

The Praemium SMA Superannuation Fund

ABN: 75 703 857 864

RSE: R1074352

Annual Report
For the Year Ended 30 June 2025

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CONTENTS	Page
TABLE OF CONTENTS	2
DIRECTORS' REPORT	3
AUDITORS' INDEPENDENCE DECLARATION	7
STATEMENT OF FINANCIAL POSITION	8
INCOME STATEMENT	9
STATEMENT OF CHANGES IN MEMBER BENEFITS	10
STATEMENT OF CHANGES IN EQUITY	11
STATEMENT OF CASH FLOWS	12
NOTES TO THE FINANCIAL STATEMENTS	13-27
1. General Information	13
2. Summary of material accounting policies	13
3. Financial risk management	16
4. Fair value measurement	20
5. Net changes in fair value of financial instruments	21
6. Structured entities	21
7. Member liabilities	22
8. Insurance arrangements	22
9. Reserves	22
10. Income Tax	23
11. General administration expenses	25
12. Cash and cash equivalents	25
13. Reconciliation of profit/(loss) after income tax to net cash inflow/(outflow) from operating activities	25
14. Commitments	25
15. Contingent liabilities and contingent assets	26
16. Events occurring after the reporting period	26
17. Related party transactions	26
18. Remuneration of auditors	27
Trustees' declaration	28

DIRECTORS' REPORT

The directors of Diversa Trustees Limited (the "Trustee"), as trustee for The Praemium SMA Superannuation Fund (the "Fund"), submit herewith the annual report of the Fund for the financial year ended 30 June 2025. In order to comply with the provisions of the Corporations Act 2001, the directors of the Trustee report as follows:

Principal activities

The Praemium SMA Superannuation Fund is operated for the purpose of providing retirement benefits to members or in the case of the death of the member, to their beneficiaries.

Review of operations

During the financial year, the Fund recorded net investment income of \$478,579,142 (2024: \$419,972,503) and expenses of \$58,486,230 (2024: \$50,485,129). The net assets available for members benefits equal to \$5,183,738,687 (2024: \$4,576,356,844).

Throughout the financial year, the Fund engaged in investments, with the carrying value of investments amounting to \$5,106,154,511 as at 30 June 2025 (2024: \$4,553,940,320). Details regarding the valuation of the Fund's assets are provided in Note 1 of the financial report.

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

Regulatory and Legislative Changes

The Fund has continued its preparations for the implementation of APRA's Prudential Standard CPS 230 – Operational Risk Management, effective from 1 July 2025. This standard introduced new requirements for managing operational risk, business continuity, and third-party services. The Trustee initiated an implementation plan to enhance governance frameworks and service provider oversight, ensuring full compliance from this date.

In addition, the Financial Accountability Regime (FAR), which extends accountability obligations to RSE licensees from 15 March 2025, commenced during the reporting period. The implementation of FAR did not result in any material financial impact during the financial year. The Trustee continued to meet its regulatory obligations during the Fund's final months of operation.

Operational Risk

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

Geopolitical and Trade Risks

Global trade policies, including U.S. tariffs, have continued to create market uncertainty, especially for sectors reliant on international trade. The Trustee actively monitors these risks and adjusts the Fund's investment strategy to protect members' returns amidst evolving global conditions.

Climate Change and ESG Factors

The Trustee recognises the growing importance of environmental, social, and governance (ESG) considerations in investment decisions. This is an emerging risk, and the Trustee monitors ESG developments to identify potential issues that may impact investment returns for members.

Changes in state of affairs

During the financial year, there was no significant change in the state of affairs of the Fund.

Subsequent events

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund as at 30 June 2025 or on the results and cashflows of the Fund for the year ended on that date.

Future developments

Information about future developments in the operations of the Fund and the expected results of those operations in future financial years have not been included in this report, as disclosure of the information would be likely to result in unreasonable prejudice to the Fund.

Environmental regulations

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

Audit and non-audit services

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

	2025 \$'000	2024 \$'000
Statutory assurance services required by legislation to be provided by the auditor	125	130
Other Services	4	-
Total	129	130

The auditor of The Praemium SMA Superannuation Fund is BDO Audit (2024 Deloitte) and during the financial year, the auditor did not provide any non-audit services to the Fund. Further details on the compensation paid to the auditor are provided in Note 18 Remuneration of auditors to the financial statements including details of audit-related services provided during the year of \$129,030 (2024: \$130,000).

For the reasons set out above, the Directors are satisfied that the provision of non-audit services by the external audit during the year ended 30 June 2025 is compatible with the general standard of independence for external auditors imposed by the Corporations Act 2001 and did not compromise the audit independence requirements of the Corporation Act 2001.

Indemnities and insurance premiums for officers or auditors

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

The Trust has not indemnified any auditor of the Fund.

