

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY. LIMITED
A.B.N. 14 008 650 628**

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

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**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
DIRECTORS' REPORT
AS AT 30 JUNE 2023**

The Directors present this report on the state of affairs of the Motor Trades Association of Australia Superannuation Fund Pty Limited (the Company) together with the financial results for the year ended 30 June 2023.

Principal Activity

The principal activity of the Company during the course of the year was to act as Trustee for the Spirit Super (the Fund).

Operating Result

In its capacity as Trustee, the Company incurs certain expenditure for which it is fully reimbursed from the Fund. In addition, a Trustee fee was charged to build up the trustee capital in its personal capacity to help address the financial risk exposure of the Trustee and its directors, and to mitigate the risks which insolvency of the Trustee would pose for members of the Fund.

Key management personnel disclosures

The following Directors were key management personnel during all or part of the reporting period up to the signing date:

Independent Chair

M. Wilton (Appointed - 1 December 2022)
N. Edwards (Ceased - 30 November 2022)

Independent Directors

S. Dahn (Ceased - 30 June 2023)
A. O'Donnell

Employer Nominated Directors

P. Savige*
G. Lowe*
J. Mazengarb
S. Parr*

Member Representative Directors

R. O'Donnell*
D. Smith*
J. Munday
T. Lynch*

The following executive officers were key management personnel during all or part of the reporting period up to the signing date:

Executives

J. Murray* (Chief Executive Officer)
S.M. Lim (Acting Chief Finance Officer - appointed 5 September 2022)
J. Dyer (Acting Chief Finance Officer - ceased 31 August 2022)
R. Judd* (Chief of People and Culture)
K. Crawford* (Chief Operating Officer)
N. Lyons* (Chief Strategy Officer)
R. Barry* (Chief Investment Officer)
W. Sadler (Chief Risk Officer - appointed 9 January 2023) **
A. Mehl (Chief Technology Officer)

* These persons are members of Spirit Super. Their membership terms and conditions are the same as those applied to other members of the Fund.

** From 18 May 2022, the role of Chief Risk Officer was vacant. Interim external support was provided until 9 January 2023.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
DIRECTORS' REPORT
AS AT 30 JUNE 2023**

Compensation of Key Management Personnel

The Trustee Directors are remunerated for their services to the Trustee and the Fund. Directors are paid an annual fixed amount.

Compensation of the Trustee's Directors and the executives as listed above was:

	30 June 2023	30 June 2022
	\$	\$
Short-term employee benefits	4,132,317	5,408,482
Post-employment benefits	359,661	413,281
Termination	-	132,430
Long-term benefits	91,797	(301,735)
	<u>4,583,775</u>	<u>5,652,458</u>

All key management personnel are being remunerated from MTAA Superannuation Fund (Secretariat Co.) Pty Limited and are also reimbursed for reasonable expenses incurred in carrying out their duties for the Trustee.

Significant changes in state of affairs

On 30 May 2023, Spirit Super entered into a binding agreement to merge with CareSuper. This comes after an extensive due diligence process, with the merger expected to be completed in late 2024.

During the financial year there was no significant change in the state of affairs of the entity other than that referred to in the Financial Report or notes.

Events Subsequent to Balance Date

There has not been any matter or circumstance, other than that referred to in the financial statements or notes, that has arisen since the end of the financial year, which has significantly affected, or may significantly affect, the operation of the Company, the result of those operations, or the state of affairs of the Company.

Likely developments and expected results of operations

Disclosure of information regarding likely developments in the operations of the Company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been disclosed in this report.

Dividends

No amounts have been paid or are recommended to be paid by way of dividend during the financial year.

Indemnification of directors, officers and auditors

During the financial year, the Fund paid a premium in respect of a contract insuring the Directors of the Company (as named above) and all executive officers of the Company against a liability incurred as such Director or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify a Director, Officer or Auditor of the Company or of any related body corporate against a liability incurred as such by a Director, Officer or Auditor.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
DIRECTORS' REPORT
AS AT 30 JUNE 2023**

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

On behalf of the Directors



Director



Director

27 SEPTEMBER 2023



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Auditor's independence declaration to the directors of Motor Trades Association of Australia Superannuation Fund Pty. Limited

As lead auditor for the audit of the financial report of Motor Trades Association of Australia Superannuation Fund Pty. Limited for the financial year ended 30th June 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Ernst & Young

A handwritten signature in black ink, appearing to read 'Maree Pallisco', written over a horizontal line.

