is recognised:

- In the period of the revision, 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.

There have been no significant accounting estimates or judgements for the year ended 30 June 2023.

(c) Financial Risk Management Objectives and Policies

Financial risk management is carried out by the Trustee through the Board and various Committees with advice from external advisors and internal management. Refer to Note 3 (g) for Trustee Resilience Reserve Risk.

(d) Trustee Liabilities and Right of Indemnity

The Company acts solely as trustee of CARE Super and liabilities have been incurred on behalf of CARE Super in the Company's capacity as corporate trustee.

Liabilities incurred on behalf of CARE Super are not recognised in the financial statements when it is not probable that the Company will have to meet any of these trust liabilities from its own resources. When it is probable that the Company will have to meet some trust liabilities, a liability for the deficiency in the Trustee Right of Indemnity is brought to account.

(e) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand and cash at bank.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents held by the Company for the Fund.

(f) Financial assets

(i) Classification

The investments of the Company are invested through the JANA Moderate Trust ('JMT'), an unlisted unit trust and the financial investments are classified at fair value through profit or loss in accordance with AASB 9.

(ii) Recognition / derecognition

The Company recognises financial assets on the date it becomes party to the contractual agreement (trade date) and recognises changes in the fair value of the financial assets from this date.

Investments are derecognised when the right to receive cash flows from the investments has expired or has been transferred and the Company has transferred substantially all of the risks and rewards of ownership. Any gains or losses arising on derecognition of the asset (calculated as the difference between the disposal proceeds and the carrying amount of the asset) are included in the Income Statement in the reporting period that the asset is derecognised as realised gains or losses on financial instruments.

(iii) Measurement

Financial assets held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs on financial assets at fair value through profit or loss are expensed immediately in the income statement.

Subsequent to initial recognition, all financial assets held at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets held at fair value through profit or loss are presented in the Income Statement within 'net gains/(losses) on financial instruments held at fair value through profit or loss' in the period in which they arise.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Trustee Resilience Reserve

The Company maintains a Trustee Resilience Reserve which is represented by accumulated profits of \$15,940,583 (2022: \$14,723,632). Central to the Trustee's resilience is the establishment and maintenance of a reserve of capital that is held beneficially by the Trustee in the Company.

The Trustee Resilience Reserve contains amounts for the administration and operation of the Trustee and, if appropriate, CARE Super. It also contains amounts to provide for potential liabilities that are not permitted to be paid from CARE Super.

In December 2021, a fee of 0.10% of CARE Super's net assets was transferred from CARE Super to the Company. This fee of 0.10% is represented by the Trustee Resilience Reserve of 0.075% and income tax of 0.025%. The Trustee Resilience Reserve is currently maintained within a target range of 0.065% to 0.085% (2022: 0.065% to 0.085%) of the net assets of CARE Super.

(h) Income tax

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for tax purposes. Any amount of deferred tax provided would be based on the expected manner of realisation of assets or settlement of the liability.

(i) Goods and services tax (GST)

Income, expenses and assets, with the exception of receivables and payables are recognised net of the amount of GST to the extent that the GST is recoverable from the taxation authority. Where GST is not recoverable, it is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from the taxation authority is included as part of receivables in the Statement of Financial Position.

(j) New standards and Interpretations not yet adopted

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2022 that have a material impact on the amounts recognised in the prior or current periods or that will affect future periods.

(k) Reclassification of financial information

Where necessary, comparative information has been reclassified to achieve consistency with current period disclosures.

NOTE 4. CASH AND CASH EQUIVALENTS

	2023	2022
	\$	\$
Cash at bank	119,987	19,631,510
Cash on hand	60	60
	<u>120,047</u>	<u>19,631,570</u>
Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	2023	2022
	\$	\$
Profit/(loss) for the year after income tax	1,216,951	14,723,632
Adjustments for:		
(Increase)/decrease in assets measured in fair value	(1,390,588)	-
(Increase)/decrease in receivables	(273,109)	-
Increase/(decrease) in payables	290,293	-
Increase/(decrease) in income tax payable	(4,680,070)	4,907,878
Net cash inflow/(outflow) from operating activities	(4,836,523)	19,631,510

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 5. FINANCIAL ASSETS

The Company recorded its investment in JMT during this financial year.