During the financial year the Trustee paid premiums in respect of its officers for professional indemnity insurance contracts for the year ended 30 June 2025. The Trustee has paid or agreed to pay in respect of the Fund, premiums in respect of such insurance contracts for the year ending 30 June 2025. The Fund did not reimburse the Trustee for such costs.

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

Rounding of amounts

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

REMUNERATION REPORT

The directors of the Trustee present the Remuneration Report for the Fund for the year ended 30 June 2025. The Remuneration Report forms part of the Directors' Report and has been audited in accordance with section 300C of the Corporations Act 2001. Reflecting the new regulatory landscape, this report also outlines how the Fund's remuneration framework aligns with the prudential requirements of the Australian Prudential Regulation Authority's (APRA) Prudential Standard CPS 511. Remuneration and the accountability obligations of the Financial Accountability Regime (FAR). It details the remuneration arrangements for the Directors and the Key Management Personnel (KMP) of the Fund which includes persons who directly, indirectly, have authority and responsibility for planning, directing, and controlling the major activities of the Fund.

1. Remuneration objectives and principles

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

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

Our remuneration strategy undergoes an internal review on, at least, an annual basis to ensure it remains effective and compliant with all regulatory obligations. This review considers factors such as the size, complexity, and responsibilities of roles, individual performance and behaviour, as well as skills and experience consistent with our fiduciary duties and the best financial interests of our members. The policy was last reviewed and updated on 11 December 2024. The most recent update was driven by the need to integrate the requirements of the FAR, which commenced on 15 March 2025. The FAR introduces strengthened accountability obligations for senior leaders. Accordingly, our updated policy ensures a clear link between remuneration outcomes and an individual's performance of their accountability obligations. This reinforces our commitment to applying appropriate financial consequences for poor risk outcomes and embedding a strong risk culture across the organisation.

In addition to the annual internal review, the policy is subject to an independent review for appropriateness, effectiveness, and adequacy at least every three years. No external review of the policy was undertaken during the year

2. Key management personnel

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

3. Directors of the Trustee

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

Other key management personnel

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

The scope of disclosed executives has been broadened for the 2025 financial year. This expansion is a result of the commencement of the Financial Accountability Regime (FAR) on 15 March 2025. The FAR establishes heightened accountability obligations for senior leaders known as 'Accountable Persons'. In light of this new framework, and to enhance transparency around key leadership roles, the disclosures in this report have been extended to include certain additional executives.

Name	Date of appointment	Position
J. Hartnett	14 Feb 2022 (Resigned from the role 17 January 2025)	Former General Manager Office of Superannuation Trustees
J. Haymes	15 Feb 2022	General Manager Strategy
R. Griffith	12 Jul 2021	General Manager Investment Oversight & Board Company Secretary
I. Czudek	15 Feb 2022	Head of Financial Oversight and Data
G. Morgan	5 Feb 2024 (Resigned from the role 18 May 2025)	General Manager Risk and Compliance
L. Rayner	19 May 2025	General Manager Risk and Compliance

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

The executive remuneration and reward framework has three components:

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

The combination of these comprises the executive's total remuneration

FY25 remuneration for Directors and Key Management Personnel**

2025FY	Short-term employee benefits		Post-employment benefits	Annual and Long Service Leave*	Termination Benefits	Total
	Cash Salary & Fees	Cash Bonus	Superannuation			
	\$	\$	\$	\$	\$	\$
Directors of the Trustee						
V. Plant	\$220,000	\$0	\$25,300	\$0	\$0	\$245,300
A. Peterson	\$825,000	\$777,399	\$29,932	\$89,911	\$0	\$1,722,242
F. McNabb	\$155,000	\$0	\$17,825	\$0	\$0	\$172,825
S. Thomas	\$144,999	\$0	\$16,675	\$0	\$0	\$161,674
M. Walter	\$144,999	\$0	\$16,675	\$0	\$0	\$161,674
Other Key Management Personnel						
J. Hartnett	\$151,361	\$24,879	\$16,519	(\$20,824)	\$53,300	\$225,235
J. Haymes	\$250,250	\$75,469	\$29,067	\$5,202	\$0	\$359,989
R. Griffith	\$459,756	\$135,930	\$29,932	\$25,697	\$0	\$651,315
I. Czudek	\$202,391	\$53,758	\$24,561	\$9,671	\$0	\$290,381
G. Moran***	\$294,394	\$0	\$27,411	\$6,274	\$0	\$328,079
L. Rayner***	\$39,048	\$0	\$2,152	\$3,985	\$0	\$45,185

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

As lead auditor of the Praemium SMA Superannuation Fund for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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