Maree Pallisco
Partner

27 September 2023

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	30 June 2023	30 June 2022
	\$	\$
Revenue and other income		
Reimbursement from Spirit Super	1,956,583	1,381,221
Interest	97,857	2,480
Other income	3,832,647	3,759,746
	<u>5,887,087</u>	<u>5,143,447</u>
Expenses		
Director fees	1,097,956	1,071,641
Payroll tax	50,480	45,106
Insurance	591,819	178,089
Training and travel	147,122	60,293
Audit	11,000	16,830
Consulting	53,920	7,688
Other	4,286	1,574
	<u>1,956,583</u>	<u>1,381,221</u>
Profit/(loss) before income tax	<u>3,930,504</u>	<u>3,762,226</u>
Income tax expense	1,179,151	1,128,668
Net profit/(loss) after income tax for the year attributable to: Motor Trades Association of Australia Superannuation Fund Pty Limited	<u>2,751,353</u>	<u>2,633,558</u>
Total comprehensive income for the year is attributable to: Owners of Motor Trades Association of Australia Superannuation Fund Pty Limited	<u><u>2,751,353</u></u>	<u><u>2,633,558</u></u>

The accompanying notes form part of these financial statements.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Notes	30 June 2023 \$	30 June 2022 \$
Current assets			
Cash		7,090,011	4,199,530
Receivables		47,238	35,724
Prepayments		79,023	15,309
Total current assets		7,216,272	4,250,563
Non-current assets			
Deferred tax assets		3,311	3,316
		3,311	3,316
Total assets		7,219,583	4,253,879
Current liabilities			
Income tax payable	5	1,179,146	1,131,644
Other payables	4	655,515	488,325
Total current liabilities		1,834,661	1,619,969
Non-current liabilities			
Deferred tax liability		-	340
		-	340
Total liabilities		1,834,661	1,620,309
Net assets		5,384,922	2,633,570
Equity			
Contributed equity	3	11	11
Retained earnings		-	-
Trustee capital	1d	5,384,911	2,633,558
Total equity		5,384,922	2,633,569

The accompanying notes form part of these financial statements.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Contributed equity	Retained earnings	Trustee capital	Total
	\$	\$	\$	\$
Balance at 30 June 2021	11	-	-	11
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	2,633,558	2,633,558
Balance at 30 June 2022	11	-	2,633,558	2,633,569
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	2,751,353	2,751,353
Balance at 30 June 2023	11	-	5,384,911	5,384,922

The accompanying notes form part of these financial statements.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	30 June 2023	30 June 2022
	\$	\$
Cash flows from operating activities		
Receipts from Spirit Super	6,296,869	5,716,384
Insurance premium	(655,533)	(126,993)
Taxes paid	(1,131,984)	-
Trustee expenses	(1,705,213)	(1,391,219)
Net cash inflow from operating activities	<u>2,804,139</u>	<u>4,198,172</u>
 Cash flows from investing activities		
Interest received	86,342	1,346
Net cash inflow from investing activities	<u>86,342</u>	<u>1,346</u>
 Net increase in cash held	2,890,481	4,199,519
Cash at the beginning of the financial year	4,199,530	11
Cash at the end of the financial year	<u>7,090,011</u>	<u>4,199,530</u>

The accompanying notes form part of these financial statements.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Accounting Standards Board and the *Corporations Act 2001*. Motor Trades Association of Australia Superannuation Fund Pty Ltd (the Company) is a for-profit entity for the purpose of preparing the financial statements.

The presentation currency used in these financial statements is Australian dollars (\$). Amounts in these financial statements are stated in Australian dollars unless otherwise noted.

(i) Compliance with Australian Accounting Standards - Simplified Disclosure Requirements

The financial statements of Motor Trades Association of Australia Superannuation Fund Pty Ltd comply with Australian Accounting Standards - Simplified Disclosures as issued by the Australian Accounting Standards Board (AASB).

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities

(iii) New and amended standards adopted by the Company

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

(b) Trustee obligations

The Company in its capacity as Trustee incurs liabilities on behalf of Spirit Super. During the year, all liabilities incurred by the Company have been in accordance with the Trust Deed. In respect of the Trustee liabilities, the Company has a right to be indemnified out of the assets of the Fund.

These financial statements have been prepared for the Trustee Company and as such do not record the assets and liabilities of the Fund. At balance date, the assets of the Fund are sufficient to meet its liabilities. The assets of the Fund are not available to meet any liabilities of the Company in its own right.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

(d) Trustee capital

Under section 56 in the *Superannuation Industry (Supervision) Act 1993* (SIS Act), the Trustees may be held liable for breaches of Commonwealth law which can include administrative penalties. To ensure the Trustee can continue to operate the Fund, the Trustee will increase the capital held to ensure it remains solvent in the event of any liabilities imposed after 1 January 2022. The Trust deed has been amended to allow the Trustee to charge a trustee fee for acting as trustee of Spirit Super, which can be used to pay fines and penalties and other trustee costs.

2. NATURE OF THE COMPANY

The Company is the Trustee of Spirit Super.