The Company classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets and liabilities. These inputs are readily available in the market and are normally obtainable from multiple sources.
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly.
- Level 3 : one or more of the significant inputs are not based on observable market data, examples include discount rates and other material unobservable inputs.

Types of assets	30 June 2023			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Financial Assets				
Unlisted unit trust	-	16,065,588	-	16,065,588
Total Financial Assets	-	16,065,588	-	16,065,588

Types of assets	30 June 2022			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Financial Assets				
Unlisted unit trust	-	-	-	-
Total Financial Assets	-	-	-	-

The Company has recorded its investment in JMT as a Level 2 asset as it is meeting the Level 2 requirements. The Company can redeem or purchase units in JMT on a daily basis.

There were no transfers between levels in the period.

NOTE 6. INCOME TAX

(a) Income tax expense

	2023	2022
	\$	\$
Deferred tax expense	260,224	-
Under provision from prior year	-	-
Current year tax expense	86,358	4,907,878
Total tax expense	<u>346,582</u>	<u>4,907,878</u>

(b) Reconciliation between tax expense and profit before income tax

	2023	2022
	\$	\$
Profit before income tax	<u>1,563,533</u>	<u>19,631,510</u>
Tax at the Australian tax rate of 25%	<u>390,883</u>	<u>4,907,878</u>
Adjusted for tax effect of the following items		
Non-deductible expenses	-	-
Net imputation and foreign tax credits	(59,069)	-
Other assessable/(non-assessable) income	14,768	-
Total tax expense	<u>346,582</u>	<u>4,907,878</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 6. INCOME TAX (CONTINUED)

(c) Deferred tax

	Opening Balance \$	2023 Charged to income \$	Closing Balance \$
Deferred tax liabilities			
Unrealised gains on investments	-	(260,224)	(260,224)
	-	(260,224)	(260,224)
Net deferred tax (liability)/asset	-	(260,224)	(260,224)

	Opening Balance \$	2022 Charged to income \$	Closing Balance \$
Deferred tax liabilities			
Unrealised gains on investments	-	-	-
	-	-	-
Net deferred tax (liability) / asset	-	-	-

NOTE 7. TRUSTEE LIABILITIES AND RIGHT OF INDEMNITY

Liabilities of CARE Super not recorded in the financial statements of the Company were:

	2023 \$	2022 \$
CURRENT LIABILITIES		
Payables	49,164,966	45,796,314
Income tax payable	27,772,545	-
Lease liabilities	2,026,297	1,913,729
TOTAL CURRENT LIABILITIES	<u>78,963,808</u>	<u>47,710,043</u>
NON-CURRENT LIABILITIES		
Payables	336,950	262,960
Deferred tax liabilities	385,566,749	257,997,944
Lease provisions	900,158	867,759
Lease liabilities	21,736,967	23,763,264
TOTAL NON-CURRENT LIABILITIES	<u>408,540,824</u>	<u>282,891,927</u>
TOTAL LIABILITIES	<u>487,504,632</u>	<u>330,601,970</u>
Rights of indemnity for liabilities incurred by the Company on behalf of CARE Super:	<u>487,504,632</u>	<u>330,601,970</u>

The assets of CARE Super, which lie behind the right of indemnity, are not directly available to meet any liabilities of the Company acting in its own right. The assets of CARE Super were sufficient to discharge all of its liabilities at 30 June 2023.

NOTE 8. CONTINGENT LIABILITIES

A contingent liability exists relative to any future claims which may be made against the Company arising from trusteeship dealings. However for the year ended 30 June 2023 (2022: nil), we do not believe that there are any contingent liabilities.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 9. CONTRIBUTED EQUITY

	2023	2022
	\$	\$
30 "A" and 30 "B" ordinary shares each fully paid (2022: 30 "A" and 30 "B" ordinary shares each fully paid)	60	60

For both "A" class and "B" class ordinary shares, the holder is not entitled to receive dividends from the Company and upon winding up, shareholders are not entitled to any of the Trustee Resilience Reserve which may have been set aside.

"A" and "B" class ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(a) Franking Credits

\$4,994,236 (2022: \$4,907,878) franking credits available for subsequent reporting period based on a tax rate of 25% (2022: 25%). The franking credits are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax after the end of the year. Franking credits will not be utilised as the shareholders are not entitled to receive dividends.

