

# Slate

## **Grosvenor Pirie Master Superannuation Fund – Series 2 2022 Annual report**



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## About this Annual Report

This Annual Report is for members of Simple Choice Super and Slate Super, sub plans of Grosvenor Pirie Master Superannuation Fund Series 2 ABN 32 367 272 075 R1001204 referred to in this Annual Report as GPMSF-2, the Fund or the Plan. Simple Choice Super is closed to new members, while Slate Super is open to new members. Information in this report relates to members of the Simple Choice Super division and Slate Super division unless otherwise stated as relating to the Fund.

This Annual Report has been issued by Diversa Trustees Limited (the Trustee or Diversa Trustees or We) ABN 49 006 421 638, AFSL 235153 RSE Licence L0000635 as Trustee of Simple Choice Super and Slate Super. The Promoter and Investment Manager of Simple Choice Super and Slate Super is Responsible Investment Services Pty Ltd ABN 77 630 578 200 AFS Representative No. 001298392, which is a Corporate Authorised Representative of Simple Financial Choices Pty Ltd (ABN 58 629 890 900 AFSL No. 537462). The Sub-Promoter of Simple Choice Super and Slate Super is Simple Financial Choices Pty Ltd ABN 58 629 890 900 AFS Representative No. 537462.

This Annual Report should be read in conjunction with the Annual Member Statement recently provided to you, which shows your member entitlement in the Fund as at 30 June 2022. If you would like a hard copy of this Annual Report sent to you free of charge, please contact Simple Choice Super on (02) 8556 7576 or Slate Super on (02) 8074 1772.

The information in this document is intended to provide you with general information only and does not take into account one or more of your personal objectives, financial situation and needs. Before making any financial decisions about Slate Super, it is important that you consider the current Product Disclosure Statement (PDS) and Target Market Determination (TMD) relevant to your membership and consider your particular circumstances and whether the particular financial product is right for you. Simple Choice Super is closed to new members and does not have a current PDS and TMD available so before making any financial decision about Simple Choice Super please consider the Product Disclosure Statement you downloaded on join or contact us on (02) 8556 7576. The Slate Super PDS and TMD is available by calling Slate Super on (02) 8074 1772 or visiting [slatesuper.com.au](http://slatesuper.com.au). You should consult a financial adviser if you require personal advice.

## A Message from the Trustee

Dear Member

I am pleased to present the report for the financial year ended 30 June 2022 for Simple Choice Super and Slate Super, products of Grosvenor Pirie Master Superannuation Fund – Series 2 (the Fund).

### **Another year of Big Challenges for all Australians and your investments**

The 2021/22 financial year was a volatile year for financial markets and a challenging one for superannuation funds. After the strong returns generated in 2020/21, investment returns for the current financial year were much lower, and in many cases negative. Rising inflation and interest rates, combined with the war in Ukraine and its associated fall out led to the major markets ending the period in negative territory.

Despite these external challenges, we have set out to ensure that the Fund continues to build on its solid foundations. The Board, including myself, continue to monitor the management of all aspects of the Fund's operations to achieve the best possible outcomes for our members and to help you accumulate your retirement savings. We look to do this by providing strong investment returns over the long term whilst maintaining a clear plan for ongoing and sustainable growth and keeping our fees competitive along the way.

The 2021/22 financial year was another big year for regulatory change. We saw the increase in the Superannuation Guarantee (SG) rate from 9.5% to 10.0%, with a further increase to 10.5% effective 1 July 2022. At the same time the concessional cap increased from \$25,000 to \$27,500 in 2021/22 and the non-concessional cap increased from \$100,000 to \$110,000. These changes to the amounts you can contribute to superannuation all assist with growing your superannuation balance and increasing your financial security when you are no longer working. Super stapling also came into effect in November 2021, with this change aimed at stopping new super accounts from being opened every time an employee starts a new job and thereby reducing unnecessary costs.

In addition, a number of other initiatives including the government's Your Future, Your Super (YFYS) reforms, Design and Distribution Obligations (DDO) and the Retirement Income Covenant that have come into effect over the year are all designed to ensure a greater focus on member outcomes and contributing to better superannuation outcomes to assist you in retirement.

### **Your Trustee remains independent**

Diversa Trustees Limited (Diversa) continues to be the Trustee for the Fund. Diversa have no commercial or vested interest in your service providers, such as investment managers, administration and insurance providers appointed to manage your fund. We therefore objectively monitor their performance and value for money and are able to change providers if they are not providing value to you.

I would like to thank Diversa's directors for their work and dedication to members over the past 12 months. It has been a challenging year, but as a board we have continued to put the interest of our members first. Whilst there were no changes to the Trustee Board over 2021/22, we have subsequently appointed Sue Thomas as a non-executive Director to the Diversa Board in August 2022. Sue brings strong commercial, technology, compliance and regulatory skills with her and we welcome her expertise to the Board.

### **IMPORTANT: your beneficiaries**

Have you provided us with your nomination of preferred beneficiary or kept this information updated due to change personal circumstances in the event of your death? We see many death benefits delayed because the Trustee cannot easily determine your beneficiary preferences. This delay can be very distressing for your family at a very difficult time for them. I strongly encourage you to check your beneficiaries on your Membership Statement and if absent or out of date provide an updated nomination by visiting [slatesuper.com.au](https://slatesuper.com.au) or [simplechoicesuper.com.au](https://simplechoicesuper.com.au), or calling 02 8556 7576 for Simple Choice Super and on 02 8074 1772 for Slate Super.

I would once again like to thank my fellow directors along with our staff for staying focussed and committed to delivering the best outcomes for our members in these challenging times.

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On behalf of the Trustee, directors, management and staff we thank you for entrusting your retirement savings to us.

Please do not hesitate to contact our office for further information.

Yours sincerely

M J Terlet AO

Chairman  
Diversa Trustees Limited  
as Trustee of Grosvenor Pirie Master Superannuation Fund – Series 2.

## Governance

**The names of the Directors of the Trustee as of 30 June 2022 are as follows:**

- Michael Terlet (Chair),
- Vin Plant,
- Ron Beard,
- Andrew Peterson, and
- Fiona McNabb.