James Dixon

Director

BDO Audit Pty Ltd

Melbourne, 30 September 2025

FY24 remuneration for Directors and Key Management Personnel

2024FY	Short-term employee benefits		Post-employment benefits	Long-term employee benefits	Termination Benefits	Total incl accrued leave entitlements
	Cash Salary & Fees	Cash Bonus	Superannuation	Annual and Long Service Leave*		
	\$	\$	\$	\$	\$	\$
Directors of the Trustee						
V. Plant	\$220,000	-	\$24,200	-	-	\$244,200
A. Peterson	\$750,000	\$630,000	\$27,399	\$117,411	-	\$1,524,810
F. McNabb	\$155,000	-	\$17,050	-	-	\$172,050
R. Beard	\$161,096	-	\$17,721	-	-	\$178,817
S. Thomas	\$145,001	-	\$15,950	-	-	\$160,951
M. Walter	\$142,404	-	\$15,664	-	-	\$158,068
Other key management personnel						
J. Hartnett	\$252,317	\$45,669	\$27,399	\$18,883	-	\$344,268
J. Haymes	\$229,585	\$45,514	\$25,618	(\$5,587)	-	\$295,130
R. Griffith	\$393,068	\$79,511	\$25,125	\$41,458	-	\$539,162

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

**The Corporations Regulation requires KMP remuneration to be disclosed at the individual fund level. However, the Trustee has determined that, due to the unique responsibilities and accountabilities associated with the independent trustee model, which applies across all funds under trusteeship, the total remuneration of the KMP for all funds under trusteeship should be disclosed as the appropriate remuneration in the financial statements of all funds under their trusteeship.

***Remuneration has been disclosed only for the period during which the individual held the role of General Manager – Risk and Compliance, as this role was determined to be a Key Management Personnel (KMP) position for the relevant reporting period.

4. Non Cash Benefits

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

5. Bonuses granted in the current financial year

Cash bonuses

During the 2025 financial year, key management personnel were paid cash bonuses totalling \$1,067,435. The cash bonuses were given in recognition of the substantial efforts to negotiate and implement trustee's strategy and these are discretionary in nature.

Employees participate in an annual performance review process, and performance evaluations for senior management were conducted in accordance with the trustee's established policies and procedures.

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

No portion of these cash bonuses was deferred. As these bonuses were approved before the commencement of the Financial Accountability Regime (FAR), the deferral obligations under that regime were not applicable to these specific payments.

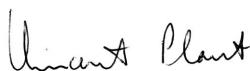
6. Service agreements

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

7. Director's resolution

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

On behalf of the Directors of the Trustee



V. Plant
Chairperson
Melbourne, 30 September 2025

STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

		2025	2024
	Notes	\$'000	\$'000
Assets			
Cash and cash equivalents	12	34,890	25,090
Investments held at fair market value	4	5,106,155	4,553,940
Receivables			
Due from Brokers		21,830	-
Distributions and dividends receivable		65,435	32,602
Income tax receivable		8,656	5,134
Total Assets		5,236,966	4,616,766
Liabilities			
Accounts payable and accrued expenses		295	229
Current tax liabilities		23,534	10,508
Deferred tax liabilities	10	29,398	20,200
Due to brokers		-	9,404
Total Liabilities Excluding Member Benefits		53,227	40,341
Net Assets Available For Member Benefits		5,183,739	4,576,425
Defined contribution member liabilities		5,189,768	4,547,333
Contributions not allocated to Members	7	2,432	2,612
Total Net Assets		(8,461)	26,480
Equity			
Operational Risk Reserve	9	13,171	10,576
Expense reserve		2,535	-
Unallocated (deficit) / surplus		(24,167)	15,904
Total Equity		(8,461)	26,480

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

INCOME STATEMENT
For the Year Ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000
Superannuation activities			
Interest revenue		15,019	14,411
Dividend and distributions		186,347	140,852
Net changes in fair value of investments	5	<u>277,213</u>	<u>264,752</u>
Total Net Income		<u>478,579</u>	<u>420,015</u>
 Less expenses			
General Administration Expense	11	<u>(58,486)</u>	<u>(50,485)</u>
Total Expenses		<u>(58,486)</u>	<u>(50,485)</u>
Results From Superannuation Activities Before Income Tax Expense		<u>420,093</u>	<u>369,530</u>
 Income tax (expense)/benefit	10	<u>(15,360)</u>	<u>(10,331)</u>
Results From Superannuation Activities After Income Tax Expense		<u>404,733</u>	<u>359,199</u>
 Net benefits allocated to defined contribution members		<u>(401,524)</u>	<u>(331,729)</u>
Operating Result After Income Tax		<u><u>3,209</u></u>	<u><u>27,470</u></u>

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

STATEMENT OF CHANGES IN MEMBER BENEFITS
For the Year Ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000
Opening Balance Of Member Benefits (as at 1 July)		4,547,333	3,825,318
Contributions:			
- Employer contributions		95,979	86,249
- Member contributions		255,694	230,588
- Government co-contributions		238	247
Transfers in from other superannuation funds		497,344	609,425
Income tax on contributions		(21,741)	(20,510)
Net After Tax Contributions		827,514	905,999
Benefits paid to members		(626,299)	(516,799)
Insurance premiums charged to member accounts		(2,906)	(3,067)
Death & disability benefits credited to member accounts		751	304
Income protection benefits credited to member accounts		211	269
Reserve transferred to/(from) members			
- Operational Risk Reserve		(1,376)	(1,161)
- Unallocated surplus		43,014	4,725
Compensation claims		2	15
Net benefits allocated comprising:			
- Net investment income		460,010	382,215
- Administration expenses		(58,486)	(50,485)
Closing Balance Of Member Benefits (as at 30 June)		5,189,768	4,547,333

