

The Bendigo Superannuation Plan

Financial Report

For the year ended 30 June 2023

The Bendigo Superannuation Plan

Financial Report
For the year ended 30 June 2023

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The Bendigo Superannuation Plan

Statement of Financial Position as at 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
Cash at Bank	15	80,186,229	80,772,835
Unsettled Investment Sales		207,948	2,957,072
Receivables	9	20,272,311	39,692,560
Investments at Fair Value Through Profit and Loss	4	1,359,530,724	1,353,011,289
Deferred Tax Assets	12(c)	1,549,741	7,642,121
Total Assets		<u>1,461,746,953</u>	<u>1,484,075,877</u>
LIABILITIES			
Unsettled Investment Purchases		35,663	50,801
Payables and accruals	10	749,099	665,560
Current Tax Liabilities	12(b)	1,142,635	2,544,879
Total Liabilities excluding Member Benefits		<u>1,927,397</u>	<u>3,261,240</u>
Net Assets Available for Member Benefits		1,459,819,556	1,480,814,636
Member Benefits			
Allocated to members		1,458,917,880	1,479,859,103
Total Member Liabilities		1,458,917,880	1,479,859,103
Net Assets		<u>901,676</u>	<u>955,533</u>
EQUITY			
General Reserve	8	901,676	955,533
Total Equity		<u>901,676</u>	<u>955,533</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

The Bendigo Superannuation Plan

Income Statement For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Superannuation Activities			
Interest Income		2,399,722	118,450
Dividends		292	-
Distributions		24,688,620	51,981,853
Changes In Fair Value of Investments	6	72,665,463	(178,588,382)
Other revenue	13	271,726	270,862
Total Superannuation Activities		<u>100,025,823</u>	<u>(126,217,217)</u>
Expenses			
Operating Expenses	14	4,237,599	5,183,203
Total Expenses		<u>4,237,599</u>	<u>5,183,203</u>
Profit/ (Loss) from Operating Activities		95,788,224	(131,400,420)
Less: Net Benefits Allocated (from)/ to Members' Accounts		(91,722,863)	117,824,063
(Loss)/ Profit before Income Tax		<u>4,065,361</u>	<u>(13,576,357)</u>
Income Tax Expense/ (Benefit)	12(a)	4,119,217	(13,559,267)
Net (Loss) after Income Tax		<u>(53,856)</u>	<u>(17,090)</u>

The above Income Statement should be read in conjunction with the accompanying notes.

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Statement of Changes in Reserves For the year ended 30 June 2023

	Note	General Reserve \$
Opening Balance 1 July 2022		955,533
Net Loss after Income Tax		(53,857)
Closing balance 30 June 2023	8	<u>901,676</u>
Opening Balance 1 July 2021		972,623
Net Loss after Income Tax		(17,090)
Closing balance 30 June 2022	8	<u>955,533</u>

The above Statement of Changes in Reserves should be read in conjunction with the accompanying notes.

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Statement of Changes in Member Benefits For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Opening Balance of member benefits		1,479,859,103	1,618,444,244
Contributions:			
Employer		61,631,399	54,763,728
Member		36,032,670	45,764,351
Transfers in from Other Funds		40,962,606	50,717,584
Income Tax on Contributions	12(d)	<u>(11,247,542)</u>	<u>(10,278,741)</u>
Net after tax contributions		<u>1,607,238,236</u>	<u>1,759,411,166</u>
Benefits to Members/Beneficiaries		(121,590,874)	(87,824,120)
Transfer to other superannuation plans		(119,628,638)	(72,208,948)
Insurance Premiums charged to Members' Accounts		(4,138,628)	(3,933,799)
Insurance Proceeds		5,314,921	2,238,867
Benefits allocated to Members' Accounts, comprising:			
Benefit/ (Expense)		95,578,422	(113,005,841)
Administration Fees		(3,223,513)	(3,439,880)
Advisor Fees		(632,046)	(1,378,342)
Closing balance of members benefits		<u>1,458,917,880</u>	<u>1,479,859,103</u>

The above Statement of Changes in Member Benefits should be read in conjunction with the accompanying notes.

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Statement of Cash Flows For the year ended 30 June 2023

	Note	2023 \$ Inflows/ (Outflows)	2022 \$ Inflows/ (Outflows)
Cash Flows Provided by Operating Activities			
Interest Received		2,207,990	58,317
Dividends Received		292	-
Distributions Received		44,288,773	114,592,666
Other Income Received		271,726	270,862
Group Life Insurance Premiums Paid		(4,138,628)	(3,933,799)
Direct Investments and Other Operating Expenses Paid		(1,403,279)	(5,507,578)
Income Tax Refund Received/ (Paid)		570,919	(8,116,863)
Net Cash Flows Provided by Operating Activities	15	<u>41,797,793</u>	<u>97,363,605</u>
Net Cash Flows from Investing Activities			
Proceeds from Sale of Investments		303,396,101	247,807,592
Payments for Purchase of Investments		(237,250,073)	(324,752,639)
Net Cash Flows Provided (Used)/by in Investing Activities		<u>66,146,028</u>	<u>(76,945,047)</u>
Cash Flows from Financing Activities			
Employer Contributions Received		61,631,399	54,763,728
Member Contributions Received		36,032,670	45,764,351
Transfers In from Other Funds		40,962,606	50,717,584
Transfer to other superannuation plans		(119,628,638)	(72,208,948)
Benefits Paid to Members		(121,595,842)	(87,824,120)
Death and disability benefits credited to members' accounts		5,314,921	2,238,867
Income Tax on Contributions		(11,247,542)	(10,278,741)
Net Cash Flows (Used) by Financing Activities		<u>(108,530,426)</u>	<u>(16,827,279)</u>
Net (Decrease)/ Increase in Cash and Cash Equivalents		(586,606)	3,591,279
Cash and Cash Equivalents at the Beginning of the Financial Year		80,772,835	77,181,556
Cash and Cash Equivalents at the End of the Financial Year	15	<u>80,186,229</u>	<u>80,772,835</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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Notes to the Financial Statements For the year ended 30 June 2023