## Remuneration

The Directors of the Board did not receive and are not due any remuneration from the Fund in connection with the management of the Fund. Directors fees are paid by Diversa Trustees Limited.

## Board committees

The Board of the Trustee is committed to strong principles of corporate governance, including continuous improvement of its performance and processes.

The following committees assist the Board, which in some cases involves engagement of external experts:

- Investment Committee, and
- Audit, Compliance, Risk and Remuneration Committee.

No penalties were imposed this year on any responsible person under Section 38A of the *Superannuation Industry (Supervision) Act 1993*.

## Professional indemnity insurance

Diversa Trustees has professional indemnity insurance to protect the Trustee, its directors and the Fund against certain losses or liabilities. The indemnity insurance cover is subject to the terms and conditions of the relevant policy and complies with the requirements of Section 912B of the *Corporations Act 2001*.

## The Trust Deed

The governing rules of the Fund are set out in the Grosvenor Pirie Super Fund Trust Deed. The Board has some powers to alter the Trust Deed. A copy of the Fund Trust Deed can be found at [diversa.com.au/funds/](https://diversa.com.au/funds/).

## Compliance

Simple Choice Super and Slate Super are products in Grosvenor Pirie Master Superannuation Fund Series 2, ABN 32 367 272 075 SPIN TCS 0004AU R1001204, a regulated Superannuation Fund and complies with the *Superannuation Industry (Supervision) Act 1993 (SIS Act)*. The Fund lodges a return with APRA every year and has not received a notice of non-compliance from APRA. No penalties have been imposed in respect of the Fund under the relevant superannuation legislation.

## Audit

Deloitte Touche Tohmatsu has completed an audit for the Plan. The audited abridged financial information for the Fund is provided within the 'Abridged Financial Information' of this Annual Report. The Funds financial accounts and audit report can be made available to members on request by phoning Slate Super (Refer Directory on the back page).

## Investments

Slate Super is easy to join online, help to find and combine other super accounts, has a lifestages investment option, competitive fees, and simple insurance available, but only if you want it. We do more than just send you statements with numbers on a page. We also seek new ways to inform, connect and engage with our members on the issues that matter.

Slate Super offers a single investment strategy based on your age - **Slate Super Lifestages**. The Fund does not offer a MySuper product, therefore, we are unable to accept contributions on your behalf unless an *Application Form* has been completed. By completing an Application Form for Slate Super you will be authorising for 100% of your account balance to be invested in the Slate Super Lifestages investment strategy.

Please refer to the PDS and Additional Information Guide and TMD at the Slate Super website for further details at [slatesuper.com.au](http://slatesuper.com.au).

The investment strategy of the Fund takes into account the following criteria:

- the risk involved in making, holding and realising investments, and the likely return from those investments, having regard to the Fund's objectives and its expected cash flow requirements,
- the composition of the Fund's investments as a whole including the extent to which the investments are diverse or involve the option of being exposed to risks from inadequate diversification,
- the liquidity of the Fund's investments having regard to its expected cash flow requirements, and
- the ability of the Fund to discharge its existing and prospective liabilities.

The objective, strategy and asset allocation for the Simple Choice Super and Slate Super investment options are given below. The objective is not a promise or guarantee of a particular return or benefit but is utilised by the Trustee to measure the performance of the option.

Part of the Fund's assets may be allocated to external fund managers and their products. Asset allocations may vary from time to time for various reasons including asset allocation decisions and market movements.

The upper and lower limits of the benchmark may also vary from year to year, depending on changes to the Investment Strategy made by the Trustee.

Refer to the current Slate Super Product Disclosure Statement ("PDS") including related incorporated information for more detailed information about the investment strategy and investment risks. The Slate Super PDS and TMD are available by contacting Slate Super on (02) 8074 1772 or by emailing [info@slatesuper.com.au](mailto:info@slatesuper.com.au), or downloading from the website at [slatesuper.com.au](http://slatesuper.com.au).

You should consider the likely investment return and the risk and your investment time frame when choosing an investment option.

## Investment Performance

Asset class returns for markets to 30 June 2022:

Asset Class Returns to 30 June 2022	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
<b>Balanced Fund</b> Morningstar AUS Balance Tgt Alloc NR AUD	-8.28	1.76	4.38	6.69
<b>Australian Shares</b> S&P/ASX200 TR AUD	-6.47	3.34	6.83	9.29
<b>Australian Industrial Shares</b> S&P/ASX200 Industrial TR AUD	-9.18	2.18	4.89	9.83
<b>Australian Resources Shares</b> S&P/ASX200 Resources TR AUD	3.30	7.43	15.14	7.19
<b>Australian Small Caps</b> S&P/ASX Small Ordinaries TR AUD	-19.52	0.38	5.07	5.37
<b>International Shares</b> MSCI World Ex Australia NR AUD	-6.52	7.82	10.12	14.11
<b>Emerging Markets</b> MSCI EM NR AUD	-18.43	1.25	4.44	7.26
<b>Australian Property</b> S&P/ASX200 A-REIT TR	-12.26	-2.75	4.41	9.17
<b>International Property</b> FTSE EPRA/NAREIT Developed NR Hdg AUD	-8.44	0.03	3.14	7.48
<b>Australian Fixed Interest</b> Bloomberg AusBond Composite 0 + Yr TR AUD	-10.51	-2.58	0.87	2.58
<b>International Fixed Interest</b> Bloomberg Global Aggregate TR Hdg AUD	-9.33	-1.62	0.78	3.12
<b>Cash</b> RBA Bank Accepted Bills 90 Days	0.29	0.35	0.94	1.69
<b>Consumer Price Index (CPI)*</b>	5.6	3.0	2.53	2.25

Source: Morningstar, Inc. Market Index Returns Base Currency - Returns to 30-06-2022.

\*Source: Lonsec Research Pty Ltd

## Simple Choice Super and Slate Super Investment performance

A superannuation funds investment performance typically varies over time. Because superannuation is a long-term investment, longer term returns (such as 5 and 10 investment returns) smooth out short term results.