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

STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2025

	Operational Risk Reserve	Expense Reserve	Unallocated (Deficit)/ Surplus	Total Equity
	\$'000	\$'000	\$'000	\$'000
Opening Balance as at 1 July 2023	8,502	-	9,223	17,725
Operating result	914	-	26,557	27,471
Net transfers (to)/from member accounts	1,160	-	(4,726)	(3,566)
Amounts not yet allocated to members	-	-	(15,150)	(15,150)
Closing Balance as at 30 June 2024	<u>10,576</u>	<u>-</u>	<u>15,904</u>	<u>26,480</u>
Opening Balance as at 1 July 2024	10,576	-	15,904	26,480
Operating result	1,217	795	1,197	3,209
Net transfers (to)/from member accounts	1,378	1,740	(43,014)	(39,896)
Amounts not yet allocated to members	-	-	1,746	1,746
Closing Balance as at 30 June 2025	<u>13,171</u>	<u>2,535</u>	<u>(24,167)</u>	<u>(8,461)</u>

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

STATEMENT OF CASH FLOWS
For the financial year ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000
Cash Flows From Operating Activities			
Interest received		15,019	14,411
Dividends and distributions received		153,514	132,528
General administration expenses paid		(26,696)	(22,772)
Death and disability proceeds received from insurer		751	304
Income protection proceeds received from insurer		211	269
Insurance premiums paid		(2,840)	(3,038)
Adviser fees paid		(31,791)	(27,713)
Tax (expense)/refund		3,407	9,736
Net Cash Inflow/(Outflow) From Operating Activities	13	111,575	103,725
Cash Flows From Investing Activities			
Sale of financial instruments		2,067,232	1,619,924
Purchases of financial instruments		(2,368,852)	(2,110,494)
Net Cash Inflow/(Outflow) From Investing Activities		(301,620)	(490,570)
Cash Flows From Financing Activities			
Employer contributions received		95,979	86,249
Member contributions received		255,932	230,835
Transfers from/(to) other superannuation activities		497,344	609,425
Members compensation claims received		2	15
Benefit payments to members or beneficiaries		(626,299)	(519,304)
Unallocated contributions		(180)	1,509
Tax paid on contributions		(22,933)	(23,297)
Net Cash Inflow/(Outflow) From Financing Activities		199,845	385,432
Net Increase/(Decrease) In Cash And Cash Equivalents		9,800	(1,413)
Cash and cash equivalents at the beginning of the financial year		25,090	26,503
Cash And Cash Equivalents At The End Of The Financial Year	12	34,890	25,090

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

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

The Praemium SMA Superannuation Fund (ABN 75 703 857 864) (the "Fund") is a retail superannuation fund domiciled in Australia. The Fund was constituted by a Trust Deed dated 15 September 2011 as amended and is primarily involved in providing retirement benefits to its members.

In accordance with amendments to the *Superannuation Industry (Supervision) Act 1993* the Fund is registered with the Australian Prudential Regulation Authority ("APRA") as a Registrable Superannuation Entity ("RSE") R1074352.

The Fund is a defined contribution fund available only as a choice product. Members are those who have voluntarily elected to invest in the Fund as well as members whose employers make contributions in accordance with the member's choice of fund.

The Trustee of the Fund during the reporting period was Diversa Trustees Limited (ABN 49 006 421 638) (RSE No L0000635). The address of the Fund's registered office is Level 17, IBM Tower, 60 City Road, Southbank Victoria.

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

These financial statements cover the Fund as an individual entity. The financial statements of the Fund were authorised for issue by the directors of the Trustee on 30 September 2025. The directors of the Trustee have the power to amend and re-issue these financial statements.

2. Summary of material accounting policies

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

(a) Basis of preparation

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

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

(b) Financial instruments

(i) Classification

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

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

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

(ii) Recognition/de-recognition

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

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

(iii) Measurement

At initial recognition, the Fund measures a financial asset or liability at fair value.

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

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

(iv) Offsetting financial instruments

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

(c) Cash and cash equivalents

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

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from investing activities.

(d) Revenue recognition

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

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

(e) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. Trades are recorded on trade date. A provision for impairment is made when the fund will not be able to collect all amounts due from the relevant broker.

(f) Receivables

Receivable amounts (eg. dividends, distributions and interest) are generally received within 30 days of being recorded as receivables.