1 OPERATION OF FUND

The Bendigo Superannuation Plan (ABN 57 526 653 420) ("the Fund") was initially established by a trust deed dated 3 June 1988 (as amended) to provide retirement, death and disability benefits for members. The Fund is domiciled in Australia and the address of the Fund's registered office is The Bendigo Centre, 22-44 Bath Lane Bendigo, VIC, 3550.

The Fund is a defined contribution fund whereby contributions of the employer, the employees and members are made in accordance with the terms of the Trust Deed. The members' accounts are credited or debited each year with contributions and their proportionate share of the net investment income, expenses and income tax expense of the Fund.

The Fund includes the following product offers: Bendigo SmartStart Super (including Bendigo MySuper) and Bendigo SmartStart Pension.

The Trustee of the Fund changed from Sandhurst Trustees Limited (ABN 16 004 030 737, AFSL 237906, RSE License No. L0000154) to Bendigo Superannuation Pty Limited (ABN 23 644 620 128, AFSL 534006, RSE License No. L0003505) ("The Trustee") on 1 May 2022. During the period of being appointed as trustee of the Fund, both the current and former Trustee hold and held respectively a public offer class Registrable Superannuation Entity (RSE) license. In accordance with amendments to the Superannuation Industry (Supervision) Act 1993, the Fund was registered with the Australian Prudential Regulation Authority (APRA) on 12 August 2005 (Registrable Superannuation Entity No. R1000139).

2 BASIS OF PREPARATION

The accounting policies have been consistently applied and, are consistent with those of the previous financial year.

(a) Statement of compliance

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, AASB 1056, and other authoritative pronouncements of the Australian Accounting Standards Board, other applicable Australian Accounting Standards, the provisions of the Trust Deed and the requirements of the Superannuation Industry (Supervision) Act 1993 and related regulations. The Fund is a not-for profit entity for the purpose of preparing financial statements.

The Statement of Financial Position is prepared on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within twelve months, except for investments, deferred tax and net assets attributable for member benefits.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The financial statements were authorised for issue by the Board of the Trustee, Bendigo Superannuation Pty Limited on 21 September 2023.

(b) Functional and presentation currency

The Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the functional currency). This is the Australian dollar, which reflects the currency of the economy in which the Fund competes for funds and is regulated. The Australian dollar is also the Fund's presentation currency.

(c) Use of estimates and judgements

No estimates or judgments have been used by management during the reporting period.

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Notes to the Financial Statements For the year ended 30 June 2023

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Investments

Financial assets and liabilities

(i) Classification

The Fund classifies its financial assets and financial liabilities into the categories below in accordance with AASB 9. AASB 1056 requires all assets to be classified and measured at fair value through profit or loss.

The Fund classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Fund's portfolio of financial assets is managed and its performance is evaluated on a fair value basis in accordance with the Fund's documented Investment Governance Framework.

Investments are measured at fair value through profit or loss.

Trade payables, consisting of trade and other payables and unsettled investment purchases are presented as liabilities at amortised cost. Amortised cost approximates fair value due to the short term nature of the payables.

(ii) Recognition

The Fund recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets, that require delivery of assets within the time frame generally established by regulation or convention in the marketplace, are recognised on the trade date, i.e. the date that the Fund commits to purchase or sell the asset.

(iii) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; or
- The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- Either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

(iv) Initial measurement

Financial assets and financial liabilities at fair value through profit or loss are recorded in the Statement of Financial position at fair value. All transaction costs for such instruments are recognised directly in the Income Statement.

Receivables and financial liabilities (other than those classified at fair value through profit or loss) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

For financial assets and liabilities where the fair value at initial recognition does not equal the transaction price, the Fund recognises the difference in the income statement, unless specified otherwise.

(v) Subsequent measurement

After initial measurement, the Fund measures investments at fair value through profit or loss. Subsequent changes in the fair value of those investments are recorded as 'Changes in Fair Value of Investments' through the Income Statement. Interest earned is recorded in 'Interest Income from Investments at Fair Value through Profit and Loss' according to the terms of the contract. Distribution revenue is recorded in 'Distributions' through the income statement.

For financial assets and financial liabilities at amortised cost, they are initially measured at fair value including directly attributable costs and are subsequently measured according to their classification.

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Notes to the Financial Statements For the year ended 30 June 2023

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Investments (continued)

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. Refer to Note 4.

(b) Cash and cash equivalents

Cash comprises of current deposits with bank and cash equivalents which are short-term, highly liquid investments that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value, and are held for the purpose of meeting short term cash commitments rather than investment or other purposes.

(c) Revenue

Interest income

Interest income on assets held at fair value is recognised in the Income Statement as interest income from financial assets at fair value through profit and loss.

Distribution income

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

Dividend income

Dividend income is recognised on entitlement as at the date the share is quoted ex-dividend and if not received at the reporting date, is reflected in the Statement of Financial Position at fair value.

