

# **CENTRIC SUPER FUND**

**ABN 91 593 544 166**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**CENTRIC SUPER FUND**  
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**CENTRIC SUPER FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

|  | Note  | 2022<br>\$'000 | 2021<br>\$'000 |
|--|-------|----------------|----------------|
| <b>Assets</b>  |       |                |                |
| <b>Cash</b>  |       |                |                |
| Cash and cash equivalents                            | 10(a) | 58,114         | 36,540         |
| <b>Receivables</b>                                   |       |                |                |
| Distributions and dividends receivable               |       | 2,090          | 1,716          |
| Due from brokers                                     |       | 2,620          | 1,797          |
| GST receivable                                       |       | 118            | 15             |
| Other receivable                                     |       | 1              | 70             |
| <b>Investments</b>                                   |       |                |                |
| Investments held at fair value                       | 15    | 341,930        | 78,642         |
| <b>Other assets</b>                                  |       |                |                |
| Deferred tax assets                                  | 9     | 1,256          | -              |
| <b>Total assets</b>                                  |       | <b>406,129</b> | <b>118,780</b> |
| <b>Liabilities</b>                                   |       |                |                |
| Accounts payable                                     |       | 486            | 388            |
| Current tax liabilities                              | 9     | 467            | 211            |
| Deferred tax liabilities                             | 9     | -              | 52             |
| <b>Total liabilities (excluding member benefits)</b> |       | <b>953</b>     | <b>651</b>     |
| <b>Net assets available for member benefits</b>      |       | <b>405,176</b> | <b>118,129</b> |
| <b>Member benefits</b>                               |       |                |                |
| Defined contribution member liabilities              | 6(b)  | 401,970        | 117,529        |
| <b>Total member liabilities</b>                      |       | <b>401,970</b> | <b>117,529</b> |
| <b>Total net assets</b>                              |       | <b>3,206</b>   | <b>600</b>     |
| <b>Equity</b>  |       |                |                |
| Operational risk reserve                             | 7(a)  | 56             | -              |
| General reserve                                      | 7(b)  | 20             | 3              |
| Unallocated surplus                                  | 7(c)  | 3,130          | 597            |
| <b>Total equity</b>                                  |       | <b>3,206</b>   | <b>600</b>     |

The Statement of Financial Position is to be read in conjunction with the accompanying notes to the financial statements.

**CENTRIC SUPER FUND**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|  | Note | Year ended<br>30 June 2022<br>\$'000 | Period ended<br>30 June 2021<br>\$'000 |
|--|------|--------------------------------------|--|
| <b>Superannuation Activities</b>                               |      |                                      |  |
| <b>Revenue</b>   |      |                                      |  |
| Changes in fair value of investments                           | 5    | (34,737)                             | 771                                    |
| Distribution income  |      | 5,070                                | 1,725                                  |
| Dividend income  |      | 1,678                                | 20                                     |
| Interest   |      | 74                                   | 5                                      |
| Other operating income   |      | 118                                  | 79                                     |
| <b>Total (loss)/revenue</b>                                    |      | <b>(27,797)</b>                      | <b>2,600</b>                           |
| <b>Expenses</b>  |      |                                      |  |
| Investment expenses  |      | (114)                                | (9)                                    |
| General administration and operating expenses                  | 4    | (3,094)                              | (209)                                  |
| <b>Total expenses</b>  |      | <b>(3,208)</b>                       | <b>(218)</b>                           |
| <b>Operating Result before income tax expense</b>              |      | <b>(31,005)</b>                      | <b>2,382</b>                           |
| Income tax benefit/(expense)                                   | 8(a) | 1,439                                | (128)                                  |
| <b>Operating Result after income tax expense</b>               |      | <b>(29,566)</b>                      | <b>2,254</b>                           |
| Net benefits allocated to defined contribution member accounts |      | (28,847)                             | 1,654                                  |
| <b>Operating Result</b>  |      | <b>(719)</b>                         | <b>600</b>                             |

The Income Statement is to be read in conjunction with the accompanying notes to the financial statements.

**CENTRIC SUPER FUND**  
**STATEMENT OF CHANGES IN MEMBER BENEFITS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | Note     | Year ended<br>30 June 2022<br>\$'000 | Period ended<br>30 June 2021<br>\$'000 |
|---|----------|--------------------------------------|--|
| <b>Opening balance of Member Benefits as at<br/>1 July/ 1 September</b> |          | <b>117,529</b>                       | <b>-</b>                               |
| Contributions:  |          |                                      |  |
| - Employer contributions  |          | 1,399                                | 66                                     |
| - Member contributions  |          | 35,082                               | 9,706                                  |
| Transfers from other superannuation entities                            |          | 297,131                              | 107,133                                |
| Income tax on contributions   | 8(c)     | (603)                                | (135)                                  |
| <b>Net after tax contributions</b>                                      |          | <b>333,009</b>                       | <b>116,770</b>                         |
| <br>Benefits to members   |          | <br>(19,721)                         | <br>(895)                              |
| Net benefits allocated, comprising:                                     |          |                                      |  |
| - Net investment income/(loss)  |          | (25,753)                             | 1,863                                  |
| - Net administration fees   |          | (3,094)                              | (209)                                  |
| <b>Closing balance of Member Benefits as at 30 June</b>                 | <b>6</b> | <b>401,970</b>                       | <b>117,529</b>                         |

The Statement of Changes in Member Benefits is to be read in conjunction with the accompanying notes to the financial statements.