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

(g) Payables

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

(h) Benefits paid and payable

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

(i) Contributions received and transfers from other funds

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

(j) Use of estimates

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

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

(k) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Fund for the annual reporting period ended 30 June 2025. The Fund's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Fund, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027, and the Fund will adopt it for the reporting period commencing 1 July 2027. The standard replaces AASB 101 Presentation of Financial Statements and introduces significant changes to how information is presented. While there will be no impact on the recognition or measurement of items, the standard will materially affect the structure of the financial statements.

The primary change is the requirement to classify income and expenses into distinct categories in the statement of profit or loss and other comprehensive income, principally operating, investing, and financing activities. This change is intended to clearly separate the Fund's investment performance from its administrative costs. As part of this, the standard introduces two new mandatory subtotals: 'Operating profit' and 'Profit before financing and income taxes', which will provide greater transparency on the net cost of running the Fund.

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

Climate related and other emerging risk disclosure

On 17 September 2024, the Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024 received Royal Assent. Schedule 4 of the Bill introduces a new mandatory climate-related financial disclosure regime. This regime imposes reporting obligations in phases, with the first phase for large entities starting on 1 January 2025. The reporting obligations will be based on criteria such as revenue, assets, number of employees, and existing climate reporting obligations. Specific reporting content will be established in new accounting standards under the Australia Sustainability Reporting Standards (ASRS), and assurance standards will be maintained by the Australian Auditing and Assurance Standards Board (AUASB). Based on the Fund's size, the expected effective date for the fund is 1 July 2026, being classified as a Group 2 reporter. The climate-related disclosures will be subject to limited assurance procedures in the initial years of application which will transition to reasonable assurance requirement over time in line with the timeline required for a Group 2 reporter.

Other legislative or government developments

The Financial Accountability Regime (FAR) commenced for RSE licensees on 15 March 2025. The implementation of FAR did not result in any material financial impact during the financial year. The Trustee continued to meet its regulatory obligations during the financial year.

(l)

Rounding of amounts

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

3.

Financial risk management

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

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

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

(a)

Market risk

(i)

Price risk

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

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

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

	2025	2024
	\$'000	\$'000
Equity securities	1,233,134	1,137,910
Unlisted unit trusts	1,794,367	1,691,374
Exchange traded fund	1,683,677	1,333,964
Net exposure to price risk	<u>4,711,178</u>	<u>4,163,248</u>

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

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

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

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

As at 30 June 2025	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets				
Cash and short term deposits	429,866	-	-	429,866
Fixed interest securities	-	252,546	-	252,546
Distributions and dividends receivable	-	-	65,435	65,435
Financial liabilities				
Due to brokers - Payables for securities purchased	-	-	-	-
Net exposure interest rate risk	429,866	252,546	65,435	747,847

As at 30 June 2024	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets				
Cash and short term deposits	415,782	-	-	415,782
Fixed interest securities	-	265,879	-	265,879
Distributions and dividends receivable	-	-	32,602	32,602
Financial liabilities				
Due to brokers - Payables for securities purchased	-	-	(9,404)	(9,404)
Net exposure interest rate risk	415,782	265,879	23,198	704,859

(b) **Summarised sensitivity analysis**

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

	Price Risk		Interest rate risk	
	Impact on operating profit/Net assets attributable to unitholders			
	-15%	+7.5%	-75 bps	+75 bps
	\$'000	\$'000	\$'000	\$'000
30 June				
2025	(706,677)	353,338	(262)	262
2024	(624,487)	312,244	(188)	188

(c) Credit risk

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

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

(i) Fixed interest securities

The Fund invests in fixed interest securities which are rated by Standard and Poors. For unrated assets the Trustee assess credit risk using an approach similar to that used by rating agencies. An analysis of debt securities by rating is set out in the following table.

Rating	30 June 2025 \$'000	30 June 2024 \$'000
Australian		
AAA	15,733	14,467
AA-	67,984	61,678
A+	3,156	4,959
A-	10,076	4,234
BBB+	3,752	2,889
BBB	63,465	80,501
BB	404	346
Not Rated	87,976	96,805
Total	252,546	265,879

(ii) Derivative financial instruments

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

(iii) Settlement of securities transactions

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

(iv) Cash and cash equivalents

The Fund's exposure to credit risk for cash and cash equivalents is considered low as all counterparties have a rating of AA- or higher in 2025 (AA- or higher in 2024) as determined by the Standard and Poors.

(v) Assets in custody

The clearing and depository for the Fund's security transactions are concentrated with two counterparties, namely HSBC Custodian and J.P.Morgan Nominees Australia Limited. HSBC Custodian had a credit rating of A+ at 30 June 2025 (30 June 2024: AA-). J.P.Morgan Nominees Australia Limited had a credit rating of A- as at 30 June 2025 (30 June 2024 A+).