Changes in fair value of investments

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

(d) Benefits payable

Benefits payable are measured at accrued benefits which comprises the entitlement of members who terminate membership prior to the year end but had not been paid at that time. Benefits payable are generally settled within 30 days.

(e) Receivables

Receivables are carried at nominal amounts due which approximate fair value and may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the reporting date from the time of the last payment in accordance with the policy set out in Note 3(c). Amounts are generally received within 30 days of being recorded as debtors.

Amounts due from brokers and fund managers which represent debtors for securities sold that have been contracted for but not yet delivered by the end of the year are reflected separately as unsettled investment sales in the Statement of Financial Position. Trades are recorded on trade date and normally settle within five business days.

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Notes to the Financial Statements For the year ended 30 June 2023

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Payables and accruals

Payables and accruals are carried at nominal amounts due which approximate fair value and include liabilities and accrued expenses owing by the Fund which are unpaid as at the reporting date. Amounts due to brokers and fund managers which represent payables for securities purchased that are unsettled at the reporting date are reflected as unsettled investment purchases in the Statement of Financial Position. Amounts are generally paid within 30 days of being recorded as payables and accruals.

(g) 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). In circumstances where the GST is not recoverable, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

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

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

(h) Income tax

The Fund is a complying superannuation fund for the purposes of the provisions of the Income Tax Assessment Act 1997. Accordingly, the concessional tax rate of 15% has been applied to the Fund's taxable income. The Fund has both accumulation and pension members. Where assets are held to support pension liabilities, the income earned on those assets does not form part of the Fund's assessable income, thus incurring an effective tax rate of 0%.

Income tax on the benefits accrued as a result of operations for the year comprises of current and deferred tax. Income tax expense 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 is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill, the initial recognition of assets and liabilities that affect neither accounting nor taxable profit and differences relating to investments in controlled investments to the extent that it is probable they will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation of the asset or settlement of the liability, using tax rates enacted or substantively enacted at the reporting date.

The measurement of the deferred tax reflects the tax consequences that would follow the manner in which the Fund expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent it is no longer probable that the related tax benefit will be realised.

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

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Notes to the Financial Statements For the year ended 30 June 2023

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) No-TFN contributions tax

Where a member does not provide their tax file number (TFN), the Fund may be required to pay no-TFN contributions tax at a rate of 32% which is in addition to the concessional tax rate of 15% which applies to the Fund's taxable income.

The no-TFN contributions tax liability recognised by the Fund will be charged to the relevant member's account. Where a tax offset is obtained by the Fund in relation to members' no-TFN contributions tax, the tax offset will be included in the relevant members' accounts.

(j) Superannuation release authorities

The ATO may issue release authorities to members of the Fund relating to the relevant members' excess contributions tax that is payable in respect of the member's concessional and/or non-concessional contributions for a particular year and the concessional and/or non-concessional contributions received in the prior year.

The liability for the excess contributions tax will be recognised when the relevant release authorities are received from the members, as the Trustee considers this is when it can be reliably measured.

(k) Offsetting

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Fund has a legal right to offset the amounts and it intends either to settle on a net basis or realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under AASBs, e.g. for gains and losses arising from a group of similar transactions, such as changes in fair value of investments.

(l) General reserve

The Fund holds an amount in excess of vested benefits that may be allocated to the General Reserve which operates on an unallocated basis in accordance with the Trust Deed. The Trust Deed provides that certain costs and expenses of operating the Fund may be deducted from the Reserve Account.

(m) New standards and interpretations adopted

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

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Notes to the Financial Statements For the year ended 30 June 2023

4. INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

All the investments of the Fund are held by Bendigo Superannuation Pty Limited as trustee of The Bendigo Superannuation Plan.

	2023 \$	2022 \$
Unlisted Trusts		
Defensive	57,793,644	72,252,022
Conservative	363,220,993	396,098,970
Balanced	417,245,642	423,661,390
Growth	428,946,038	376,320,601
High Growth	92,324,406	84,678,306
Total Investments	<u>1,359,530,724</u>	<u>1,353,011,289</u>

Refer to Note 3(a) for the methods adopted in determining the fair values of investments.

Fair value measurements recognised in the Statement of Financial Position

AASB 13 Fair Value Measurement requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability. The following table shows financial instruments recognised at fair value, categorised between those whose fair value is based on:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Fund's financial assets and liabilities included in the Statement of Financial Position are carried at fair value. The major methods and assumptions used in determining the fair value of financial instruments were disclosed in Note 3(a) of the Summary of Significant Accounting Policies.

30 June 2023	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Unlisted Trusts				
Defensive	-	57,793,644	-	57,793,644
Conservative	-	363,220,993	-	363,220,993
Balanced	-	417,245,642	-	417,245,642
Growth	-	428,946,038	-	428,946,038
High Growth	-	92,324,406	-	92,324,406
Total Investments	-	<u>1,359,530,724</u>	-	<u>1,359,530,724</u>

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Notes to the Financial Statements For the year ended 30 June 2023

4. INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS (continued)

Fair value measurements recognised in the Statement of Financial Position (continued)

30 June 2022	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Unlisted Trusts				
Defensive	-	72,252,022	-	72,252,022
Conservative	-	396,098,970	-	396,098,970
Balanced	-	423,661,390	-	423,661,390
Growth	-	376,320,601	-	376,320,601
High Growth	-	84,678,306	-	84,678,306
Total Investments	-	1,353,011,289	-	1,353,011,289

The level in which instruments are classified in the hierarchy is based on the lowest level input that is significant to the fair value measurement in its entirety which is disclosed in Note 3(a). Assessment of the significance of an input requires judgement after considering factors specific to the instrument.