Depending on the nature of each investment option (including its risk profile), an investment option may experience negative returns from time to time and it is generally not appropriate to assess the performance of an investment option by the return for a single year or other short-term periods.

Actual returns will be determined by the investment strategy adopted and prevailing market conditions. Information on investment performance relating to your Account specifically is provided in your Annual Member Statement for the year ended 30 June 2022.



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## Investment Performance Returns % - Financial Year 30 June 2022<sup>2</sup>

Simple Choice Super and Slate Super returns as at 30 June 2022 <sup>1</sup>	1 year <sup>1</sup> p.a.	5 Years	10 Years	Since inception <sup>2</sup> p.a.
<b>Accumulation</b>				
Balanced Growth <sup>3</sup> (closed to new members)	-10.99%	N/a	N/a	2.71%
Lifestage – Sand <sup>4</sup>	-11.52%	N/a	N/a	-0.06%
Lifestage – Coral <sup>5</sup>	-8.69%	N/a	N/a	-2.45%
Lifestage – Ocean <sup>6</sup>	-12.06%	N/a	N/a	-0.67%
Lifestage – Sky <sup>7</sup>	-11.30%	N/a	N/a	-5.39%

Notes:

- Returns are based on actual investment options. Returns shown for 1 year periods or longer are annualised amounts and are net of all investment fees, administration fees and taxes, excluding member direct fees. Returns are calculated using changes in the unit price. Past performance should not be relied upon as an indication of future returns.
- Compound returns since inception are compound annualised averages and are net of all investment fees, administration fees and taxes excluding member direct fees. When the 5 or 10 years compound return is unable to be determined, the since inception return is provided. Inception date 28 August 2017.
- Inception date for Balanced Growth was 28/08/2017.
- Inception date for Lifestage - Sand was 1 July 2020 with first members 14 July 2020.
- Inception date for Lifestage - Coral was 1 July 2020 with first members 18 August 2020.
- Inception date for Lifestage - Ocean was 1 July 2020 with first members 20 February 2021.
- Inception date for Lifestage - Sky was 1 July 2020 with first members 25 August 2020.

**Neither past performance nor volatility is a reliable indicator of what may happen in the future. Neither capital nor returns are guaranteed.**

**Past performance is calculated net of investment fees and taxes excludes fees charged to member Accounts directly, and does not take into account inflation.**

## Investment strategy

The tables following contain information regarding the investment strategy of the Fund for the year ended 30 June 2022. Details of investment options shown are not a guarantee of any particular benefit or return. The investment option objectives are used by the Trustee to measure the performance of the Fund's investments.

You should consider the most up to date PDS, PDS Guides and TMD where applicable, Annual Report and any Significant Event Notices provided to you when choosing an investment option.

There are two investment strategies in the Fund for members of Simple Choice Super and Slate Super as at 30 June 2022:

**IMPORTANT: If you joined Simple Choice Super before 1 July 2020, your super account will be wholly invested in our Balanced Growth investment option, which is now closed to new members. For more information about this investment option, see below or contact us.**

### Lifestages investment strategy (open to new members)

The lifestages investment solution selects from four pre-mixed investment options – Sand, Coral, Ocean and Sky – to personalise an investment strategy that's relevant to your gender, age and account balance.

Here's how the lifestages investment solution works: We invest your super account in one of four pre-mixed investment options based on your gender, your age and your account balance (together, your "lifestage"). Younger members with smaller account balances will generally be invested in an option that has a higher allocation of growth assets such as shares, as you have more time to withstand the rises and falls of the share market. As you age, and as your account balance grows, your account balance will move through investment options that are gradually investing more heavily in defensive assets, such as cash and fixed interest, to make your investment portfolio more stable as you approach retirement. We'll review your personal investment strategy against your gender, age and account balance annually, and change the investment option you're invested in if you meet the criteria of a new lifestage.

**IMPORTANT:** You are not able to elect the investment option that you want your account balance invested in, or switch investment options.

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	SAND			CORAL			OCEAN			SKY		
<b>Suitability</b>	Likely to suit long-term investors who want exposure to assets with potentially higher returns.			Likely to suit medium to long-term investors who want exposure to assets with potentially higher returns.			Likely to suit medium-term investors who want exposure to assets with potentially higher returns.			Likely to suit short to medium-term investors who are closer to retirement.		
<b>Investment Return Objective<sup>1</sup></b>	CPI + 3.00% p.a. over rolling 10-year periods			CPI + 2.50% p.a. over rolling 8-year periods			CPI + 1.75% p.a. over rolling 6-year periods			CPI + 0.50% p.a. over rolling 3-year periods		
<b>Asset Classes and Benchmark Allocations</b>	<b>Lower</b>	<b>Upper</b>	<b>B/mark</b>	<b>Lower</b>	<b>Upper</b>	<b>B/mark</b>	<b>Lower</b>	<b>Upper</b>	<b>B/mark</b>	<b>Lower</b>	<b>Upper</b>	<b>B/mark</b>
Australian Equities	43%	63%	53%	3%	52%	42%	23%	43%	33%	7%	27%	17%
International Equities	35%	55%	45%	28%	48%	38%	17%	37%	27%	3%	23%	13%
Australian Direct Property <sup>2</sup>	0%	12.5%	0%	0%	10%	0%	0%	7.5%	0%	0%	5%	0%
<b>Total Growth</b>	<b>90%</b>	<b>100%</b>	<b>98%</b>	<b>70%</b>	<b>90%</b>	<b>80%</b>	<b>50%</b>	<b>70%</b>	<b>60%</b>	<b>20%</b>	<b>40%</b>	<b>30%</b>
Australian Fixed Interest	0%	2.5%	0%	2.5%	7.5%	5%	5%	25%	15%	15%	35%	25%
International Fixed Interest	0%	2.5%	0%	5%	15%	10%	5%	25%	15%	15%	35%	25%
Investment Grade Credit	0%	2.5%	0%	0.5%	5.5%	3%	2.5%	7.5%	5%	5%	25%	15%
Cash	0%	4.5%	2%	0%	4.5%	2%	2.5%	7.5%	5%	2.5%	7.5%	5%
<b>Total Defensive</b>	<b>0%</b>	<b>10%</b>	<b>2%</b>	<b>10%</b>	<b>30%</b>	<b>20%</b>	<b>30%</b>	<b>50%</b>	<b>40%</b>	<b>60%</b>	<b>80%</b>	<b>70%</b>
<b>SRM<sup>3</sup></b>	High			High			High			Medium / High		
<b>ENR<sup>4</sup></b>	5.30			5.00			4.60			3.30		

<sup>1</sup> Target investment return objective is after investment fees and taxes have been paid but before administration fees have been deducted. While we aim to achieve this return objective, future returns are not guaranteed.