**CENTRIC SUPER FUND**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | Operational<br>risk reserve<br>\$'000 | General<br>reserve<br>\$'000 | Unallocated<br>surplus<br>\$'000 | Total equity/<br>reserves<br>\$'000 |
|---|---------------------------------------|------------------------------|----------------------------------|-------------------------------------|
| <b>Opening balance as at<br/>1 July 2021</b>  | -                                     | 3                            | 597                              | 600                                 |
| Net Transfers to/(from) reserves              | -                                     | -                            | -                                | -                                   |
| Transfer (to)/from member<br>accounts         | -                                     | -                            | -                                | -                                   |
| Unallocated contribution                      | -                                     | -                            | 3,325                            | 3,325                               |
| Operating result                              | 56                                    | 17                           | (792)                            | (719)                               |
| <b>Closing balance as at<br/>30 June 2022</b> | <b>56</b>                             | <b>20</b>                    | <b>3,130</b>                     | <b>3,206</b>                        |

|   | Operational<br>risk reserve<br>\$'000 | General<br>reserve<br>\$'000 | Unallocated<br>surplus<br>\$'000 | Total equity/<br>reserves<br>\$'000 |
|---|---------------------------------------|------------------------------|----------------------------------|-------------------------------------|
| <b>Opening balance as at<br/>1 September 2020</b> | -                                     | -                            | -                                | -                                   |
| Net Transfers to/(from) reserves                  | -                                     | -                            | -                                | -                                   |
| Transfer (to)/from member<br>accounts             | -                                     | -                            | -                                | -                                   |
| Operating result                                  | -                                     | 3                            | 597                              | 600                                 |
| <b>Closing balance as at<br/>30 June 2021</b>     | <b>-</b>                              | <b>3</b>                     | <b>597</b>                       | <b>600</b>                          |

The Statement of Changes in Equity is to be read in conjunction with the accompanying notes to the financial statements.

**CENTRIC SUPER FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|  | Note  | Year ended<br>30 June 2022<br>\$'000 | Period ended<br>30 June 2021<br>\$'000 |
|--|-------|--------------------------------------|--|
| <b>Cash flows from operating activities</b>        |       |                                      |  |
| Interest received                                  |       | 73                                   | 5                                      |
| Distributions and dividend received                |       | 6,374                                | 29                                     |
| Other income received                              |       | 118                                  | 9                                      |
| General administration and operating expenses paid |       | (2,877)                              | -                                      |
| Investment expenses paid                           |       | (112)                                | -                                      |
| Income tax paid                                    |       | (215)                                | -                                      |
| <b>Net cash inflows from operating activities</b>  | 10(b) | <b>3,361</b>                         | <b>43</b>                              |
| <b>Cash flows from investing activities</b>        |       |                                      |  |
| Proceeds from sale of investments                  |       | 50,297                               | 469                                    |
| Payments for purchase of investments               |       | (349,146)                            | (41,779)                               |
| <b>Net cash outflows from investing activities</b> |       | <b>(298,849)</b>                     | <b>(41,310)</b>                        |
| <b>Cash flows from financing activities</b>        |       |                                      |  |
| Employer contributions                             |       | 1,399                                | 66                                     |
| Member contributions                               |       | 35,082                               | 9,860                                  |
| Benefits paid to members                           |       | (19,721)                             | (895)                                  |
| Net transfers from other funds                     |       | 300,302                              | 68,776                                 |
| <b>Net cash inflows from financing activities</b>  |       | <b>317,062</b>                       | <b>77,807</b>                          |
| <b>Net increase in cash held</b>                   |       | <b>21,574</b>                        | <b>36,540</b>                          |
| Cash at the beginning of the financial year        |       | 36,540                               | -                                      |
| <b>Cash at the end of the financial year</b>       | 10(a) | <b>58,114</b>                        | <b>36,540</b>                          |

The Statement of Cash Flows is to be read in conjunction with the accompanying notes to the financial statements.

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**1. GENERAL INFORMATION**

Centric Super Fund (the 'Fund') is a defined contribution superannuation fund domiciled in Australia. The purpose of the Fund is to provide retirement benefits to its members. The Fund is constituted by a Trust Deed dated 1 September 2020.

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") R1078619.

The Trustee of the Fund during the reporting period is Equity Trustees Superannuation Limited (the "Trustee") (ABN 50 055 641 757, AFSL 229757, RSE L0001458), domiciled in Australia and registered with APRA. The address of the Fund's registered office is Level 1, 575 Bourke Street, Melbourne, Victoria 3000.

The Promoter and Sponsor of the Fund is Specialised Private Capital Ltd (ABN 87 095 773 390, AFSL 246 744), trading as Centric Capital ('Centric Capital'), located at Level 15, 1 O'Connell Street, Sydney NSW 2000.

The Administrator of the Fund is FNZ (Australia) Pty Limited (ABN 67 138 819 119) located at Level 1, 99 Elizabeth Street, Sydney, NSW, 2000.

The Custodian of the Fund is FNZ Custodian (Australia) Pty Ltd (ABN 88 624 689 694), AFS Licence 507452, located at Level 1, 99 Elizabeth Street, Sydney, NSW, 2000.

The Asset Consultant to the Fund is Specialised Private Capital Ltd (ABN 87 095 773 390, AFSL 246 744), trading as Centric Capital ('Centric Capital'), located at Level 15, 1 O'Connell Street, Sydney NSW 2000.

**2. BASIS OF PREPARATION**

**(a) Statement of Compliance**

The Financial Statements are a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Interpretations, the Superannuation Industry (Supervision) Act 1993 and provisions of the Trust Deed.

The Financial Statements were authorised and issued by the board and directors of Equity Trustees Superannuation Limited on 28 September 2022. For the purposes of preparing the financial statements, the Fund is a for-profit entity.

**(b) Use of Estimates and Judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities.

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**2. BASIS OF PREPARATION (CONTINUED)**

**(b) Use of Estimates and Judgements (continued)**

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 over-the-counter derivatives or other unquoted financial instruments, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models or market prices) are used to determine fair values, they are validated and periodically reviewed by experienced personnel. Refer to note 15 for details.

**(c) New Standards and Interpretations adopted during the year**

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2021 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

**(d) Accounting Standards and Interpretations issued, but not yet effective**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2022 and have not been early adopted in preparing these financial statements.

None of these are expected to have a material effect on the financial statements of the Fund.

| <b>New or revised requirement</b> | <b>Title</b>   | <b>Effective Date (annual periods beginning on or after)</b> | <b>30 June 2022 year end applicability</b> |
|-----------------------------------|--|--|--|
| AASB 17                           | Insurance Contracts  | 1 January 2023   | Not Applicable                             |
| AASB 2020-3                       | Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments                               | 1 January 2022   | Optional                                   |
| AASB 2021-2                       | Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates         | 1 January 2023   | Optional                                   |
| AASB 2021-5                       | Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 1 January 2023   | Optional                                   |

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2022 and the comparative information presented in these financial statements for the period ended 30 June 2021.

**(a) Cash and cash equivalents**

Cash comprises cash on hand and on demand deposits.

Cash equivalents are short term, highly liquid investments with 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.