Valuation Technique for Unlisted unit trusts

The Fund invests in these trusts which are not quoted in an active market and which may be subject to restrictions on redemptions such as lock up periods, redemption gates and side pockets. The Trustee considers the valuation techniques and inputs used in valuing these trusts as part of its due diligence prior to investing, to ensure they are reasonable and appropriate and therefore the Net Asset Value (NAV) of these trusts may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the trusts is adjusted, as necessary, to reflect restrictions on redemptions, future commitments, and other specific factors of the investment and investment manager. Depending on the nature and level of adjustments needed to the NAV and the level of trading in the fund, the Fund classifies these investments as either Level 2 or Level 3.

5. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

Introduction

The Fund's principal financial instruments comprise investments in unlisted managed funds, equity securities, and cash and short-term deposits. The main purpose of these financial instruments is to generate a return on investment.

The Fund also has various other financial instruments such as sundry receivables and payables, which arise directly from its operations. These are mainly current in nature.

Risks arising from holding financial instruments are inherent in the Fund's activities, and are managed through a process of ongoing identification, measurement and monitoring subject to risk limits and other controls. The Fund is exposed to market risk (which includes interest rate risk and price risk), credit risk and liquidity risk.

The Fund has direct exposure to market risk, credit risk and liquidity risk and these risks are outlined to the members in the Fund's Product Disclosure Statements.

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Notes to the Financial Statements For the year ended 30 June 2023

5. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(a) Risk Management Structure

The Trustee is responsible for identifying and controlling the risks that arise from these financial instruments. The Trustee reviews and agrees policies for managing each of these risks as summarised below. The Trustee also monitors the market price risk arising from all financial instruments. The risk framework is detailed in the Trustee's Risk Management Framework and the Fund's investments are managed in accordance with the Investment Governance Framework, which is reviewed regularly by management and the Trustee.

Information about the total fair value of financial instruments exposed to risk, as well as compliance with established objectives and benchmarks, is monitored by the Trustee. The investment objectives and benchmarks reflect the investment strategy and market environment of the Fund, as well as the level of risk that the Fund is willing to accept. This information is prepared and reported to the Trustee on a regular basis.

Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or when a number of counterparties are engaged in similar business activities, have activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Fund offers a diversified investment menu that in turn diversifies its investment holdings across a variety of asset classes and look through counterparties. Further the Trustee monitors members' exposure to investments to ensure concentrations of risk remain within acceptable levels.

(b) Credit Risk

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss.

The Fund is exposed to the risk of credit related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations.

There are no significant financial assets that are past due or impaired for year ending 30 June 2023 (2022: nil). The cash accounts are the only directly held instruments that possess credit risk and these are reviewed as part of the monitoring process. The cash is held at the Bendigo and Adelaide Bank, rated BBB+ by Standard & Poor's (S&P) in 2023 and 2022. Indirectly the returns of the unlisted trusts that are owned by the Fund are impacted by credit risks.

With respect to credit risk arising from the financial assets of the Fund, the Fund's exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these instruments as disclosed in the Statement of Financial Position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the maximum exposure at the reporting date. There are no debt securities as at the reporting date.

(c) Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. This risk is controlled through the Fund's investment in financial instruments, which under normal market conditions are readily convertible to cash. The Fund maintains sufficient cash and cash equivalents to meet normal operating requirements.

The Fund's significant financial liabilities are benefits payable to members, trade and other payables, vested benefits and outstanding settlements.

The Fund manages its obligations to pay the defined contribution component by holding financial assets that can readily be converted to cash under normal market conditions. The Fund considers it is highly unlikely that all defined contribution members will request to roll over their superannuation fund account at the same time.

Other financial liabilities of the Fund comprise other payables which are due within 30 days.

The following are the contractual maturities of financial liabilities, including interest payments. Vested benefits have been included in the "Less than 1 month" column below as this is the amount that members could call upon as at year end.

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Notes to the Financial Statements For the year ended 30 June 2023

5. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(c) Liquidity Risk (continued)

30 June 2023	Carrying Amount	Less than 1 month	1 to 6 months	Over 6 months	Total
Financial Liabilities	\$	\$	\$	\$	\$
Payables and accruals	749,099	749,099	-	-	749,099
Members Benefits	1,458,917,880	1,458,917,880	-	-	1,458,917,880
Outstanding Settlements	35,663	35,663	-	-	35,663
Current Tax Liability	1,142,635	-	1,142,635	-	1,142,635
Total Financial Liabilities	1,460,845,277	1,459,702,642	1,142,635	-	1,460,845,277

30 June 2022	Carrying Amount	Less than 1 month	1 to 6 months	Over 6 months	Total
Financial Liabilities	\$	\$	\$	\$	\$
Payables and accruals	665,560	665,560	-	-	665,560
Members Benefits	1,479,859,103	1,479,859,103	-	-	1,479,859,103
Outstanding Settlements	50,801	50,801	-	-	50,801
Current Tax Liability	2,544,879	-	2,544,879	-	2,544,879
Total Financial Liabilities	1,483,120,343	1,480,575,464	2,544,879	-	1,483,120,343

The Trustee has a Liquidity Management Plan, which outlines how the Fund's liquidity risk will be managed. This plan is approved by the Board of the Trustee.