(vi) Maximum exposure to credit risk

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

(d) Liquidity risk

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

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

(i) Maturities of financial liabilities

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

As at 30 June 2025	Less Than 1 month \$'000	1-3 months \$'000	Greater than 3 months \$'000	Total \$'000
Non-derivatives				
Other payables	295	-	-	295
Defined contribution member liabilities	5,189,768	-	-	5,189,768
	<u>5,190,063</u>	<u>-</u>	<u>-</u>	<u>5,190,063</u>

As at 30 June 2024	Less Than 1 month \$'000	1-3 months \$'000	Greater than 3 months \$'000	Total \$'000
Non-derivatives				
Due to brokers	9,404	-	-	9,404
Other payables	229	-	-	229
Defined contribution member liabilities	4,547,333	-	-	4,547,333
	<u>4,556,966</u>	<u>-</u>	<u>-</u>	<u>4,556,966</u>

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

4. Fair value measurement

(a) Fair value hierarchy

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

The fair value hierarchy has the following levels:

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

Recognised fair value measurements

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

As at 30 June 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial Assets				
Cash and short term deposits	394,977	-	-	394,977
Equity securities				
– Australian	824,547	-	-	824,547
– International	156,042	-	-	156,042
Fixed interest securities				
– Australian	252,546	-	-	252,546
Units in unit trusts	-	1,794,367	-	1,794,367
Exchange traded funds	1,683,677	-	-	1,683,677
As at 30 June 2025	3,311,789	1,794,367	-	5,106,156

As at 30 June 2024	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial Assets				
Cash and short term deposits	390,692	-	-	390,692
Equity securities				
– Australian	759,388	-	-	759,388
– International	112,643	-	-	112,643
Fixed interest securities				
– Australian	265,879	-	-	265,879
Units in unit trusts	-	1,691,374	-	1,691,374
Exchange traded funds	1,333,964	-	-	1,333,964
As at 30 June 2024	2,862,566	1,691,374	-	4,553,940

Movement in level 3 investments

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

There was a transfer between levels in the fair value hierarchy totalling \$2,907,671 for the year ended 30 June 2025, \$nil for year ended 30 June 2024.

	2025	2024
	\$'000	\$'000
Opening balance	-	-
Reclassification	2,908	-
Change in fair value	(2,908)	-
Closing balance	-	-

Valuation inputs and relationships to fair value

The Fund holds investments in First Guardian Defensive Strategies, First Guardian Diversified Strategies and First Guardian Growth Strategies managed funds. These assets have been reclassified to Level 3 financial assets under AASB 13 Fair Value Measurement and have been reported as nil as at the reporting date. The investment is currently frozen and under the control of liquidators, FTI Consulting. Reports from the liquidators do not provide a reliable basis to estimate either the timing or the amount of any future recoveries. In the absence of observable market inputs and given the uncertainty of cash flows from the liquidation process, the fair value has been determined to be nil at balance date.

Description	Fair value as 30 June \$'000	Unobservable inputs	Relationship of unobservable inputs to fair value
2025 Unlisted unit trusts	-	Redemption price	Higher (lower) redemption price (+/- 10%) would increase/ (decrease) fair value by \$0
2024 Unlisted unit trusts	-	Redemption price	Higher (lower) redemption price (+/- 10%) would increase/ (decrease) fair value by \$0

5. Net changes in fair value of financial instruments

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

	2025	2024
	\$'000	\$'000
Designated at fair value through the Income Statement		
Equity securities and Exchange traded funds	206,024	116,084
Debt securities	(9,141)	81,537
Unlisted unit trusts	80,330	67,131
Total	277,213	264,752

6. Structured entities

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

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

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

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

	Fair value of investment	Fair value of investment
	2025	2024
	\$'000	\$'000
Cash funds	68,730	91,522
Fixed interest funds	534,931	518,103
Australian property funds	63,094	30,537
Australian equity funds	852,197	821,384
International property funds	6,566	4,500
International equity funds	207,671	151,065
Other	61,178	74,263
Total	1,794,367	1,691,374

The fair value of investments in investee funds of \$1,794,366,542 (2024: \$1,691,374,468) is included in financial assets at in the balance sheet.

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

During the year ended 30 June 2025 total gains on investments in investee funds were \$80,329,667 (total gains 2024: \$67,131,282).

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

7. Member liabilities

(a) Recognition and measurement of member liabilities

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

(b) Defined contribution member liabilities

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

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

As at 30 June 2025, the net assets attributable to defined contribution members have been substantially allocated. Unallocated amounts are shown in the statement of financial position as contributions not allocated to members and "Unallocated surplus (deficit)" within equity.

8. Insurance arrangements

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

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

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

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

9. Reserves

(a) Operational risk reserve

The operational risk financial reserve (ORR) may be used in certain circumstances to address operational risk events or claims against the Fund arising from certain operational risk events. The ORR is operated in accordance with the Operational Risk Financial Requirement Strategy. The Trustee has assessed an ORR target amount of 0.25% of funds under management as appropriate for the Fund. The Fund achieves its ORR target amount through a mixture of Trustee capital funding and an operational risk reserve in the Fund.