**(b) Financial Instruments**

*(i) Classification*

The Fund's investments are classified at fair value through profit or loss. They comprise financial instruments designated at fair value through profit or loss upon initial recognition. These include financial assets that are not held for trading purposes, and which may be sold. These are investments in market quoted investments, unlisted unit trusts, equity securities and commercial paper.

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

*(ii) Recognition/derecognition*

Financial assets and financial liabilities are recognised on the date the Fund becomes a party to the contract relating to the asset. Financial assets are recognised using the quoted price at the trade date. From this date, any gains and losses arising from changes in fair value are recorded.

Investments are derecognised 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. Transaction costs are expensed in the Income Statement.

Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss 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.

The fair values of underlying investments are net of any distributions.

For further details on how the fair values of financial instruments are determined refer to note 15.

*(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.

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(c) Accounts Payable**

Accounts payable are recognised when the Fund becomes obliged to make future payments resulting from the purchase of goods and services and are recognised at their nominal value which is equivalent to fair value. These amounts are unsecured and are usually paid within 60 days of recognition.

**(d) Benefits Payable**

Benefits payable are valued at the amounts due to members 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 the reporting date.

**(e) Revenue Recognition**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised to the extent in which it is probable that economic benefits will flow to the Fund and the amount of revenue can be reliably measured.

The following recognition criteria relates to the different items of revenue the Fund receives:

**(i) Interest revenue**

Interest income is recognised in the Income Statement as it accrues, using the original effective interest rate of the instrument calculated at the acquisition or origination date. Interest income includes the amortisation of any discount or premium, transaction costs or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

**(ii) Dividend income**

Dividends are recognised on the date the shares are quoted ex-dividend and if not received at reporting date, are reflected in the Statement of Financial Position as a receivable at fair value.

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

**(iii) Distributions from investments**

Distributions are recognised as at the date the unit value is quoted ex-distribution and if not received at reporting date, are reflected in the Statement of Financial Position as a receivable at fair value.

**(iv) Movement in fair value of investments**

Changes in the fair value of investments are recognised as income/(losses) and are determined as the difference between the fair value at year end or consideration received (if sold during the year) and the fair value as at the prior year end or cost (if the investment was acquired during the year).

**(f) Contributions and transfers from other funds**

Contributions and transfers in are recognised when the control and the benefits from the revenue have transferred to the Fund and are recognised gross of any taxes.

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(g) Income Tax**

Income tax as a result of operations for the year comprises current and deferred tax. Income tax is recognised in the Income Statement except to the extent that it relates to items recognised directly in members' funds, in which case it is recognised directly in the Statement of Changes in Member Benefits.

*Current tax*

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the year. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

*Deferred tax*

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Fund expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities can be offset when they relate to income taxes levied by the same taxation authority and the Fund intends to settle its current tax assets and liabilities on a net basis.

Income tax has been provided in the current year at the rate of 15%, as it is the expectation of the Trustee that the Fund will be treated as a complying superannuation fund. If the Fund is subsequently deemed to be a non-complying fund for the current year, then income tax will be payable at a rate of 45% on the Fund's taxable income.

In line with the expectation to be treated as a compliant superannuation fund, financial assets held for less than 12 months are provided to be taxed at the Fund's rate of 15%. For financial assets held for more than 12 months, the Fund is entitled to a capital gains tax discount on the normal tax rate leading to an effective tax rate of 10% on any gains arising from the disposal of investments.

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(h) Goods and Services Tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST) recoverable from the Australian Taxation Office (ATO) as a reduced input tax credit (RITC), except;

- Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of expense.
- For receivables and payables which are recognised inclusive of GST.

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

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to the ATO, are classified as operating cash flows.

**(i) Receivables**

Receivables are carried at nominal amounts which approximate fair value. Nominal amounts refer to the actual amounts reasonably expected to be received or paid.

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

**(j) Amounts 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 period. Trades are recorded on the trade date. The amount disclosed on the financial statements is the net amount due from/to brokers. A provision for impairment is made when the Fund does not expect to collect all amounts due from the relevant broker.

**(k) Member Liabilities**

Refer to note 6 Member Liabilities for the recognition and measurement of member liabilities.

**(l) Functional and Presentation Currency**

The financial statements are presented in Australian dollars which is the functional currency of the Fund and have been rounded to the nearest thousand unless otherwise stated.

All foreign currency transactions during the year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in the Income Statement in the period in which they arise.

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(m) Comparative Amounts**

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. As a result, some line items in the notes to the financial statements have been amended. Comparative amounts have been adjusted to conform to the current year's presentation.

Comparative amounts included in this financial report is for the period from 1 September 2020 to 30 June 2021 as the previous financial period was the first-time financial report that was prepared for the Fund.

**4. GENERAL ADMINISTRATION AND OPERATING EXPENSES**

|  |       | Year ended<br>30 June 2022 | Period ended<br>30 June 2021 |
|--|-------|----------------------------|------------------------------|
|  | Note  | \$'000                     | \$'000                       |
| Adviser fees                           |       | 1,395                      | 84                           |
| Trustee fees                           | 13(d) | 40                         | 3                            |
| APRA levies                            |       | 11                         | -                            |
| Audit fees                             |       | -                          | 42                           |
| Tax agent fees                         |       | -                          | 25                           |
| Portfolio construction management fees |       | 1,388                      | 42                           |
| Platform fees                          |       | 234                        | 13                           |
| Other operating expenses               |       | 26                         | -                            |
|  |       | <b>3,094</b>               | <b>209</b>                   |

FY22 Audit fees and Tax Agent fees are paid/payable by the Promoter outside the Fund.

**5. CHANGES IN FAIR VALUE OF INVESTMENTS**

|  | Year ended<br>30 June 2022 | Period ended<br>30 June 2021 |
|--|----------------------------|------------------------------|
|  | \$'000                     | \$'000                       |
| <b>Investments held at reporting date:</b>               |                            |                              |
| Australian exchange traded fund                          | (2,839)                    | 64                           |
| Australian listed equities                               | (1,657)                    | 251                          |
| Unlisted investment trusts                               | (29,991)                   | 445                          |
|  | <b>(34,487)</b>            | <b>760</b>                   |
|  |                            |                              |
|  | Year ended 30<br>June 2022 | Period ended<br>30 June 2021 |
|  | \$'000                     | \$'000                       |
| <b>Investments realised during the reporting period:</b> |                            |                              |
| Australian exchange traded fund                          | (70)                       | -                            |
| Australian listed equities                               | 55                         | 4                            |
| Unlisted investment trusts                               | (235)                      | 7                            |
|  | <b>(250)</b>               | <b>11</b>                    |
|  |                            |                              |
| <b>Total changes in fair value</b>                       | <b>(34,737)</b>            | <b>771</b>                   |

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**6. 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.