(d) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk. The objective of the 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 Trustee has a due diligence framework for investment selection and monitoring. All the investment options are approved by the Trustee, which includes market risk considerations.

Market risk will vary materially between investment options and this is outlined to the members in the Fund's Product Disclosure Statements.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. All the Fund's direct investments are denominated in Australian dollars. Indirectly the returns of the unlisted trusts that are owned by the Fund are impacted by foreign exchange movements and are factored into Other Price Risk.

Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

Financial assets of the Fund directly exposed to interest rate risk are cash and cash equivalents. The Trustee monitors the effect that interest rate risk has on investments regularly in accordance with the Trustee's Investment Governance Framework. Indirectly the returns of the unlisted trusts that are owned by the Fund are impacted by interest rate movements.

The sensitivity of the Statement of Financial Position is the effect of the assumed changes in interest rates on:

- The interest income for one year, based on the floating rate financial assets held at balance date; and
- Changes in fair value of investments for the year, based on revaluing fixed rate financial assets at balance date.

The Fund's direct financial assets exposed to interest rate risk are as follows:

	2023 \$	2022 \$
Cash at Bank	80,186,229	80,772,835
	<u>80,186,229</u>	<u>80,772,835</u>

The Bendigo Superannuation Plan

Notes to the Financial Statements For the year ended 30 June 2023

The following table demonstrates the sensitivity of the Fund's Statement of Financial Position to a reasonably possible change in the Reserve Bank of Australia's official cash interest rates and global interest rates based on historical data over a 10 year period and expected future movements over the next 12 months, with all other variables held constant.

5. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(d) Market Risk (continued)

Interest Rate Risk (continued)

	Change in basis points		Sensitivity of interest income and changes on net assets available for member benefits	
	Increase/decrease		Increase/decrease	
	2023	2022	2023	2022
	+/-	+/-	+/- \$	+/- \$
Cash at Bank	+/-100	+/-100	+/- 801,862	+/- 807,728

Security Price Risk

Security 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 investments or factors affecting all similar financial instruments in the market.

Investments in the Fund that are exposed to security price risk include unlisted trusts.

The security price risk associated with the Fund is managed differently across each investment option. The Trustee performs due diligence on and monitors each investment option's performance with reference to various indices and the investment objectives of each investment option.

The effect on the Statement of Financial Position due to a reasonably possible change in market factors (including indirect interest rate risk and currency risk), as represented by the standard deviation in the individual indices over the last 10 years, with all other variables held constant is indicated in the table below:

2023		Change in investment price		Effect on net assets available for member benefits/Investment Returns	
		Increase	Decrease	\$	\$
		%	%		
Unlisted Trusts					
Defensive	Composite Benchmark	3.63	(3.63)	2,097,909	(2,097,909)
Conservative	Composite Benchmark	5.24	(5.24)	19,032,780	(19,032,780)
Balanced	Composite Benchmark	7.12	(7.12)	29,707,890	(29,707,890)
Growth	Composite Benchmark	9.11	(9.11)	39,076,984	(39,076,984)
High Growth	Composite Benchmark	10.82	(10.82)	9,989,501	(9,989,501)
2022		Change in investment price		Effect on net assets available for member benefits/Investment Returns	
		Increase	Decrease	\$	\$
		%	%		
Unlisted Trusts					
Defensive	Composite Benchmark	3.14	(3.14)	2,266,516	(2,266,516)
Conservative	Composite Benchmark	4.77	(4.77)	18,874,122	(18,874,122)
Balanced	Composite Benchmark	6.65	(6.65)	28,172,698	(28,172,698)
Growth	Composite Benchmark	8.62	(8.62)	32,456,403	(32,456,403)
High Growth	Composite Benchmark	10.32	(10.32)	8,742,888	(8,742,888)

The Bendigo Superannuation Plan

Notes to the Financial Statements For the year ended 30 June 2023

6. CHANGES IN FAIR VALUE OF INVESTMENTS

Investments Held at Reporting Date:	2023 \$	2022 \$
Unlisted Trusts		
Defensive	948,941	(4,962,568)
Conservative	13,839,978	(37,583,880)
Balanced	22,286,965	(53,806,823)
Growth	27,383,614	(53,114,274)
High Growth	5,582,255	(13,669,280)
Unrealised Gains/(Losses)	<u>70,041,753</u>	<u>(163,136,825)</u>
Investments Realised During the Reporting Period:		
Unlisted Trusts		
Defensive	339,000	(1,093,977)
Conservative	1,491,588	(4,961,849)
Balanced	504,346	(5,547,802)
Growth	325,073	(3,039,696)
High Growth	(36,297)	(808,233)
Total Realised Gains/(Losses)	<u>2,623,710</u>	<u>(15,451,557)</u>
Change in Fair Value of Investments	<u>72,665,463</u>	<u>(178,588,382)</u>

The amounts recorded as "Realised Gains/(Losses)" above is the difference between the fair value at sale and the carrying amount at the beginning of the reporting period or when acquired, if acquired during the year.

7. FUNDING ARRANGEMENTS

The Trustee does not have the ability to measure the level of employer contributions payable against those received during the period covered by this report. Consequently, the Trustee is unable to confirm that all contributions due and payable to the Fund by an employer of a member have been paid. Members should therefore check the level of employer contributions received by the Trustee as disclosed on their member benefit statement.