NOTE 10. AUDITORS' REMUNERATION

	2023	2022
	\$	\$
Amounts received or due and receivable for auditing services and other services paid by CARE Super on behalf of CARE Super Pty Ltd:		
Audit of financial statements	27,000	20,000
Other assurance services	8,000	8,000
	35,000	28,000

NOTE 11. RELATED PARTIES

(a) Trustee and Key Management Personnel

The Trustee of the Fund is CARE Super Pty Ltd. The directors who held office during the financial year were:

Employer Representatives

Michael Drew (appointed 1 January 2023)
Michelle Gardiner (retired 31 December 2022)
Jeremy Johnson
Merran Kelsall
Katherine Sampson
Terence Wetherall

Member Representatives

Linda Scott (Chair)
Anthony Cavanagh
Rebecca Girard
Robert Potter
Vanessa Seagrove

Key Management Personnel

Julie Lander (Chief Executive Officer) (retired 31 March 2023)
Michael Dundon (Chief Executive Officer) (appointed 20 March 2023)
Jean-Luc Ambrosi (Chief Experience Officer)
Suzanne Branton (Chief Investment Officer)
Sam Horskins (Chief Financial Officer)
Mark Lyons (Chief Capability Officer)
Christine Nguyen (Chief Risk Officer)
Paul Northey (Chief Growth Officer)

The Trustee has a RSE licence from the Australian Prudential Regulation Authority which was granted on 16 February 2006 (licence no L0000956). The Trustee received authority to offer a MySuper product on 10 April 2013 (MySuper number 98172275725867).

(b) Key Management Personnel Compensation

	2023	2022
	\$	\$
Short term benefits	4,528,766	3,622,844
Post employment	278,408	250,863
Other long-term benefits	126,348	78,102
Termination benefits	-	314,938
	4,933,522	4,266,747

Directors fees of \$1,094,192 (2022: \$926,240) are disclosed in the Statement of Comprehensive Income.

Transactions between directors and the Fund were transacted under normal terms and conditions with expenses incurred by the directors on the Fund's behalf fully reimbursed.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 11. RELATED PARTIES (CONTINUED)

(c) Related party transactions

Trustee

CARE Super Pty Ltd invoiced CARE Super the amount of \$2,154,624 (2022: \$21,637,925) for expenses incurred during 2023 on behalf of the Fund and for the establishment of the Trustee Resilience Reserve held by the Company.

Trustee Directors

Certain directors are members of the Fund. Their membership terms and conditions are the same as those available to other members of the Fund.

Industry Super Holdings Pty Ltd

The Fund held a 3.59% shareholding (2022: 3.59%) in Industry Super Holdings Pty Ltd (ISH), valued at \$58,354,075 (2022: \$52,694,809), which included a 7.5% minority shareholder discount adopted by the Trustee. ISH is the holding company for several wholly owned subsidiary companies including IFM Holdings Pty Ltd (IFM), Industry Super Australia Pty Ltd (ISA), The New Daily Pty Ltd and Industry Fund Services Limited (IFS).

IFS has a number of subsidiaries including Industry Funds Investments Limited, Super Members Investments Limited and IFS Insurance Solutions Pty Ltd.

CARE Super engages the services of a number of these entities on commercial terms and conditions. These non-investment transactions are summarised in the following table.

Company	Nature of transaction	2023 \$	2022 \$
Industry Fund Services	Financial planning, arrears collection and other member services	295,885	430,668
Industry Super Australia	Marketing, research, policy and advocacy services	1,349,459	1,322,999
IFS Insurance Solutions	Insurance premiums, broking and insurance consulting services	1,058,261	1,098,212

Mr Terence Wetherall is a director of ISA. There was no remuneration paid for this directorship.

Industry Funds Management Pty Ltd

IFM is an investment manager used by the Fund. IFM offers investment management services to institutional investors across a number of asset classes and strategies. The Fund invests with IFM for Australian listed equity, fixed interest, infrastructure, and private equity asset classes. These investment capabilities are accessed at commercial terms consistent with its other investment management arrangements with comparable investment management firms. The Fund invests \$1,515,150,415 with IFM (2022: \$1,425,409,005) for which it received \$175,093,254 in earnings (2022: \$39,651,265 in losses) and paid \$3,130,323 in fees (2022: \$1,443,333).