Defined contribution member account balances are valued using unit prices relevant to the underlying investment options selected by members.

**(b) Defined Contribution Member Liabilities**

Defined contribution members bear the investment risk relating to the underlying assets of the Fund. The Fund's management of the investment market risks is disclosed within note 14.

Defined contribution members' liabilities are fully vested as at 30 June 2022 and 30 June 2021.

**7. RESERVES AND UNALLOCATED SURPLUS**

The Trustee maintains an Operational Risk Reserve (ORR), General Reserve (GR) and Unallocated Surplus.

**(a) Operational risk reserve (ORR)**

Under APRA Prudential Standard SPS114: Operational Risk Financial Requirement (ORFR), the Trustee determined it would maintain an ORFR Target Amount of 0.25% of the Fund's net assets.

The ORR is part of the financial management of the Fund and is operated in accordance with the ORFR Strategy. The ORR may be used in certain circumstances to address operational risk events or claims against the Fund arising from operational risk.

The Fund is expected to achieve its ORFR target amount via an operational risk reserve in the Fund and an additional amount held as Trustee Capital.

As at 30 June 2022, the ORR was \$1,056,000 which represents 0.26% of the Fund's Net Asset Value. This was above the target amount of 0.25% of the Fund's net asset value and within the tolerance range of the Trustee's ORR target. The ORR is held via an operational risk reserve in the Fund of \$56,000 and an additional amount of \$1,000,000 held as trustee capital.

**(b) General reserve (GR)**

The GR is used to cover operating expenses of the Fund or any Trustee expenses related to the Fund in line with the Trustee's Reserve Policy.

**(c) Unallocated surplus**

This reserve 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, unallocated contribution, income receivable to be allocated to members on receipt, and tax credits arising from the completion of the tax position following the year end. This income or any tax credits will be allocated in accordance with applicable Funds' policies.

**CENTRIC SUPER FUND**  
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**8. INCOME TAX EXPENSE**

**(a) Recognised in the Income Statement:**

|   | Year ended<br>30 June 2022<br>\$'000 | Period ended<br>30 June 2021<br>\$'000 |
|---|--------------------------------------|--|
| <b>Current tax expense</b>                              |                                      |  |
| Current year  | (92)                                 | 76                                     |
| Adjustment for prior years                              | (39)                                 | -                                      |
| <b>Deferred tax expense</b>                             |                                      |  |
| Movement in temporary differences                       | (1,308)                              | 52                                     |
| <b>Income tax (benefit)/expense in Income Statement</b> | <b>(1,439)</b>                       | <b>128</b>                             |

**(b) Numerical reconciliation between tax expense and operating result before income tax:**

|   | Year ended<br>30 June 2022<br>\$'000 | Period ended<br>30 June 2021<br>\$'000 |
|---|--------------------------------------|--|
| Operating result before income tax expense                  | (31,005)                             | 2,382                                  |
| Tax at the complying superannuation fund<br>tax rate of 15% | (4,651)                              | 357                                    |
| <i>Increase/(decrease) in income tax expense due to:</i>    |                                      |  |
| Capital Gains Discount Concession                           | 628                                  | -                                      |
| Imputation credits & foreign income tax offsets             | (253)                                | (19)                                   |
| Non-deductible expenses                                     | 247                                  | 7                                      |
| Other non-assessable income                                 | 269                                  | (16)                                   |
| Exempt current pension income                               | 2,360                                | (201)                                  |
| Adjustment for prior years                                  | (39)                                 | -                                      |
| <b>Income tax (benefit)/expense</b>                         | <b>(1,439)</b>                       | <b>128</b>                             |

**(c) Recognised in the Statement of Changes in Member Benefits:**

|   | Year ended<br>30 June 2022<br>\$'000 | Period ended<br>30 June 2021<br>\$'000 |
|---|--------------------------------------|--|
| <b>Contributions and transfers in recognised in the<br/>Statement of Changes in Member Benefits</b> | 333,612                              | 116,905                                |
| Tax at the complying superannuation fund<br>tax rate of 15%   | 50,042                               | 17,536                                 |
| <i>Increase/(decrease) in income tax expense due to:</i>  |                                      |  |
| Member contributions  | (5,002)                              | (1,360)                                |
| Transfer from other superannuation entities   | (44,437)                             | (16,041)                               |
| <b>Income tax on contributions</b>  | <b>603</b>                           | <b>135</b>                             |

**CENTRIC SUPER FUND**  
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**9. TAX ASSETS AND LIABILITIES**

**Current tax assets and liabilities**

The current tax payable for the Fund of \$467,000 (2021: \$211,000) represents the amount of income taxes payable in respect of current and prior financial periods.

**Recognised deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:

|  | <b>2022</b>   | <b>2021</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| <i>Deferred tax assets</i>                   |               |               |
| Net capital loss on investments              | 1,256         | -             |
| <b>Total deferred tax assets</b>             | <b>1,256</b>  | <b>-</b>      |
| <i>Deferred tax liabilities</i>              |               |               |
| Net capital gains on investments             | -             | (52)          |
| <b>Total deferred tax (liabilities)</b>      | <b>-</b>      | <b>(52)</b>   |
| <b>Net deferred tax assets/(liabilities)</b> | <b>1,256</b>  | <b>(52)</b>   |