	2025	2024
	\$'000	\$'000
Reserves held within the Fund	13,171	10,576
Trustee Capital	1,619	1,461
Total ORR	14,790	12,037

Changes in the ORR within the Reserves of the Fund are detailed in the Statement of Changes in Equity.

(b) Expense Reserve

During the financial year, the Trustee established an Expense Reserve to meet the ongoing operational expenses of the Fund. A cost recovery fee is charged to members on a monthly basis and allocated to the Expense Reserve. In addition, interest earned on the Fund's operational bank account is credited to the Expense Reserve for the benefit of members.

The Expense Reserve is used to meet Fund expenses in a fair and equitable manner and assists in ensuring that sufficient funds are available to meet the operational requirements of the Fund as they arise.

(c) **Unallocated (deficit)/surplus**

The unallocated (deficit)/surplus is utilised by the Fund to maintain the difference between the amounts allocated to members as at the end of the financial year and the net assets of the Fund. It includes, among other items, income receivable to be allocated to members on receipt, and tax expense/benefit arising from the completion of the tax position following the year end. This income or any tax benefit/credit will be allocated in accordance with applicable Funds' policies.

Unallocated surplus which is principally unallocated tax benefits and other miscellaneous items will be allocated to Members and can be transferred to the ORR.

10. Income Tax

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

(i) *Accounting policy*

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

Current tax is the expected tax payable on the estimated taxable income for the current year based on the applicable tax rate adjusted for instalment payments made to the ATO during the year.

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

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

(ii) *Income tax expense*

	2025	2024
	\$'000	\$'000
Current tax expense		
Current tax on profits for the year	10,291	1,182
Adjustments for current tax of prior periods	(4,129)	(3,148)
Current tax expense/(benefit)	6,162	(1,966)
Deferred tax expense		
Movement in temporary differences	9,198	12,297
Income tax (benefit)/expense	15,360	10,331

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

	2025 \$'000	2024 \$'000
Operating result before income tax expense	420,092	369,530
Tax at the Australian rate of 15% (2023 – 15%)	63,014	55,430
Discount on capital gains	(14,435)	(9,823)
Non-taxable investment market value movement	(13,429)	(17,931)
Insurance premiums deductible	(436)	(460)
Non-deductible expenses	3,517	2,980
Other non-assessable income	(12,317)	(9,820)
Imputation and foreign tax credits	(6,425)	(6,897)
Adjustments for current tax of prior periods	(4,129)	(3,148)
Income tax (benefit)/expense	15,360	10,331

In addition to the above \$21,740,981 (2024: \$20,509,785) is recognised in the statement of changes in member benefits relating to tax on contributions deducted from member accounts.

(iv) Deferred tax balances

The balance comprises temporary differences attributable to:

	2025 \$'000	2024 \$'000
Deferred tax assets/ (liabilities)		
Financial assets measured at fair value through profit or loss Australian rate of 15% (2023 – 15%)	(29,577)	(20,237)
Accrued income/(expenses)	179	37
Net deferred tax assets/ (liabilities)	(29,398)	(20,200)

The movements in temporary differences during the year are:

	Beginning of year \$'000	Recognised in income \$'000	End of year \$'000
30 June 2025			
Changes in accrued income/(expenses)	37	142	179
Net changes in fair value of financial instruments	(20,237)	(9,340)	(29,577)
Deferred tax assets/(liabilities)	(20,200)	(9,198)	(29,398)
30 June 2024			
Changes in accrued income/(expenses)	(10)	47	37
Net changes in fair value of financial instruments	(7,895)	(12,342)	(20,237)
Deferred tax assets/(liabilities)	(7,905)	(12,295)	(20,200)

11. General administration expenses

	2025	2024
	\$'000	\$'000
Portfolio management fee	24,154	22,772
Advice fee	31,791	27,713
Audit fees	125	-
Other operating expenses	2,416	-
	<u>58,486</u>	<u>50,485</u>

The Fund established an expense reserve during the financial year for the purpose of meeting the Fund's operating costs. In previous financial years audit fees and other operating costs were paid by the Sponsor.

12. Cash and cash equivalents

	2025	2024
	\$'000	\$'000
Cash at bank	34,890	25,090
	<u>34,890</u>	<u>25,090</u>

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

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

	2025	2024
	\$'000	\$'000
Operating result after tax	3,209	27,471
Adjustments for:		
Net changes in financial instruments measured at fair value through the profit and loss	(277,213)	(264,752)
Net benefits allocated to defined contribution members	401,524	331,729
Change in operating assets and liabilities		
(Increase)/decrease in receivables	(36,355)	(8,324)
Increase/(decrease) in payables	22,288	20,066
Death and disability proceeds received from insurer	751	304
Income protection proceeds received from insurer	211	269
Insurance premiums paid	(2,840)	(3,038)
Net cash inflow/(outflow) from operating activities	<u>111,575</u>	<u>103,725</u>

(b) Non-cash financing and investing activities

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

14. Commitments

There are no commitments the Trustee is aware of as at 30 June 2025.