<sup>2</sup> There is currently no allocation to Direct Property. On obtainment of sufficient funds under management, an Australian Direct Property manager will be appointed, and the investment strategy updated.

<sup>3</sup> Standard Risk Measure. For more information, see the [Additional Information Booklet](#) or [contact us](#).

<sup>4</sup> Estimated number of negative annual returns over any 20-year period. For more information, see the [Additional Information Booklet](#) or [contact us](#).

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## Moving through the Simple Choice Super Lifestages

MALE/OTHER*	Account Balance (\$,000)								
	Age	0-100	100-200	200-300	300-400	400-500	500-600	600-700	700+
18-24^	Sand	Coral	Ocean	Sky	Sky	Sky	Sky	Sky	Sky
25-34	Sand	Sand	Coral	Ocean	Sky	Sky	Sky	Sky	Sky
35-44	Sand	Sand	Sand	Coral	Ocean	Sky	Sky	Sky	Sky
45-54	Sand	Sand	Sand	Sand	Coral	Ocean	Sky	Sky	Sky
55-64	Sand	Sand	Sand	Sand	Sand	Coral	Ocean	Sky	Sky
65-69	Sand	Sand	Sand	Sand	Coral	Sky	Sky	Sky	Sky
70-74	Coral	Coral	Ocean	Ocean	Sky	Sky	Sky	Sky	Sky
75-84	Ocean	Sky	Sky	Sky	Sky	Sky	Sky	Sky	Sky
85+	Sky	Sky	Sky	Sky	Sky	Sky	Sky	Sky	Sky

\* If you elect Transgender, Intersex or Other on the Join Form, you will be invested in accordance with the investment strategy outlined above.

^ If you are under the age of 18, you will be invested in accordance with the 18-24 age group.

FEMALE	Account Balance (\$,000)								
	Age	0-100	100-200	200-300	300-400	400-500	500-600	600-700	700+
18-24^	Sand	Coral	Ocean	Ocean	Ocean	Sky	Sky	Sky	Sky
25-34	Sand	Sand	Coral	Ocean	Ocean	Sky	Sky	Sky	Sky
35-44	Sand	Sand	Sand	Coral	Ocean	Ocean	Sky	Sky	Sky
45-54	Sand	Sand	Sand	Sand	Coral	Ocean	Sky	Sky	Sky
55-64	Sand	Sand	Sand	Sand	Sand	Coral	Ocean	Sky	Sky
65-69	Sand	Sand	Sand	Sand	Sand	Coral	Ocean	Sky	Sky
70-74	Coral	Coral	Coral	Sand	Coral	Coral	Coral	Coral	Sky
75-84	Ocean	Ocean	Sky	Ocean	Sky	Sky	Sky	Sky	Sky
85+	Sky	Sky	Sky	Sky	Sky	Sky	Sky	Sky	Sky

^ If you are under the age of 18, you will be invested in accordance with the 18-24 age group.

## Balanced Growth investment strategy (closed to new members)

### Investment Return Objective

CPI + 2.5% per annum over rolling six year periods (after fees and taxes)

### Investment Strategy

The Balanced Growth investment option aims to invest in a diverse mix of assets with the majority in growth assets such as shares, and a modest investment in defensive assets such as cash and fixed interest. This option aims to provide investors with the highest possible returns consistent with a 'balanced growth' investment strategy. Specific allocations may vary but the option will retain a broad 70/30 split between growth and income assets.

Asset Classes and Benchmark Allocations	Upper Limit	Lower Limit	Benchmark
Australian Shares*	70%	30%	55%
International Shares*	25%	5%	15%
Other	0%	0%	0%
<b>Total Growth</b>			<b>70%</b>
Australian Fixed Interest	45%	15%	25%
International Fixed Interest	15%	0%	0%
Cash	20%	2.5%	5%
<b>Total Defensive</b>			<b>30%</b>

### Suitability

This option is suitable for members comfortable with accepting short term volatility in order to achieve higher long-term returns

### Recommended Minimum Investment Timeframe

Minimum 4 - 6 years

### Risk Level^

Risk Band 6: High (4 to less than 6 estimated negative annual returns over any 20-year period).

\*Includes property securities and Real Estate Investment Trusts (REITs).

^Based on the Standard Risk Measure. For more information, refer to the Investment Factsheet – Balanced Growth available at [simplechoicesuper.com.au](http://simplechoicesuper.com.au).

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## Standard Risk Measure

The risk profile of the Fund's investment strategy is based on the Standard risk measure. The standard risk measure is based on industry guidance to allow you to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. The standard risk measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than a customer may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Customers should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option(s).

## Investment allocation

### Gross assets of the Fund as 30 June 2022

The following table provides information on the portfolio allocation for all of the Slate Super and Simple Choice Super investment options as at 30/06/2022.