During the financial year employers are required to contribute at a rate of at least 10.5% (2022: 10.0%) of the ordinary time earnings of those employees who were members of the Fund. Employees are also able to make voluntary contributions.

The Bendigo Superannuation Plan

Notes to the Financial Statements For the year ended 30 June 2023

8. RESERVES

The Trustee maintains a general reserve. Information regarding the reserve is set out in Note 3(l).

	2023 \$	2022 \$
General Reserve	901,676	955,533
	<u>901,676</u>	<u>955,533</u>

9. TRADE AND RECEIVABLES

	2023 \$	2022 \$
Recoverable within 12 months		
Accrued Investment Income	20,248,366	39,656,787
GST Receivable	16,307	18,871
Other Receivables	7,638	16,902
	<u>20,272,311</u>	<u>39,692,560</u>

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

The maximum exposure to credit risk is the fair value of receivables. Information regarding credit risk exposure is set out in Note 5(b).

10. TRADE AND PAYABLES

	2023 \$	2022 \$
Due within 12 months		
Insurance Premiums Payable	339,304	320,852
Manager and Trustee Fees Payable	212,100	190,155
PAYG & no TFN Withholding Tax Payable	87,532	40,431
Unclaimed Monies	265	29
Other Payables	109,898	114,093
	<u>749,099</u>	<u>665,560</u>

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

Information regarding liquidity, interest rate and currency risk exposure is set out in Note 5(d) Currency risk.

11. AUDITOR'S REMUNERATION

	2023 \$	2022 \$
Amounts Received or Due and Receivable by RSE Auditor (Ernst & Young) for: Audit of the Financial Reports and Compliance	99,015	67,000
	<u>99,015</u>	<u>67,000</u>

Audit fees services for the Fund were paid by the Fund.

12. INCOME TAX

Income tax expense and assets and liabilities arising from the levying of income tax on the Fund have been determined in accordance with the provisions of Australian Accounting Standard AASB 112 *Income Taxes*.

(a) Major Components of Income Tax Expense

	2023 \$	2022 \$
Income Statement		
Current Income Tax		
Current Income Tax Charge	(1,938,354)	(554,094)
(Over)/ Under provision of tax from prior year	(34,809)	943,487
Deferred Income Tax		
Relating to Origination and Reversal of Temporary Differences	6,092,380	(13,948,660)
Income Tax Expense/ (Benefit) Reported in the Income Statement	<u>4,119,217</u>	<u>(13,559,267)</u>

The Bendigo Superannuation Plan

Notes to the Financial Statements

For the year ended 30 June 2023

12. INCOME TAX (continued)

(b) Reconciliation Between Income Tax Expense and the Accounting Profit Before Income Tax

	2023 \$	2022 \$
Profit/ (Loss) from operating activities	95,788,224	(131,400,420)
Income Tax at 15% Fund	14,368,234	(19,710,063)
Movement in income tax expense due to:		
No TFN Tax	170,098	105,901
Imputation & Foreign Tax Credits	(3,651,619)	(4,873,814)
(Non-assessable income)/ Assessable income	(6,732,687)	9,975,222
(Over)/ Under provision of tax from prior year	(34,809)	943,487
	<u>4,119,217</u>	<u>(13,559,267)</u>
Income Tax Expense/ (Benefit) Reported in the Income Statement	<u>4,119,217</u>	<u>(13,559,267)</u>
Current Tax Liabilities		
Income Tax Payable	1,142,635	2,544,879
	<u>1,142,635</u>	<u>2,544,879</u>

(c) Deferred Income Tax

The balance comprises temporary differences attributable to:

Amounts recognised in changes in net assets

Unrealised loss in investments subject to future CGT	1,360,843	7,603,386
Losses in investments subject to CGT	176,155	-
Insurance payable	50,896	48,128
Accrued income	(38,153)	(9,393)
Net Deferred Tax Assets	<u>1,549,741</u>	<u>7,642,121</u>
Movements		
Opening Balance	7,642,121	(6,306,539)
Credited/ (Charged) to income statements	(6,092,380)	13,948,660
Closing balance	<u>1,549,741</u>	<u>7,642,121</u>

(d) Recognised in the Statement of Changes in Member Benefits

	2023 \$	2022 \$
Contributions and transfers-in recognised in the Statement of Changes in Member Benefits	138,626,675	151,245,663
Income Tax at 15% Fund	20,794,001	22,686,849
Non-assessable contributions and transfers-in	(9,546,459)	(12,408,108)
Income Tax on Contributions Reported in the Statement of Changes in Member Benefits	<u>11,247,542</u>	<u>10,278,741</u>

The Bendigo Superannuation Plan

Notes to the Financial Statements

For the year ended 30 June 2023

13. OTHER REVENUE

As part of the Protecting Your Super package legislation introduced, there is a 3% cap on administration and investment fees for accounts with balances below \$6,000. The management fee rebate of \$158,648 represents the refund from the Fund for the difference between the agreed management fee expense and the 3% cap. These amounts have been recognised and reflected within the valuation of member benefit liabilities.