**Movement in deferred tax assets and liabilities during the year**

|   | <b>Balance</b>     | <b>Recognised in Income</b> | <b>Balance</b>      |
|---|--------------------|-----------------------------|---------------------|
|   | <b>1 July 2021</b> | <b>Statement</b>            | <b>30 June 2022</b> |
|   | <b>\$'000</b>      | <b>\$'000</b>               | <b>\$'000</b>       |
| <b>Deferred tax assets</b>              |                    |                             |                     |
| Net capital loss on investments         | -                  | 1,256                       | 1,256               |
| <b>Total deferred tax assets</b>        | <b>-</b>           | <b>1,256</b>                | <b>1,256</b>        |
| <b>Deferred tax liabilities</b>         |                    |                             |                     |
| Net capital gains on investments        | (52)               | 52                          | -                   |
| <b>Total deferred tax (liabilities)</b> | <b>(52)</b>        | <b>52</b>                   | <b>-</b>            |
| <b>Net deferred tax assets</b>          | <b>(52)</b>        | <b>1,308</b>                | <b>1,256</b>        |

|   | <b>Balance</b>          | <b>Recognised in Income</b> | <b>Balance</b>      |
|---|-------------------------|-----------------------------|---------------------|
|   | <b>1 September 2020</b> | <b>Statement</b>            | <b>30 June 2021</b> |
|   | <b>\$'000</b>           | <b>\$'000</b>               | <b>\$'000</b>       |
| <b>Deferred tax assets</b>              |                         |                             |                     |
| Net capital loss on investments         | -                       | -                           | -                   |
| <b>Total deferred tax assets</b>        | <b>-</b>                | <b>-</b>                    | <b>-</b>            |
| <b>Deferred tax liabilities</b>         |                         |                             |                     |
| Net capital gains on investments        | -                       | (52)                        | (52)                |
| <b>Total deferred tax (liabilities)</b> | <b>-</b>                | <b>(52)</b>                 | <b>(52)</b>         |
| <b>Net deferred tax (liabilities)</b>   | <b>-</b>                | <b>(52)</b>                 | <b>(52)</b>         |

**CENTRIC SUPER FUND**  
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**10. CASH FLOWS RECONCILIATION**

**(a) Reconciliation of cash and cash equivalents**

|   | <b>2022</b>   | <b>2021</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Cash at bank                                  | 40,941        | 33,678        |
| Cash at bank – held under omnibus arrangement | 17,173        | 2,862         |
| <b>Total cash and cash equivalents</b>        | <b>58,114</b> | <b>36,540</b> |

**(b) Reconciliation of cash flows from operating activities**

|  | <b>Year ended<br/>30 June 2022</b> | <b>Period ended<br/>30 June 2021</b> |
|--|------------------------------------|--------------------------------------|
|  | <b>\$'000</b>                      | <b>\$'000</b>                        |
| (Loss)/profit after income tax                       | (719)                              | 600                                  |
| <b>Adjustments for:</b>                              |                                    |                                      |
| Allocation to members' accounts                      | (28,847)                           | 1,654                                |
| Increase/(Decrease) in assets measured at fair value | 34,737                             | (771)                                |
| Decrease in receivables                              | (305)                              | (1,786)                              |
| Decrease in deferred income tax assets               | (1,256)                            | -                                    |
| Increase in payables                                 | 252                                | 234                                  |
| (Decrease)/Increase in income tax payable            | (346)                              | 75                                   |
| Decrease in input tax credits receivable             | (103)                              | (15)                                 |
| (Decrease)/Increase in net deferred tax liabilities  | (52)                               | 52                                   |
| <b>Net cash inflows from operating activities</b>    | <b>3,361</b>                       | <b>43</b>                            |

**11. COMMITMENTS**

There are no commitments the Trustee is aware of as of 30 June 2022 (30 June 2021: Nil).

**12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There are no outstanding contingent assets or liabilities as at 30 June 2022 (30 June 2021: Nil).

**CENTRIC SUPER FUND**  
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**13. RELATED PARTY DISCLOSURES**

**(a) Trustee**

The Trustee of the Fund is Equity Trustees Superannuation Limited (ABN 50 055 641 757, RSE Licensee L0001458).

**(b) Directors**

Key management personnel include persons who were directors of Equity Trustees Superannuation Limited at any time during the reporting period or since the end of the reporting period, as follows:

| <b>Name</b>                   | <b>Title</b>                             | <b>Appointment/Resignation</b> |
|-------------------------------|--|--------------------------------|
| Mr Anthony Jude Lally         | Non-Executive Director and Chairman      | Resigned on 31/08/2022         |
| Mr Michael O'Brien            | Managing Director and Executive Director |                                |
| Mr Ellis Varejes              | Non-Executive Director                   |                                |
| Mr Mark Blair                 | Executive Director                       |                                |
| Ms Susan Granville Everingham | Non-Executive Director                   |                                |
| Mr Paul Douglas Rogan         | Non-Executive Director                   |                                |
| Mr Jezy (George) Zielinski    | Non-Executive Director                   | Resigned on 20/07/2022         |
| Ms Catherine Anne Robson      | Non-Executive Interim Director           | Appointed on 16/08/2022        |
|                               | Interim Chair                            | Appointed on 01/09/2022        |

None of the above directors of the Trustee are members of the Fund.

**(c) Other key management personnel**

There were no other persons with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the reporting period.

**(d) Remuneration of the Trustee**

There have been no transactions between Equity Trustees Superannuation Limited (or its related parties) and the Fund other than the trustee fees disclosed in the Income Statement and the notes below.

|  | <b>Year ended<br/>30 June 2022</b> | <b>Period ended<br/>30 June 2021</b> |
|--|------------------------------------|--------------------------------------|
|  | <b>\$</b>                          | <b>\$</b>                            |
| Trustee Fees to Equity Trustees Superannuation Limited | 40,272                             | 2,764                                |
|  | <b>40,272</b>                      | <b>2,764</b>                         |

As at 30 June 2022, \$6,106 (30 June 2021: \$2,764) was payable to the Trustee and is included in the Statement of Financial Position. Trustee fees paid by the Promoter outside of the fund was \$259,728 (30 June 2021: \$122,236) for the year.

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

**CENTRIC SUPER FUND**  
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**13. RELATED PARTY DISCLOSURES (CONTINUED)**

**(e) Expenses incurred by and reimbursed/(to be reimbursed) to the Trustee**

The following expenses were incurred by and reimbursed/(to be reimbursed) to the Trustee by the Fund Promoter.

|                                | Year ended<br>30 June 2022<br>\$ | Period ended<br>30 June 2021<br>\$ |
|--------------------------------|----------------------------------|------------------------------------|
| External audit fee             | 58,327                           | 45,000                             |
| Internal audit fees            | 6,721                            | 2,533                              |
| Regulatory costs (ASIC & AFCA) | 3,250                            | -                                  |
| Regulatory project costs       | 83,000                           | -                                  |
|                                | <b>151,298</b>                   | <b>47,533</b>                      |

**(f) Operational Risk Financial Requirement**

In response to Prudential Standards SPS 114 Operational Risk Financial Requirement ("SPS 114"), the Trustee has approved an Operational Risk Financial Requirement ("ORFR") target to be held at the Trustee level. SPS 114 establishes a requirement for a Trustee to maintain adequate financial resources to address losses arising from operational risk events that may affect the Registrable Superannuation Entities within its business operations. Refer to notes 7A and 14(c) for further details.