Balanced Growth (closed to new members)	30 June 2021		30 June 2022	
	% of Assets	Amount \$'000	% of Assets	Amount \$'000
International shares	15.38%	10,019	14.77%	9,526
Australian Shares	54.32%	35,397	54.04%	34,859
Fixed Interest	21.09%	13,743	25.50%	16,448
Cash	9.22%	6,006	5.70%	3,676
<b>Total Assets</b>	<b>100.00%</b>	<b>65,165</b>	<b>100.00%</b>	<b>64,509</b>

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Lifestage - Sand	30 June 2021		30 June 2022	
	% of Assets	Amount \$'000	% of Assets	Amount \$'000
International shares	41.54%	7,058	42.90%	74,905
Australian Shares	47.17%	8,014	51.23%	84,456
Fixed Interest	0.00%	-	0.00%	-
Cash	11.29%	1,917	5.87%	10,243
<b>Total Assets</b>	<b>100.00%</b>	<b>16,989</b>	<b>100.00%</b>	<b>174,604</b>

Lifestage - Coral	30 June 2021		30 June 2022	
	% of Assets	Amount \$'000	% of Assets	Amount \$'000
International shares	29.90%	3	35.08%	26
Australian Shares	32.00%	4	38.96%	29
Fixed Interest	12.74%	1	16.59%	12
Cash	25.35%	3	9.37%	7
<b>Total Assets</b>	<b>100.00%</b>	<b>11</b>	<b>100.00%</b>	<b>74</b>

Lifestage - Ocean	30 June 2021		30 June 2022	
	% of Assets	Amount \$'000	% of Assets	Amount \$'000
International shares	28.93%	-	26.34%	14
Australian Shares	33.52%	-	32.34%	18
Fixed Interest	32.20%	-	34.10%	19
Cash	5.35%	-	7.21%	4
<b>Total Assets</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>	<b>55</b>

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Lifestage - Sky	30 June 2021		30 June 2022	
	% of Assets	Amount \$'000	% of Assets	Amount \$'000
International shares	12.96%	20	12.82%	65
Australian Shares	16.30%	25	16.67%	84
Fixed Interest	60.00%	91	63.32%	321
Cash	11.74%	18	7.19%	36
<b>Total Assets</b>	<b>100.00%</b>	<b>154</b>	<b>100.00%</b>	<b>506</b>

## Investment managers

### Significant investments

The assets of the Fund are invested in a range of investment funds or products. The table below provides information regarding the Fund's total holdings in the investment funds or products of the underlying fund managers managed the investment funds or products in which assets of the Simple Choice Super and Slate Super Fund were invested as at 30 June 2022.

As at 30 June 2022 assets inside Simple Choice Super and Slate Super which individually represent more than five (5) per cent of total assets were:

Assets	%	\$'000
Betashares Australian Sustainability Leaders ETF Units	51.91%	124,570
Betashares Global Sustainability Leaders ETF Units	35.28%	84,655
Macquarie True Index Australian Fixed Interest Fund	6.88%	16,512

Note: the underlying fund managers utilised by the Trustee for investment of the Fund's assets may be changed from time to time at the absolute discretion of the Trustee. They are shown in this report to provide historical information about the investments of the Fund during the year. You have no ability to choose the underlying fund managers utilised by the Trustee.

Combining investments offered by the Fund by Investment Manager to indicate those managers with 5% or more of the Fund's assets are set out below:

Assets	%	\$'000
BetaShares Capital Limited (ABN 78 139 566 868)	88.82%	213,146
Macquarie Investment Management Limited (ABN 66 002 867 003)	6.88%	16,512

## Other considerations

### Derivatives

The Trustee does not permit any investments directly in any futures, options or other derivative instruments. However, external managers may use derivatives in managing pooled investment vehicles in which the Trustee invests. Derivatives may be used for the purpose of hedging transactions and managing risk.

### Labour standards, environmental, social and ethical considerations

Labour standards, environmental, social and ethical considerations are not taken into account in the selection, retention or realisation of investments for the Simple Choice Super and Slate Super investment strategy.

Please refer to the PDS, Additional Information Guide and TMD for further information on Slate Super's investment strategy.

## News in superannuation

There were a number of changes to the superannuation regulatory landscape during the 2021-2022 financial year. Some of the most significant changes were announced in the 2022 Federal Budget. The information below was compiled as at November 2022, and is subject to change. For up-to-date information relating to taxation of superannuation, go to [ato.gov.au](http://ato.gov.au) or contact the Fund.

### Federal Budget

As part of the 2021-22 and 2022-23 Federal Budgets, the government announced several changes to superannuation rules:

#### Repealing the Work Test for Voluntary Super Contributions

Prior to 1 July 2022, if a member was aged 67 to 74 years old you could only make or receive voluntary contributions (both concessional and non-concessional) if you met the 'work test'. That is, you must have worked at least 40 hours over a 30-day period in the relevant financial year. From 1 July 2022, this requirement has been removed.

**Note:** members may still need to meet the work test to claim a personal superannuation contribution deduction.

#### Eligibility changes to the bring forward arrangements

From 1 July 2022, if a member is under 75 years of age at any time in a financial year (previously 67 years of age before 1 July 2022) you may be able to make non-concessional contributions of up to three times the annual non-concessional cap in that financial year.

**Note:** Eligibility for the bring-forward arrangement depends on your:

- age, and
- total super balance on 30 June of the previous financial year.

#### Extending Access to Downsizer Contributions

Under the Downsizing Contributions Scheme, a member may be able to contribute up to \$300,000 from the proceeds of the sale (or part sale) of their home into their superannuation subject to certain eligibility criteria.

From 1 July 2022 the eligibility age changed from 65 years or older, to 60 years or older.

The government also has plans to further reduce the eligibility age to 55 years old or older in early 2023.

**Note:** Eligibility criteria for the Downsizer Contributions Scheme include:

- Your home must be in Australia.



- You or your spouse must have owned it for at least 10 years
- the disposal must be exempt or partially exempt from capital gains tax (CGT).
- You must not have previously made a downsizer contribution

### **Increasing the First Home Super Saver Maximum**

The First Home Super Saver (FHSS) allows people to save money for their first home inside their super fund. Members can do this by making voluntary concessional (before-tax) and voluntary non-concessional (after-tax) contributions into their super. This can help first home buyers save faster with the concessional (lower) tax treatment of superannuation.

You can then apply to release these voluntary contributions, along with associated earnings, to help purchase your first home.

From 1 July 2022, the amount of eligible contributions that count towards the maximum releasable amount from \$30,000 to \$50,000.