In its capacity as Trustee, the Company incurs certain expenditure for which it is fully reimbursed by the Fund.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

3. CONTRIBUTED EQUITY

	30 June 2023	30 June 2022
	\$	\$
Ordinary shares - 11 shares of \$1 each, fully paid	11	11
Total issued equity	11	11

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

4. OTHER PAYABLES

GST payable	526,481	300,000
Creditor - Spirit Super (related party)	129,034	188,325
	655,515	488,325

5. INCOME TAX

The major components of income tax expense are:

Current income tax

Income tax payable reported in the Statement of Financial Position	1,179,146	1,131,644
Current income tax charge	1,179,146	1,131,644

Deferred income tax

Relating to the origination and reversal of temporary differences	(335)	(2,976)
Adjustments in respect of income tax of previous year	340	-
Income tax expense reported in the Statement of Comprehensive Income	1,179,151	1,128,668

Numerical reconciliation between tax expense and pre-tax accounting profit:

Profit/(loss) before income tax	3,930,504	3,762,226
Tax on accounting profit at 30% (2022: 30%)	1,179,151	1,128,668
Income tax expense reported in the Statement of Comprehensive Income	1,179,151	1,128,668

Deferred income tax

Deferred income tax at 30 June relates to the following:

Statement of Financial Position

Deferred tax liabilities

Accrued interest receivable	-	340
	-	340

Deferred tax assets

Audit and accounting accrual	3,311	3,316
	3,311	3,316

Statement of comprehensive income

Movement in deferred tax liabilities

Accrued interest income	(340)	340
Adjustments in respect of income tax of previous year	340	-

Movement in deferred tax assets

Audit and tax fee accrual	5	(3,316)
Current income tax		
Current income tax charge	1,179,146	1,131,644
Income tax expense reported in the Statement of Comprehensive Income	1,179,151	1,128,668

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

6. RELATED PARTIES

Key management personnel disclosures

The following Directors were key management personnel during all or part of the reporting period up to the signing date:

Independent Chair

M. Wilton (Appointed - 1 December 2022)
N. Edwards (Ceased - 30 November 2022)

Independent Directors

S. Dahn (Ceased - 30 June 2023)
A. O'Donnell

Employer Nominated Directors

P. Savige*
G. Lowe*
J. Mazengarb
S. Parr*

Member Nominated Directors

R. O'Donnell*
D. Smith*
J. Munday
T. Lynch*

The following executive officers were key management personnel during all or part of the reporting period up to the signing date:

Executives

J. Murray* (Chief Executive Officer)
S.M. Lim (Acting Chief Finance Officer - appointed 5 September 2022)
J. Dyer (Acting Chief Finance Officer - ceased 31 August 2022)
R. Judd* (Chief of People and Culture)
K. Crawford* (Chief Operating Officer)
N. Lyons* (Chief Strategy Officer)
R. Barry* (Chief Investment Officer)
W. Sadler* (Chief Risk Officer - appointed 9 January 2023) **
A. Mehl (Chief Technology Officer)

* These persons are members of Spirit Super. Their membership terms and conditions are the same as those applied to other members of the Fund.

** From 18 May 2022, the role of Chief Risk Officer was vacant. Interim external support was provided until 9 January 2023.

Compensation of Key Management Personnel

The Trustee Directors are remunerated for their services to the Trustee and the Fund. Directors are paid an annual fixed amount.

Compensation of the Trustee's Directors and the executives as listed above was:

	30 June 2023	30 June 2022
	\$	\$
Short-term employer benefits	4,132,317	5,408,482
Post-employment benefits	359,661	413,281
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Long-term benefits	91,797	(301,735)
	<u>4,583,775</u>	<u>5,652,458</u>

All key management personnel are being remunerated from MTAA Superannuation Fund (Secretariat Co.) Pty Limited and are also reimbursed for reasonable expenses incurred in carrying out their duties for the Trustee.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Related party transactions

Motor Trades Association of Australia Ltd ("MTAA Ltd") is an employer sponsor to the Fund. There were no services acquired from or payments to MTAA Ltd in the current reporting period.

The Trustee is fully reimbursed from the Fund for all expenditure incurred on its behalf.

7. REMUNERATION OF AUDITORS

	30 June 2023	30 June 2022
	\$	\$
Remuneration for audit of the financial report of the Company, Australian Financial Service License and registrable Superannuation Entity License		
Auditor of the Company - PricewaterhouseCoopers	-	8,466
Auditor of the Company - Ernst & Young	11,000	-

8. CONTINGENT ASSETS AND LIABILITIES

The Company did not have any contingent assets or contingent liabilities as at 30 June 2023 (2022:nil).

9. SUBSEQUENT EVENTS

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, which has significantly affected, or may significantly affect, the operation of the Company, the result of those operations, or the state of affairs of the Company.

10. ADDITIONAL COMPANY INFORMATION

Motor Trades Association of Australia Superannuation Fund Pty Limited is a company limited by shares, domiciled in Australia.

Its registered office and principal place of business is:

Motor Trades Association of Australia Superannuation Fund Pty Limited
39 Brisbane Avenue
BARTON ACT 2600

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2023**

In the directors' opinion:

- (a) the financial statements and notes set out on pages 11 to 14 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date, and
- (b) i there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Director



Director

27 SEPTEMBER 2023



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Independent auditor's report to the members of Motor Trades Association of Australia Superannuation Fund Pty Limited

Opinion

We have audited the financial report of Motor Trades Association of Australia Superannuation Fund Pty Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- a. Giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' 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 Company'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 report or, if such disclosures are inadequate, to modify our 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 Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



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We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

Ernst & Young

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

Maree Pallisco
Partner
Melbourne
27 September 2023