As at 30 June 2022 the ORFR was held via an operational risk reserve in the Fund and an additional amount held as trustee capital.

**14. FINANCIAL RISK MANAGEMENT**

**(a) Financial instruments management**

The investments of the Fund (other than cash held for meeting daily administrative and benefit expenses), are managed on behalf of the Trustee by specialist fund managers in accordance with the investment strategy to achieve the Fund's investment objectives.

The Trustee has engaged Specialised Private Capital Ltd (ABN 87 095 773 390, AFSL 246 744), trading as Centric Capital ('Centric Capital'), an asset consultant, to monitor and provide regular reports on the Fund's investments to the Trustee. The Trustee may seek information from the manager of each collective investment (and may seek independent advice from other qualified persons) so as to determine the nature and extent of any risks, and the expected returns, associated with each investment prior to determining its suitability as an investment for the Fund.

FNZ Custodian (Australia) Pty Ltd (ABN 88 624 689 694) acts as a custodian and as such provides services including physical custody and safekeeping of assets, settlement of trades, collection of dividends and accounting for investment transactions.

The Fund's financial assets and liabilities adopted in the Statement of Financial Position are carried at their fair value.

**CENTRIC SUPER FUND**  
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**14. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**(b) Significant accounting policies**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 3 to the Financial Statements.

**(c) Capital risk management**

The Trustee has put in place operational risk trustee capital to provide funding for incidents where material losses may arise from an operational risk event (as opposed to investment risk) relating to the Fund. The level of reserve is determined by the Trustee based on an assessment of the risks faced by the Fund. The Trustee has an operational risk financial requirement (ORFR) strategy that sets out the Trustee's approach to determining, implementing, managing and maintaining the ORFR target amount. According to Superannuation Prudential Standard 114: Operational Risk Financial Requirement, (SPS 114) which became effective 1 July 2013, the financial resources held to meet the ORFR must be held either as:

- An operational risk reserve held within an RSE;
- Operational risk trustee capital held by the RSE licensee; or
- A combination of both an operational risk reserve held within an RSE and operational risk trustee capital held by the RSE licensee.

The target amount was met at the reporting date. The ORR is held via an operational risk reserve in the Fund of \$56,000 and an additional amount of \$1,000,000 held as trustee capital.

**(d) Financial risk management objectives**

The Fund is exposed to a variety of financial risks as a result of its activities. These risks include market risk (including currency risk, cash flow interest rate risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Fund's risk management and investment policies, approved by the Trustee, seek to minimise the potential adverse effects of these risks on the Fund's financial performance. These policies may include the use of certain financial derivative instruments.

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

The RMF identifies the Trustee's policies and procedures, processes and controls that comprise its risk management and control systems. These systems address all material risks, financial and non-financial, likely to be faced by the Fund. Annually, the Trustee is required to certify to APRA whether adequate strategies have been put in place to monitor those risks, that the Trustee has systems in place to ensure compliance with legislative and prudential requirements and that the Trustee has satisfied itself as to the compliance with the RMF.

**CENTRIC SUPER FUND**  
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**14. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**(e) Investment risk**

The Fund's assets principally consist of financial instruments which comprise of cash, listed securities, listed and unlisted unit trusts and collective investment vehicles such as pooled superannuation trusts and managed investment schemes. The Trustee has determined that this type of investment is appropriate for the Fund and is in accordance with the Fund's investment strategy.

The Fund's investment activities expose it to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

To mitigate market risk, the Fund undertakes due diligence prior to the approval of fund managers to ensure that they have appropriate expertise and skill for monitoring of the market conditions and benchmark analysis. Further, the Fund's asset consultant provides additional expert advice as required.

**(i) Currency risk**

Currency risk arises on financial instruments that are denominated in a foreign currency that is in a currency other than that in which they are measured. The Fund does not currently hold any investments denominated in a foreign currency. However, the managed investments of the Fund have allocations to internationally domiciled assets classes which are exposed to currency fluctuations.

*Sensitivity analysis - currency risk*

There is no significant currency risk in this Fund. The Fund does not currently hold any investments denominated in a foreign currency.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The majority of the Fund's financial instruments are non-interest bearing with only cash and fixed interest securities being subjected to interest rate risk. The Fund's investment balances that have a significant direct or indirect exposure to interest rate risk are set out below:

|  | <b>2022</b>    | <b>2021</b>   |
|--|----------------|---------------|
|  | <b>\$'000</b>  | <b>\$'000</b> |
| Cash and cash equivalents                    | 58,114         | 36,540        |
| Variable interest rate financial instruments | 99,052         | 18,043        |
| <b>Total</b>                                 | <b>157,166</b> | <b>54,583</b> |

**CENTRIC SUPER FUND**  
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**14. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**(e) Investment risk (continued)**

**Market risk (continued)**

**(ii) Interest rate risk (continued)**

The following table demonstrates the sensitivity of the Fund's net assets available to pay benefits, where interest rates vary by 100bps (30 June 2021: 25bps). This table has been provided to illustrate the sensitivity of the Fund's directly and indirectly held investment portfolio to interest rate fluctuations. This analysis assumes that all other variables remain constant.

*Cashflow sensitivity analysis - variable rate instruments*

|                     | Change in fair value of<br>assets<br>\$'000 |                            | Effect on net assets<br>available to pay benefits<br>\$'000 |                            |
|---------------------|---|----------------------------|---|----------------------------|
| <b>30 June 2022</b> | <b>100bps<br/>Decrease</b>                  | <b>100bps<br/>Increase</b> | <b>100bps<br/>Decrease</b>                                  | <b>100bps<br/>Increase</b> |
| Interest rate risk  | (1,572)                                     | 1,572                      | (1,572)   | 1,572                      |
| <b>30 June 2021</b> | <b>25bps<br/>Decrease</b>                   | <b>25bps<br/>Increase</b>  | <b>25bps<br/>Decrease</b>                                   | <b>25bps<br/>Increase</b>  |
| Interest rate risk  | (137)                                       | 137                        | (137)   | 137                        |

**(iii) Other market price risk**

Other market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

As all of the Fund's financial instruments are carried at fair value with changes recognised in the Income Statement, all changes in market conditions will directly affect changes in fair value.