	2023 \$	2022 \$
Management fee rebate	158,648	204,898
Other income	113,078	65,964
Total Other Revenue	<u>271,726</u>	<u>270,862</u>

14. OPERATING EXPENSES

	2023 \$	2022 \$
Trustee and administration fees	2,619,811	2,828,228
Fees paid to financial planners	632,046	1,378,342
Other expenses	985,742	976,633
Total Operating Expenses	<u>4,237,599</u>	<u>5,183,203</u>

15. STATEMENT OF CASH FLOWS

Reconciliation of Cash and Cash Equivalents

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2023 \$	2022 \$
Cash at Bank	80,186,229	80,772,835
	<u>80,186,229</u>	<u>80,772,835</u>

Reconciliation of Net Cash From Operating Activities to Net Profit/(Loss) after Income Tax

	2023 \$	2022 \$
(Loss) after income tax	(53,856)	(17,090)
Adjustments For:		
Changes in Fair Values of Investments	(72,665,463)	178,588,382
Allocation to Members' Account	91,722,864	(117,824,063)
Insurance Premiums charged to Members' Accounts	(4,138,628)	(3,933,799)
Changes in Assets and Liabilities		
Increase/ (Decrease) in Creditors & Accruals	19,238	(208,842)
Decrease in Receivables	22,223,503	62,435,147
Decrease / (Increase) in Deferred Tax Asset	6,092,380	(7,642,121)
(Decrease) in Deferred Tax Liability	-	(6,306,539)
(Decrease) in Current Tax Liability	(1,402,245)	(7,727,470)
Net Cash Provided by Operating Activities	<u>41,797,793</u>	<u>97,363,605</u>

The Bendigo Superannuation Plan

Notes to the Financial Statements For the year ended 30 June 2023

16. RELATED PARTIES DISCLOSURES

(a) Trustee & Key Management Personnel

The Trustee of the Fund is Bendigo Superannuation Pty Limited (ABN 23 644 620 128).

The following people were Directors of Bendigo Superannuation Pty Limited during the year and up to the date of this report:

Mr Anthony Peter Hodges (Chairman, Non-executive director; appointed 25 March 2021)

Mr Paul Rohan (Executive director; appointed 24 September 2020)

Mr Gary Williams (Non-executive director; appointed 1 March 2021)

Ms Mary Latham (Non-executive director; appointed 1 February 2022)

(b) Compensation of Key Management Personnel

The directors did not receive any remuneration directly from the Fund in relation to their duties as directors of the Trustee Company. The directors were remunerated by Bendigo Superannuation Pty Ltd (ABN 23 644 620 128). There are no other transactions with key management personnel.

(c) Related Party Transactions

Related party transactions include trustee fees paid and payable to the Fund's Trustees, Sandhurst Trustees Limited (before 1 May 2022) and Bendigo Superannuation Pty Limited (on and after 1 May 2022), for services provided to the Fund.

The Trustee remuneration from the Fund has been in accordance with the terms and conditions set out in the Fund's Trust Deed. The amount of fees paid during the year to the Trustees were:

	2023	2022
	\$	\$
Trustee fees paid to Sandhurst Trustees Limited (Retired on 30 April 2022)	-	2,374,175
Trustee fees paid to Bendigo Superannuation Pty Limited (Appointed on 1 May 2022)	2,619,811	454,053

The Fund has directly invested in various Bendigo and Adelaide Bank Limited and Sandhurst Trustee Limited products. Transactions in these products are conducted on a commercial basis.

	Fair Value of Investment		Interest Held		Income Received/Receivable		Income Receivable	
	2023	2022	2023	2022	2023	2022	2023	2022
<u>Investment</u>	\$	\$	%	%	\$	\$	\$	\$
Bendigo Conservative Wholesale Fund	80,887,196	97,688,917	67.6%	67.2%	1,663,669	2,362,865	1,300,859	1,928,063
Bendigo Balanced Wholesale Fund	111,754,414	121,828,216	70.5%	67.2%	1,450,031	5,782,875	1,450,031	5,294,786
Bendigo Growth Wholesale Fund	49,878,903	49,150,962	71.3%	65.8%	318,117	2,907,615	318,117	2,776,897
Bendigo Defensive Wholesale Fund	16,787,901	20,942,204	63.6%	66.0%	364,769	113,057	196,569	-
Bendigo High Growth Wholesale Fund	30,639,660	31,454,057	78.9%	76.2%	162,741	771,200	162,741	716,351
Bendigo Defensive Index Fund	36,149,977	45,890,269	52.2%	48.9%	600,299	381,615	489,028	-
Bendigo Conservative Index Fund	282,333,797	298,410,053	76.8%	70.3%	4,210,400	6,107,427	3,883,865	3,206,647
Bendigo Balanced Index Fund	305,491,227	301,833,174	71.5%	66.2%	5,964,083	12,306,043	5,060,938	8,922,016
Bendigo Growth Index Fund	368,060,753	316,618,420	87.6%	81.9%	8,082,577	16,585,173	5,919,758	12,837,196
Bendigo High Growth Index Fund	61,684,746	53,224,249	71.1%	67.3%	1,651,341	4,220,071	1,095,192	3,583,747
Sandhurst Strategic Income Fund	4,855,766	5,419,550	39.4%	28.8%	144,949	29,044	41,270	9,170
Bendigo Socially Responsible Growth Fund	11,004,321	10,549,149	28.6%	27.9%	75,645	414,868	75,645	319,291
Cash Account	80,186,229	80,772,835	-	-	2,399,722	118,449	254,353	62,622

The Bendigo Superannuation Plan

Notes to the Financial Statements For the year ended 30 June 2023

16. RELATED PARTIES DISCLOSURES (continued)

(c) Related Party Transactions (continued)

Outstanding balances at year end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

The Trustee is a subsidiary of Bendigo and Adelaide Bank Limited (ABN 11 068 049 178, AFSL 237879), "the Bank".