**Note:** Eligibility criteria for the First Home Super Saver Scheme include:

- You need to occupy the premises you buy or intend to as soon as practicable.
- You intend to occupy the property for at least six months within the first 12 months you own it, after it is practical to move in.

### **Removing the \$450 per month threshold for super guarantee eligibility**

From 1 July 2022, employers are required to make super guarantee contributions to their eligible employee's super fund regardless of how much the employee is paid, removing the longstanding \$450 threshold. (i.e. removal of the \$450 per month threshold). Employees must still satisfy other super guarantee eligibility requirements however to be eligible for employer superannuation contributions.

### **Increase in the superannuation guarantee from 10 per cent to 10.5 per cent**

From 1 July 2022 the superannuation guarantee has increased from 10 per cent to 10.5 per cent.

### **Extension of the temporary reduction in superannuation pension minimum drawdown rates**

On 25 March 2022, the government announced a further extension to the temporary reduction in superannuation pension minimum drawdown rates. The measure was introduced in 2020 as part of the government's response to COVID-19 and is being extended to the 2022–23 financial year.

The measure means members withdrawing money from their superannuation can continue to take advantage of the 50% temporary drawdown reduction from 1 July 2022 until 30 June 2023.

### **Re-contribution of COVID-19 early release superannuation**

Members are able to re-contribute amounts they withdrew from their superannuation under the COVID early release of super program without the contributions counting towards their non- concessional contributions cap. These contributions can be made between 1 July 2021 and 30 June 2030.

### **Changes to fees and costs disclosure in the PDS and member statements**

In an effort to make fees transparent and easier to understand for members, changes have been made to how fees and costs are disclosed in your annual statement and the Product Disclosure Statement (PDS) for all superannuation products. As a result of these changes, funds are now required to disclose fees and costs paid by third parties. These fees and costs are paid by third parties (such as a fund's parent entity) to operate the fund but are not paid by you. The inclusion of these costs in disclosures will provide a view of the total costs associated with running the fund. Note, this is a change in how these fees and costs are disclosed and does not represent a change in the fees and costs you pay from your total balance. Please refer to the fees and costs section of the PDS for more information.

## Important information

### Abridged financial information

Set out below is the abridged financial information relating to the Grosvenor Pirie Master Superannuation Fund Series 2 of which Simple Choice and Slate Super are sub-funds:

Statement of Financial Position as at 30 June	2022 (\$'000)	2021 (\$'000)
<b>ASSETS</b>		
Cash and cash equivalents	21,077	24,191
Investments	229,833	184,854
Interest receivable	-	37
Distributions and dividends receivable	5,485	2,357
Other receivables	1,825	112
Deferred tax assets	3,482	-
<b>TOTAL ASSETS</b>	<b>261,702</b>	<b>211,551</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	470	8
Benefits payable	426	223
Current tax liabilities	7,366	5,327
Deferred tax liabilities	-	1,164
<b>TOTAL LIABILITIES</b>	<b>8,295</b>	<b>6,721</b>
<b>NET ASSETS AVAILABLE TO PAY BENEFITS</b>	<b>253,407</b>	<b>204,830</b>
Member benefits	251,501	197,845
Contributions not allocated to Members	172	19
<b>TOTAL NET ASSETS</b>	<b>1,734</b>	<b>6,966</b>
<b>EQUITY</b>		
Operational Risk Reserve	629	466
Expense Reserve	169	531
Unallocated Surplus	936	5,969
<b>TOTAL EQUITY</b>	<b>1,734</b>	<b>6,966</b>

# Slate

Income Statement For the Year Ended 30 June	2022 (\$'000)	2021 (\$'000)
<b>Superannuation activities</b>		
Interest Revenue	1,049	543
Dividend and distributions	7,847	6,825
Net change in fair value of investments	(46,220)	21,631
Other Income	1,202	-
<b>Total Net Income</b>	<b>(36,102)</b>	<b>28,999</b>
<b>Less Expenses</b>		
General Administration Expenses	(4,712)	(3,938)
<b>Total Expenses</b>	<b>(4,712)</b>	<b>(3,938)</b>
Income tax (expense)/benefit	5,491	(2,535)
<b>Results From Superannuation Activities After Income Tax Expense</b>	<b>(35,323)</b>	<b>22,526</b>
Net benefits allocated to defined contribution members	33,926	(25,151)
<b>Operating Result After Income Tax</b>	<b>(1,397)</b>	<b>(2,625)</b>

Statement of Changes in Member Benefits	2022 (\$'000)	2021 (\$'000)
<b>Opening balance of member benefits (as at 1 July)</b>	<b>197,845</b>	<b>148,116</b>
Employer contributions	99,317	42,184
Member contributions	1,081	738
Government co-contributions	1,211	613
Transfers in from other superannuation funds	154,132	13,820
Income tax on contributions	(15,213)	(6,349)
<b>Net after tax contributions</b>	<b>240,528</b>	<b>51,006</b>
Benefits to members	(50,389)	(21,818)
Member transfers out as part of Successor Fund Transfer	(103,135)	-
Insurance premiums charged to member Accounts	(568)	(129)
Reserve transferred to/(from) members		
- Operational Risk Reserve	(243)	-
- Expense Reserve	(135)	(101)
- Unallocated surplus	1,509	(4,381)
Compensation Payments	15	1
Net benefits allocated to defined contribution members	(33,926)	25,151
<b>Closing balance of member benefits (as at 30 June)</b>	<b>251,501</b>	<b>197,845</b>

# Slate

Statement of Changes in Equity For the Year Ended 30 June	\$'000	\$'000	\$'000	\$'000
	Operational Risk Reserve	Expense Reserve	Unallocated (Deficit)/ Surplus	Total Equity
<b>Opening Balance as at 1 July 2020</b>	<b>380</b>	<b>311</b>	<b>1,294</b>	<b>1,985</b>
Operating result	15	190	(2,828)	(2,623)
Net transfers (to)/from member accounts	71	30	4,381	4,482
Amounts not yet allocated to members	-	-	3,122	3,122
<b>Closing Balance as at 30 June 2021</b>	<b>466</b>	<b>531</b>	<b>5,969</b>	<b>6,966</b>
<b>Opening Balance as at 1 July 2021</b>	<b>466</b>	<b>531</b>	<b>5,969</b>	<b>6,966</b>
Operating result	-	(177)	(1,220)	(1,397)
Net transfers (to)/from member accounts	242	135	(1,509)	(1,132)
Transfer between reserves	225	(225)	-	-
Successor Fund Transfer to another fund	(304)	(95)	(31)	(429)
Amounts not yet allocated to members	-	-	(2,273)	(2,273)
<b>Closing Balance as at 30 June 2022</b>	<b>629</b>	<b>169</b>	<b>936</b>	<b>1,734</b>

The Funds financial accounts and audit report can be made available to members on request by phoning Slate Super (Refer Directory on the back page).