The Fund's assets are invested in cash, fixed income securities, equity securities and units in unitised investments. The Fund's exposure to other market price risk is therefore limited to the market price movement of these investments.

The Trustee has determined that these investments are appropriate for the Fund and are in accordance with the Fund's investment strategy.

**CENTRIC SUPER FUND**  
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**14. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**e) Investment risk (continued)**

**Market risk (continued)**

**(iii) Other market price risk (continued)**

The table below illustrates the impact of other market price risk to the Fund should each type of financial asset fluctuate by a 10% increase or decrease from the investment objective. This analysis assumes that all other variables remain constant.

|                              | Change in fair value of<br>assets |                 | Effect on net assets<br>available to pay<br>benefits |                 |
|------------------------------|-----------------------------------|-----------------|--|-----------------|
|                              | \$'000                            |                 | \$'000   |                 |
| Carrying<br>amount<br>\$'000 | 10%<br>Decrease                   | 10%<br>Increase | 10%<br>Decrease                                      | 10%<br>Increase |
| <b>30 June 2022</b>          |                                   |                 |  |                 |
| Australian Listed Equities   | 28,876                            | (2,888)         | 2,888  | (2,888)         |
| Australian ETF's             | 30,913                            | (3,091)         | 3,091  | (3,091)         |
| Unlisted investment trusts   | 281,691                           | (28,169)        | 28,169   | (28,169)        |
|                              | <b>341,480</b>                    | <b>(34,148)</b> | <b>34,148</b>  | <b>(34,148)</b> |
| <b>30 June 2021</b>          |                                   |                 |  |                 |
| Australian Listed Equities   | 10,047                            | (1,005)         | 1,005  | (1,005)         |
| Australian ETF's             | 3,682                             | (368)           | 368  | (368)           |
| Unlisted investment trusts   | 64,913                            | (6,491)         | 6,491  | (6,491)         |
|                              | <b>78,642</b>                     | <b>(7,864)</b>  | <b>7,864</b>   | <b>(7,864)</b>  |

**Credit risk**

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

The carrying amounts of financial assets best represent the maximum credit risk exposure at reporting date. No collateral is held as security or other credit enhancement exists for all financial assets held. No financial assets are considered past due as all payments are considered recoverable when contractually due. The Fund's financial assets exposed to credit risk amounted to the following:

|                                       | <b>2022</b>    | <b>2021</b>   |
|---------------------------------------|----------------|---------------|
|                                       | <b>\$'000</b>  | <b>\$'000</b> |
| Cash                                  | 58,114         | 36,540        |
| Investments                           | 73,770         | 21,053        |
| Distribution and dividends receivable | 2,090          | 1,716         |
| Due from brokers                      | 2,620          | 1,797         |
| Other receivables                     | 1              | 70            |
| <b>Total</b>                          | <b>136,595</b> | <b>61,176</b> |

**CENTRIC SUPER FUND**  
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**14. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**e) Investment risk (continued)**

**Liquidity Risk**

Liquidity risk is the risk that the Fund will not be able to meet its obligations when they fall due. The risk is controlled through the Fund's investment in financial instruments which under normal market conditions are readily convertible to cash. In addition, the Fund maintains sufficient cash and cash equivalents to meet normal operating conditions. The Fund's overall liquidity risks are monitored by the Trustee at least annually and in accordance with policies and procedures in place.

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

*Maturities of financial liabilities*

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

|                         | <b>Carrying<br/>amount<br/>\$'000</b> | <b>Less than<br/>1 month<br/>\$'000</b> | <b>1-3<br/>Months<br/>\$'000</b> | <b>Over 3<br/>Months<br/>\$'000</b> |
|-------------------------|---------------------------------------|---|----------------------------------|-------------------------------------|
| <b>30 June 2022</b>     |                                       |   |                                  |                                     |
| Payables                | 486                                   | -                                       | 416                              | 70                                  |
| Current tax liabilities | 467                                   | -                                       | -                                | 467                                 |
| Member liabilities      | 401,970                               | 401,970                                 | -                                | -                                   |
|                         | <b>402,923</b>                        | <b>401,970</b>                          | <b>416</b>                       | <b>537</b>                          |
| <b>30 June 2021</b>     |                                       |   |                                  |                                     |
| Payables                | 388                                   | 154                                     | 164                              | 70                                  |
| Current tax liabilities | 211                                   | -                                       | -                                | 211                                 |
| Member liabilities      | 117,529                               | 117,529                                 | -                                | -                                   |
|                         | <b>118,128</b>                        | <b>117,683</b>                          | <b>164</b>                       | <b>281</b>                          |

Member benefits have been included, if applicable, in the "less than one month" column, as this is the amount that members could call upon at year-end. This is the earliest date on which the Fund can be required to pay members' benefits however, the Trustee does not anticipate that members will call upon amounts accrued to them during this time.

**CENTRIC SUPER FUND**  
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**15. FAIR VALUE MEASUREMENTS**

**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 table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Level 1 fair value measurements are those instruments valued based on 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 fair value measurements are those instruments valued based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices). The Fund values fixed interest securities held by the Fund using broker quotes and units in unit trusts using the redemption price at reporting date as advised by the investment managers.
- Level 3 fair value measurements are those instruments valued based on inputs where one or more of the significant inputs are not based on observable market data, examples include discount rates and other material unobservable inputs.