15. Contingent liabilities and contingent assets

There are no outstanding contingent assets or liabilities as at 30 June 2025 and 30 June 2024.

16. Events occurring after the reporting period

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund as at 30 June 2025 or on the results and cash flows of the Fund for the year ended on that date.

17. Related party transactions

(a) Trustee

The Trustee of The Praemium SMA Superannuation Fund is Diversa Trustees Limited. Trustee fees are partly by the Sponsor and partly through amounts recovered via the Fund. During the financial year the compensation received or due and receivable by the Trustee in connection with the trusteeship was \$1,820,576 (30 June 2024 \$1,441,676).

(b) Directors

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

V. Plant (Chairperson), appointed 4 May 2017.
A. Peterson, appointed 28 June 2019
F. McNabb, appointed 28 June 2019
R. Beard, appointed 16 February 2021, resigned 27 July 2024
S. Thomas, appointed 15 August 2022
M. Walter, appointed on 26 June 2023

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

(c) Other key management personnel

There were also key management personnel (KMP) with responsibility for planning, directing, and controlling the activities of the Fund, directly or indirectly during the reporting year as follows:

J. Hartnett, appointed 14 February 2022, resigned 17 January 2025
J. Haymes, appointed 15 February 2022
R. Griffith, appointed 12 July 2021
I. Czudek, appointed 15 February 2022
G. Moran, appointed 5 February 2024, ceased to be a KMP on 18 May 2025
L. Rayner, appointed 19 May 2025

Details for key management personnel are disclosed in the Remuneration Report within the Directors' Report. No other related party transactions occurred with key management personnel during the financial year.

(d) Remuneration of directors of the Trustee

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

(e) **Other entities with significant influence over the Fund**

Sponsor

The Sponsor of the Fund is Praemium Australia Limited ABN (92 117 611 784) AFSL (297956).

The Sponsor receives fees for operating the Managed Investment Schemes in which the Fund invests. Fees paid or payable to the Sponsor are included in portfolio management fees amounting to \$24,154,335 (2024: \$22,772,304). Fees are disclosed in the Fund Product Disclosure Statement (PDS) and are reported in the Income Statement.

Investments

The Fund held investments in the scheme which are also managed by the Sponsor. The investments are disclosed on the balance sheet.

Investment held

	2025	2024
	\$'000	\$'000
Praemium Separately Managed Account Service	5,106,155	4,553,940
	<u>5,106,155</u>	<u>4,553,940</u>

There were no other transactions between the Sponsor and the Fund during the year.

Administrator

The Administrator of the Fund is OneVue Super Services Pty Limited ABN (74 006 877 872) AFSL (246883).

Administration fees are paid directly by the Sponsor. Amounts paid to the Administrator in the form of fee and reimbursements to 30 June 2025 was \$2,695,000 (2024: \$2,695,000)

There were no other transactions between the Administrator and the Fund during the year.

18. Remuneration of auditors

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

Audit Services	2025	2024
	\$'000	\$'000
Auditor of the Fund – BDO Audit (2024 Deloitte)		
Audit and review of financial statements and regulatory audit services	125	130
Other Audit Services – Risk Management Framework review - BDO Audit		
Audit and review of the risk management framework	4	-
Total	<u>129</u>	<u>130</u>

The Fund established an expense reserve during the financial year for the purpose of meeting the Fund's operating costs. In previous financial years audit fees were paid by the Sponsor.

Trustees' declaration

In the opinion of the directors of the Trustee of The Praemium SMA Superannuation Fund

- (a) the financial statements and notes set out on pages 13 to 28 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards, the Corporation Regulations 2001 and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Fund's financial position as at 30 June 2025 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable, and

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



Director

Melbourne
30 September 2025

Praemium SMA Superannuation Fund (ABN: 75 703 857 864)

Report by the Registrable Superannuation Entity's Auditor to the members

Opinion

We have audited the financial report of the Praemium SMA Superannuation Fund (the 'RSE') comprising the statement of financial position as at 30 June 2025, the income statement, the statement of changes in members' benefits, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial report, including material accounting policy information and the trustee's declaration.

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

- (i) Giving a true and fair view of the RSE's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

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

Other information

The trustee is responsible for the other information. The other information comprises the information in the RSE's Directors report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the trustee for the financial report

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

Auditor's responsibilities for the audit of the financial report

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

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

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of the RSE, for the year ended 30 June 2025, complies with section 300C of the *Corporations Act 2001*.



Responsibilities

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

BDO Audit Pty Ltd

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A handwritten signature in black ink, appearing to read 'James Dixon', is written over the BDO logo.

James Dixon
Director

Melbourne, 30 September 2025