Ms Michelle Gardiner was a member of the IFM Shareholder Advisory Board until 3 February 2022. Ms Suzanne Branton became a member of the IFM shareholder Advisory Board on 4 February 2022. Remuneration relating to the IFM position of \$10,560 (2022: \$15,840) is paid directly to the Fund.

Industry Superannuation Property Trust Pty Ltd and Operating Company Trust

The Fund owns a 4% shareholding (2022: 4%) in Industry Superannuation Property Trust Pty Ltd (ISPT Pty Ltd) and a beneficial ownership in the Operating Company Trust (OpCo Trust). ISPT Pty Ltd is an institutional property investment manager, offering access to property investments through various unlisted vehicles. The Fund does not recognise a carrying value for ISPT Pty Ltd, as it is valued at \$1. The OpCo Trust is a corporate entity offering property management services to institutional property investors, which the Fund carries at \$425,542 (2022: \$417,829).

The Fund holds investments in the ISPT Core Fund and the ISPT Retail Australia Property Trust and a residual interest in the ISPT Development Opportunities Fund 2 which is in the late stages of wind-up. The Fund invests \$777,517,851 with ISPT (2022: \$851,001,309) across these strategies, for which it received \$12,570,090 in losses (2022: \$48,941,468 in earnings) and paid \$3,525,903 in fees (2022: \$2,498,350).

CARE SUPER PTY LTD
A.B.N. 91 006 670 060

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 11. RELATED PARTIES (CONTINUED)

Transactions with other organisations

CARE Super Pty Ltd as Trustee for CARE Super transacts with the following organisations where there is a common director, where the organisation is a nominating organisation or where a member of the Key Management Personnel is a Director of the organisation. This is for the purpose of membership, research, sponsorship of various events and education.

Entity	2023 \$			2022 \$		
	Membership	Sponsorship	Other (including training)	Membership	Sponsorship	Other (including training)
Business NSW	-	3,300	-	-	-	-
Victorian Chamber of Commerce and Industry	-	106,700	-	-	83,567	350
Australian Services Union	-	11,000	-	-	-	-
Australian Chamber of Commerce and Industry	-	11,000	-	-	-	-
CPA Australia	790	-	-	1,490	-	289
Australian Council of Superannuation Investors	220,244	-	80,170	219,780	-	122,063
Fund Executives Association Limited	-	-	-	9,307	-	3,471
Australian Institute of Superannuation Trustees	96,638	-	183,669	131,551	-	101,228

NOTE 12. SIGNIFICANT EVENTS WITH POST BALANCE DATE IMPLICATIONS

On 30 May 2023, the CARE Super Trustee and Spirit Super Trustee signed an Implementation Deed for Successor Fund Transfer, confirming the parties' intention to transfer all transferring members entitlements and assets of CARE Super to Spirit Super by way of a successor fund transfer. The parties are currently working towards implementation of the successor fund transfer, which subject to completion of a range of conditions, is expected towards the end of the 2024 calendar year.

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2023

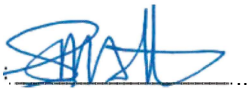
In the opinion of the directors:

(a) the financial report and notes of the company are in accordance with the Corporations Act 2001, including:

- i giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of the Directors and signed for and on behalf of the Directors by:



Director



Director

Dated this28.....Day ofSeptember.....2023

Melbourne



Auditor's Independence Declaration

As lead auditor for the audit of CARE Super Pty Ltd for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Nicole Osborne', written in a cursive style.

Nicole Osborne
Partner
PricewaterhouseCoopers

Melbourne
28 September 2023



Independent auditor's report

To the members of CARE Super Pty Ltd

Our opinion

In our opinion:

The accompanying financial report of CARE Super Pty Ltd (the Company) is in accordance with the *Corporations Act 2001*, including:

- (a) 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
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2023
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

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

Independence

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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.

A stylized, handwritten signature of PricewaterhouseCoopers in a cursive script.

PricewaterhouseCoopers

A handwritten signature of Nicole Osborne in a cursive script.

Nicole Osborne
Partner

Melbourne
28 September 2023