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

|                            | <b>Level 1</b><br><b>\$'000</b> | <b>Level 2</b><br><b>\$'000</b> | <b>Level 3</b><br><b>\$'000</b> | <b>Total</b><br><b>\$'000</b> |
|----------------------------|---------------------------------|---------------------------------|---------------------------------|-------------------------------|
| <b>30 June 2022</b>        |                                 |                                 |                                 |                               |
| <i>Financial Assets</i>    |                                 |                                 |                                 |                               |
| Cash and cash equivalents  | 58,114                          | -                               | -                               | 58,114                        |
| Australian Listed Equities | 28,876                          | -                               | -                               | 28,876                        |
| Australian ETF's           | 30,913                          | -                               | -                               | 30,913                        |
| Unlisted Investment trusts | -                               | 281,691                         | -                               | 281,691                       |
| Term Deposits              | 450                             | -                               | -                               | 450                           |
|                            | 60,239                          | 281,691                         | -                               | 341,930                       |
| <b>Total</b>               | <b>118,353</b>                  | <b>281,691</b>                  | <b>-</b>                        | <b>400,044</b>                |

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**15. FAIR VALUE MEASUREMENTS (CONTINUED)**

**Fair value hierarchy (continued)**

| <b>30 June 2021</b>        | <b>Level 1<br/>\$'000</b> | <b>Level 2<br/>\$'000</b> | <b>Level 3<br/>\$'000</b> | <b>Total<br/>\$'000</b> |
|----------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| <i>Financial Assets</i>    |                           |                           |                           |                         |
| Cash and cash equivalents  | 36,540                    | -                         | -                         | 36,540                  |
| Australian Listed Equities | 10,047                    | -                         | -                         | 10,047                  |
| Australian ETF's           | 3,682                     | -                         | -                         | 3,682                   |
| Unlisted Investment trusts | -                         | 64,913                    | -                         | 64,913                  |
|                            | 13,729                    | 64,913                    | -                         | 78,642                  |
| <b>Total</b>               | <b>50,269</b>             | <b>64,913</b>             | <b>-</b>                  | <b>115,182</b>          |

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.

**16. 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 managed investment schemes ('MIS') to be structured entities. The Fund invests in underlying managed funds for the purpose of capital appreciation and/or earning investment income.

The objectives of the investee MIS are to achieve medium to long term capital growth. The investee MIS invest in a number of different financial instruments, including equities and debt instruments.

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**16. STRUCTURED ENTITIES (CONTINUED)**

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

|                              | <b>Fair Value<br/>as at 30<br/>June 2022<br/>\$'000</b> | <b>Fair Value<br/>as at 30<br/>June 2021<br/>\$'000</b> |
|------------------------------|---|---|
| Australian Cash              | 22,864  | 2,654   |
| International Cash           | 4,087   | 356   |
| Australian Equity            | 61,870  | 15,998  |
| International Equity         | 80,858  | 24,110  |
| Australian Fixed Income      | 73,621  | 12,560  |
| International Fixed Income   | 25,881  | 5,483   |
| Australian Property          | 27,412  | 4,668   |
| International Property       | 3,176   | 1,000   |
| Australian Commodities       | 22  | -   |
| International Commodities    | 475   | 11  |
| Australian Alternatives      | 78  | 889   |
| International Alternatives   | 764   | 866   |
| Australian Infrastructure    | 2,904   | -   |
| International Infrastructure | 9,042   | -   |
|                              | <b>313,054</b>  | <b>68,595</b>   |

The fair value of financial assets as at 30 June 2022 \$313,054,000 (30 June 2021: \$68,595,000) is included in investments in the Statement of Financial Position.

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

During the year ended 30 June 2022, total loss on investments in investee funds was \$33,135,000 (30 June 2021: gain \$517,000).

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

**17. EXTERNAL AUDITOR'S REMUNERATION**

|   | <b>Year ended<br/>30 June 2022<br/>\$'000</b> | <b>Period ended<br/>30 June 2021<br/>\$'000</b> |
|---|---|---|
| <b>Deloitte</b>   |   |   |
| Audit and review of financial statements and compliance | 58,327  | 45,000  |
| Tax agent fees  | 18,500  | 25,000  |
| <b>Total Auditor's Remuneration</b>                     | <b>76,827</b>                                 | <b>70,000</b>                                   |

Total auditor's remuneration above as disclosed in Related Party note 13(e) reimbursed/to be reimbursed by the Promoter to the Trustee.

**CENTRIC SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**18. INSURANCE ARRANGEMENTS**

No insurance is offered to members through the Fund.

**19. FUND'S RESPONSE TO MACRO-ECONOMIC EVENTS**

In preparing these financial statements, the Trustee considers the impact that macro-economic events can have on the Fund's performance. The Trustee's risk management framework is applied across the Fund's operations and the Trustee continues to monitor the impact of events on the Fund's risk profile.

**20. EVENTS SUBSEQUENT TO REPORTING DATE**

There has not arisen, in the interval between the end of the financial year and the date of this financial report, any item, transaction or event of an unusual nature likely to affect significantly the operations of the Fund, the result of the operations, or the state of affairs of the Fund.

**CENTRIC SUPER FUND**  
**TRUSTEE'S DECLARATION TO THE MEMBERS**

**In the opinion of the directors of the Trustee of Centric Super Fund:**

1. The accompanying Financial Statements and notes set out on pages 1 to 27 are in accordance with:
  - Australian Accounting Standards and other mandatory professional reporting requirements, and
  - present fairly the Fund's financial position as at 30 June 2022 and of its performance for the financial year ended on that date
2. The Fund has been conducted in accordance with its constituent Trustee Deed and the requirements of the *Superannuation Industry (Supervision) Act 1993* and its accompanying Regulations; the relevant requirements of the *Corporations Act 2001* and *Regulations* and the requirements under section 13 of the *Financial Sector (Collection of Data) Act 2001*, during the year ended 30 June 2022.
3. There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors of Equity Trustees Superannuation Limited (ABN 50 055 641 757) as Trustee for Centric Super Fund.



.....  
Director

Melbourne

28 September 2022

# Centric Super Fund (ABN 91 593 544 166)

## Report by the RSE Auditor to the trustee and members

### Opinion

We have audited the financial statements of Centric Super Fund for the year ended 30 June 2022 as set out on pages 1 to 27 attached.

In our opinion, the financial statements present fairly, in all material respects, in accordance with Australian Accounting Standards the financial position of Centric Super Fund as at 30 June 2022 and the results of its operations, cash flows, changes in equity and changes in members' benefits for the year ended 30 June 2022.

### Basis for Opinion

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

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

### Responsibilities of the trustee for the Financial Statements

The RSE's trustee is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the requirements of the *Superannuation Industry (Supervision) Act 1993* (SIS Act) and the *Superannuation Industry (Supervision) Regulations 1994* (SIS Regulations). The trustee is also responsible for such internal control as the trustee determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in

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accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the RSE's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Concluded on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the RSE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the RSE to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicated with the trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

The logo for Deloitte Touche Tohmatsu, featuring the company name in a stylized, cursive script.

DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink, appearing to read 'Kuziow'.

Adam Kuziow  
Partner  
Chartered Accountants

Melbourne, 28 September 2022