The Bank and other related bodies corporate of the Trustee may provide financial product advice and other financial services to members in respect of their superannuation benefits. No amounts were paid by the Fund to related parties of the Trustee in relation to these services for both FY2023 and FY2022.

17. INSURANCE

The Fund offers death and disability benefits and income protection cover to members. These benefits are greater than the member's vested benefit. The Trustee has taken out insurance to cover the part of the benefit in excess of the vested benefit.

The Fund acts in the capacity of an agent for an external insurer in respect of insurance arrangements.

18. INVESTMENT IN UNCONSOLIDATED ENTITIES

The Fund controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In accordance with AASB 10 *Consolidated Financial Statements*, the Fund determined that it meets the definition of an investment entity. Accordingly, the Fund does not consolidate the entities it controls which also meet the definition of an investment entity. The Fund measures interests in these subsidiaries at fair value.

The Fund has a controlling interest in the following unconsolidated entities:

Entity Name	2023 % Own of Assets	2022 % Own of Assets
Bendigo Growth Index Fund	88%	82%
Bendigo Conservative Wholesale Fund	68%	67%
Bendigo Balanced Wholesale Fund	70%	67%
Bendigo Defensive Wholesale Fund	64%	66%
Bendigo Growth Wholesale Fund	71%	66%
Bendigo Balanced Index Fund	72%	66%
Bendigo Conservative Index Fund	77%	70%
Bendigo Socially Responsible Growth Fund	29%	28%
Bendigo High Growth Wholesale Fund	79%	76%
Bendigo Defensive Index Fund	52%	49%
Bendigo High Growth Index Fund	71%	67%

All the unconsolidated entities above are domiciled in Australia and the address of the registered office is the Bendigo Centre, 22-44 Bath Lane Bendigo, VIC 3550. The Fund accounts for these investments in unconsolidated entities at fair value.

As at 30 June 2023, there are no significant restrictions (e.g. regulatory requirements or contractual arrangements) on the ability of the unconsolidated entities to transfer funds to the Fund in the form of distributions.

As at 30 June 2023, the Fund does not have any current commitments or intentions to provide financial or other support to the unconsolidated entities, including commitments or intentions to assist the unconsolidated entities in obtaining financial support.

The Bendigo Superannuation Plan

Notes to the Financial Statements

For the year ended 30 June 2023

19. OPERATIONAL RISK FINANCIAL REQUIREMENTS

The Trustee, Bendigo Superannuation Pty Limited holds Operational Risk Trustee Capital (ORTC) to meet the Fund's Operational Risk Financial Requirements (ORFR), in accordance with the Trustee's ORFR strategy. The ORTC is held, in a manner such that it is considered common equity Tier 1 capital, and is held to provide the Trustee access to capital to address the loss arising from an operational risk event. The amount of ORTC held has been reviewed to ensure it is adequate for the Fund and is in-line with the requirements of the Trustee's ORFR strategy.

20. CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2023 and 30 June 2022.

21. SIGNIFICANT EVENTS AFTER BALANCE DATE

There have not been any matters or circumstances occurring subsequent to the end of the financial year that have significantly affected, or may significantly affect the operations of the Fund, the results of those operations, or the state of affairs of the Fund.

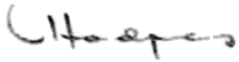
The Bendigo Superannuation Plan

Trustee's declaration to the members

In the opinion of the Trustee of The Bendigo Superannuation Plan:

- (i) The accompanying financial statements of The Bendigo Superannuation Plan are properly drawn up so as to present fairly the financial position of the Fund as at 30 June 2023 and the results of its operations and cash flows for the year ended;
- (ii) The operation of The Bendigo Superannuation Plan has been carried out in accordance with its constituted Trust Deed dated 3 June 1988, as amended and in compliance with:
 - the requirements of the Superannuation Industry (Supervision) Act 1993 and Regulations;
 - applicable sections of the Corporations Act 2001 and Regulations; and
 - the requirements under Section 13 of the Financial Sector (Collection of Data) Act 2001; and
- (iii) The financial statements have been prepared in accordance with Accounting Standards and provisions of the constituted Trust Deed dated 3 June 1988, as amended.

Signed in accordance with a resolution of the Board of Directors of Bendigo Superannuation Pty Limited (ABN 23 644 620 128).



Director



Director

21 September 2023



Ernst & Young
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Part 1 - Independent Auditor's report on financial statements

For a Reporting Entity

Independent Auditor's report approved form for an RSE that is a reporting entity

The Bendigo Superannuation Plan ABN 57 526 653 420

Report by the RSE Auditor to the trustee

Opinion

I have audited the financial statements of The Bendigo Superannuation Plan for the year ended 30 June 2023 comprising the statement of financial position, income statement, statement of changes in member benefits, statement of cash flows and statement of changes in reserves.

In my opinion, the financial statements present fairly, in all material respects, in accordance with Australian Accounting Standards the financial position of The Bendigo Superannuation Plan as at 30 June 2023 and the results of its operations, cash flows, changes in reserves and changes in members' benefits for the year ended 30 June 2023.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the entity in accordance with the auditor independence 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 my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 audit report that includes my 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 these financial statements.

As part of an audit in accordance with the Australian Auditing Standards, I exercised professional judgment and maintained professional scepticism throughout the audit. I 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 my 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 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 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my auditor opinion. My conclusions are based on the audit evidence obtained up to the date of my audit 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 I identified during my audit.



Hayley Watson
Partner
Melbourne

21 September 2023