Simple Choice Super & Slate Super (only) movement in Member benefits (as at 30 June 2022)	2022	2021
	(\$'000)	(\$'000)
<b>OPENING NET ASSETS</b>	81,701	49,051
<b>INCREASE (DECREASE)</b>	169,800	32,650
<b>CLOSING NET ASSETS</b>	<b>251,501</b>	<b>81,701</b>

## Reserves

The Trustee maintains the following reserves in the Fund for the benefit of members. Reserves are held to meet licence conditions, facilitate administration efficiency and are invested for the benefit of members.

## Operational Risk Financial Requirement

Trustees of super funds are required to establish and maintain an Operational Risk Financial Reserve (ORFR) which complies with prudential requirements to ensure that the Trustee has sufficient financial resources to provide for member and/or beneficiary losses arising from an operational risk event such as incorrect benefit payments due to human or system error, unit pricing errors and loss of data. The reserve is funded from fees and other costs. Expense recovery fees may include a transfer to the ORFR to meet this regulatory requirement. Please refer to the current PDS, PDS Guides and TMD for more information.

ORFR in relation to the Grosvenor Pirie Master Superannuation Fund Series 2	2022	2021	2020
	\$'000	\$'000	\$'000
<b>CLOSING BALANCE</b>	629	466	381

# Slate

## Expense reserve

The Trustee maintains an expense reserve (ER) for costs not related to the administration of the fund. The expense reserve complies with prudential requirements and is utilised for the payment of fund fees, costs, and levies. Please refer to the current PDS, and PDS Guides for more information.

Expense Reserve ORFR in relation to the Grosvenor Pirie Master Superannuation Fund Series 2	2022	2021	2020
	\$'000	\$'000	\$'000
<b>CLOSING BALANCE</b>	169	531	311

## Buy/Sell costs

When a member buys or sells units, this initiates a need for the Trustee to trade the underlying assets that relate to the particular investment transaction. This trading generates transaction costs such as brokerage, settlement costs (including custody costs), government taxes/duties/levies, bank charges and Account transaction charges which are paid from the investment option.

These transaction costs are reflected in a buy/sell spread that is taken into account in the calculation of unit prices. The buy/sell spread is the difference between the entry price and exit price of units and is an additional cost incurred by members each time they invest (including via rollovers from other funds) or withdraw funds. The buy/sell spread is retained within Simple Choice Super and Slate Super and contributes towards the transaction costs associated with Simple Choice Super and Slate Super buying or selling assets in relation to investment transactions initiated by members or relating to the administration of member Accounts.

The spread ensures that those members joining or leaving Simple Choice Super and Slate Super or switching investment options, contribute towards these transaction costs and other investors who are not joining, leaving or switching investments at that particular time are not disadvantaged.

The buy/sell spread for the investment option is made up of the following costs:

	Buy	Sell
Simple Choice Super and Slate Super - Investment Strategy		
Balanced Growth (closed to new members)	0.15%	0.15%
Lifestage - Sand	0.08%	0.08%
Lifestage - Coral	0.08%	0.08%
Lifestage - Ocean	0.08%	0.08%
Lifestage - Sky	0.08%	0.08%

# Slate

The table below outlines how much of each investment option's transaction costs were recovered via the buy-sell spreads. Net transaction costs are an additional cost to you that was paid from the assets of the Fund:

	Gross Transaction Costs (p.a.)	Recovered via Buy/ Sell Spread (p.a.)	Net Transaction Cost (p.a.)
Simple Choice Super and Slate Super - Investment Strategy			
Balanced Growth (closed to new members)	0.015%	0.070%	N/A
Lifestage - Sand	0.194%	0.088%	0.106%
Lifestage - Coral	0.203%	0.130%	0.073%
Lifestage - Ocean	0.414%	0.173%	0.241%
Lifestage - Sky	0.129%	0.067%	0.062%

## Allocating net earnings to members' Accounts

As Simple Choice Super and Slate Super are unitised funds, your Account balance is equal to the amount of units held multiplied by the applicable unit price(s). The value of each unit held and the unit price for each investment option changes with the value of the underlying assets of the investment option.

The unit pricing process for pooled investment options:

- We calculate the value of the underlying assets of each pooled investment option once every day.
- The value of the underlying assets is divided by the number of units on issue for that investment option.
- This is the unit price that will be applied to your transaction request.

Sometimes unit pricing errors may occur. In the event that a material unit price error is detected and requires rectification, the Trustee may apply a fixed dollar minimum of \$20 when determining whether exited (former) members affected by the error should be compensated.

For Slate Super members, please refer to the current PDS and TMD for more detailed information about the calculation of earnings and for Simple Choice Super members, the PDS you received when you joined. The PDS is available by contacting Slate Super on (02) 8074 1772 or Simple Choice Super on (02) 8556 7576. Refer to your Annual Member Statement for information on the net investment performance for your portfolio of investments.

## Member statements

Your Annual Member Statement was sent to your address in December 2022.

## Superannuation surcharge tax

While the superannuation surcharge was abolished with effect from 1 July 2005, the ATO may still issue assessments in relation to previous years. Any amounts deducted by the Fund in relation to the superannuation surcharge tax payable will be reflected in the transaction section of your Annual Member Statement.

## Temporary residents

If you have worked in Australia on a temporary visa and you have super in Australia, you can apply after you leave Australia, to have this super paid to you as a departing Australia superannuation payment (DASP).

If you have not claimed your super after you have left Australia for at least 6 months, and your visa has expired or been cancelled, your super will be transferred to the ATO as unclaimed super money. You can subsequently access your benefit from the ATO. The ATO can be contacted on 13 10 20. We are not obliged to notify or give an exit statement to you if we transfer your super to the ATO after you depart Australia.

There are limited conditions of release available to a member who is or was a temporary resident. Accounts in respect of all temporary resident members (irrespective of whether or not they have left Australia) will only be able to be released under the following conditions:

- death or terminal medical condition,
- permanent incapacity,
- departing Australia permanently – applies to temporary residents who apply in writing for release of their benefit,
- Trustee payments to the ATO under the Superannuation (Unclaimed Money and Lost Members) Act 1999, or
- temporary incapacity and/or release authorities under the Income Tax Assessment Act 1997.

Note: If you are a New Zealand citizen or you become an Australian citizen or permanent resident these changes will not apply to you.

## Conflicts

The Trustee's approach to conflicts management is governed by its Conflicts Management Policy, which sets out the principles and the minimum requirements of the Trustee. Conflicts are identified, recorded and managed on an ongoing basis via the Trustee's registers of relevant duties and interests and via other related Trustee policies, systems and processes. Training and awareness with respect to the Trustee's Conflicts Management Framework is undertaken annually. Further information can be found at [diversa.com.au/trustee/governance](http://diversa.com.au/trustee/governance).

## Enquiries and Complaints

The Trustee has set up a formal procedure for dealing with complex enquiries and complaints about your Simple Choice Super and Slate Super Account, including insurance. You can make an initial enquiry by phoning, or you can formally register your complaint by email or by writing to the Complaints Officer: A summary of the enquiries and complaints process will be provided with an acknowledgement at the time of your enquiry or complaint.

**Phone:** (02) 8556 7576 (Simple Choice Super) or  
(02) 8074 1772 (Slate Super)

**Write:** Complaints Officer  
PO Box R1979  
Royal Exchange NSW 1225

We aim to resolve all complex enquiries and complaints quickly and fairly. If you are not satisfied with the final decision, or we have not responded within 45 days from the date that your complaint is received, you may lodge a complaint with the Australian Financial Complaints Authority (AFCA), our external dispute resolution (EDR) scheme.

### AFCA

AFCA is an EDR scheme that deals with complaints from consumers in the financial system. AFCA replaced the Superannuation Complaints Tribunal. Strict time limits apply for lodging certain complaints with AFCA; otherwise AFCA may not be able to deal with your complaint.

To find out if AFCA can handle your complaint and determine the type of information you need to provide, AFCA contact details are as follows:

**Phone:** 1800 931 678  
**Email:** [info@afca.org.au](mailto:info@afca.org.au)  
**Write:** Australian Financial Complaints Authority (AFCA)  
GPO Box 3  
Melbourne VIC 3001

**Visit:** [afca.org.au](http://afca.org.au)

## Information on request

The following information is available on the Fund website [simplechoicesuper.com.au](http://simplechoicesuper.com.au) or [slatesuper.com.au](http://slatesuper.com.au) and/or by contacting Simple Choice Super and Slate Super during office hours:

The Fund's various Product Disclosure Statements (including Insurance Guide and Additional Information Guide which are incorporated by reference, where applicable),

- the Fund's regular investment performance
- recent member newsletters,
- the Fund's Trust Deed and Rules,
- all forms, e.g. the Nomination of Beneficiaries Form,
- information about your benefit entitlements, and
- any other information that may help you understand particular investments of the Fund or its management.

### Disclaimer

Reasonable care is taken to ensure that information is correct, but neither the Trustee nor its service providers accept responsibility for any errors, misprints or for anyone acting on this information. The Trustee reserves its right to correct any errors or omissions.

The terms of your membership in the Fund are set out in the Fund's Trust Deed and any applicable insurance policy, PDS and TMD. Should there be any inconsistency between the Trust Deed and other documents, the terms of the Fund's Trust Deed will prevail.

The Trustee reserves the right to amend the terms and conditions of the Fund in accordance with the provisions of the Trust Deed and superannuation law. The Trustee may also withdraw the PDS and close the Fund.



## Obtaining further information

### Simple Choice Super

**Phone:** (02) 8556 7576

**Email:** [info@simplechoicesuper.com.au](mailto:info@simplechoicesuper.com.au)

**Website:** [simplechoicesuper.com.au](http://simplechoicesuper.com.au)

**Mail:** PO Box R1979 Royal Exchange, NSW 1225

### Slate Super

**Phone:** (02) 8074 1772

**Email:** [info@slatesuper.com.au](mailto:info@slatesuper.com.au)

**Website:** [slatesuper.com.au](http://slatesuper.com.au)

**Mail:** PO Box R1979 Royal Exchange, NSW 1225

### Trustee

#### Diversa Trustees Limited

ABN 49 006 421 638 AFSL No. 235153

RSE Licence No L0000635

GPO Box 3001

Melbourne VIC 3001

### Auditors

#### DELOITTE TOUCHE TOHMATSU

ABN 74 490 121 060

477 Collins Street

Melbourne VIC 3000

### Custodian

#### Citigroup Pty Limited

ABN 88 004 325 080

Level 21, 2 Park Street

Sydney NSW 2000

### Investment Manager

#### Responsible Investment Services Pty Ltd

ABN 77 630 578 200 AFS Rep. No. 00298392

Corporate Authorised Representative of

Simple Financial Choices ABN 58 629 890 900 AFSL  
No. 537462

1 Munn Street, Barangaroo, NSW 2000

### Insurer

#### AIA Australia Limited

ABN 79 004 837 861 AFSL 230043

509 St Kilda Road

Melbourne VIC 3004

### Sub-Promoter

#### Simple Financial Choices Pty Ltd

ABN 58 629 890 900 AFSL No. 537462

1 Munn Street, Barangaroo, NSW 2000

### Administrator

#### OneVue Super Services

ABN 74 006 877 872 AFSL No. 246883

PO Box 1282

Albury NSW 2640