



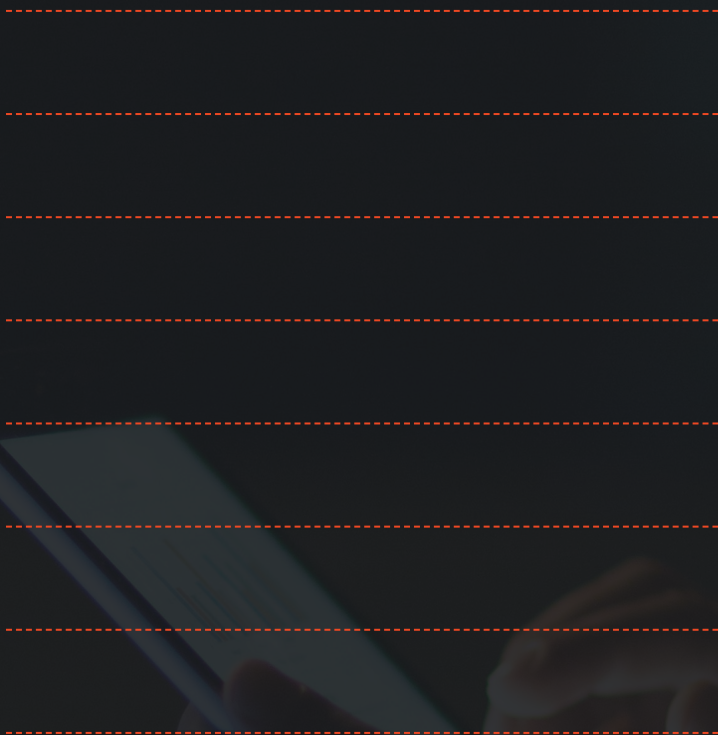
Centric



Centric Super
Annual Report

For the year ended 30 June 2023

Contents



This Annual Report is issued by Equity Trustees Superannuation Limited (ABN 50 055 641 757, AFSL 229 757, RSE License No. L0001458) in its capacity as the Trustee of the Centric Super Fund (Centric Super or Fund) (ABN 91 593 544 166, RSE Registration Number R1078619). Read more about Equity Trustees Superannuation Limited on its [website](#). Specialised Private Capital Ltd (ABN 87 095 773 390, AFSL Licence No. 246744) trading as Centric Capital (Centric) is the sponsor, promoter and investment services provider for Centric Super.

The information contained in this Annual Report is factual or general information only, and does not take into account your personal objectives, financial situation or needs. Before you act on any information in this report, you should consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances. Please note that past performance is not indicative of future performance. Investors should also read the relevant disclosure documents before making any investment decisions, copies of which can be obtained by the Centric [website](#) or by calling Centric 1300 223 687.

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CIO's message

The 2023 financial year (FY23) was nothing short of transformative for Centric Super. It was a period of significant change, laying firm foundations for growth and our commitment to delivering the best member outcomes. So, let's take a look at what we achieved and are focused on for the year ahead.

Some of the year's highlights

Throughout the financial year, we delivered a range of enhancements that benefited the way our members invest and build their retirement savings with Centric Super. These included:

- Introducing the Centric One investment menu
- Streamlining our contribution process
- Introducing iSolve – an interactive assistance tool improving members' experience on the Centric Platform
- Creating a standalone transition to retirement portfolio without the need to hold an accumulation account, and
- Product changes to support clients with multiple accumulation portfolios.

We are proud of these enhancements and the important role they play in helping our members invest and build their wealth for retirement.

In the investments space, our team navigated a complex financial landscape marked by high inflation, rising interest rates, slowing economic growth and geopolitical uncertainties. To chart our course through these challenging external factors, we introduced tactical asset allocation changes to reduce risks and boost portfolio performance.

This proactive strategy, combined with our diverse investment menu and quality options, positioned Centric Super for a strong financial year.

We're pleased to report that our Centric One Balanced Model delivered a 9.50% return as of 30 June 2023, surpassing its CPI+2% benchmark by 3.82% since inception¹. Additionally, all Centric One Models delivered strong absolute returns and outperformance relative to their CPI-plus benchmarks ranging from 1.13% to 6.62% as we go across the risk spectrum from Conservative to the Growth Plus Model².

Speaking of Centric One, we were very pleased to expand our investment menu in September 2022, offering members increased choice and flexibility in how they invest their super. The Centric One menu features seven pre-mixed, professionally constructed and managed investment options. Designed for members seeking simplified and lower cost investment solutions, the Centric One menu aims to make superannuation investment more accessible.

As at 30 June 2023, Centric Super had \$583.76 million in funds under administration and 1,447 members (706 accumulation, 731 pension and 10 transition to retirement members).

Our investment menu at the close of the financial year included 229 managed funds, 85 exchange-traded funds, and 15 listed investment companies. This menu also featured shares in Australia's largest companies listed on the S&P/ASX 300 index, term deposits, hybrid securities, and seven pre-mixed Centric One models.

¹ Returns since inception are from first full month available, 1 October 2022 and are not annualised for periods less than one year.

² Performance for the Centric One Models is net of all applicable PDS fees including investment fees and costs, transaction costs and administration fees and costs. Performance is however exclusive of 0.011% representing amounts paid for by the Promoter on behalf of the Centric Super Fund and are not a direct charge to members.

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Looking ahead to FY24

As we step into the 2024 financial year (FY24), a key priority for the Fund is to continue managing investment risk in a challenging financial environment. We remain committed to capital preservation, maintaining liquidity and reducing drawdowns to protect portfolios while still seeking to generate returns.

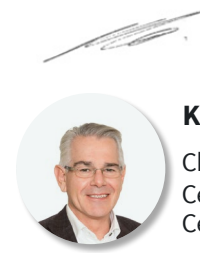
We also have the Fund's growth in firm focus, making great strides throughout the past financial year towards transferring almost 8,000 accounts from encircle Super & Pension Service into Centric Super through a Successor Funds Transfer arrangement. With its completion in August 2023, this will deliver significant growth in our membership base and see our funds under administration increase by close to \$3 billion.

Turning our attention to the broader superannuation industry, the Quality of Advice Review and the expansion of retirement income streams will remain influential in shaping our industry in the year ahead.

The introduction of the Retirement Income Covenant also presents opportunities for funds to enhance their services and provide even better support to their members. Our team looks forward to distilling these into solutions that deliver value for all Centric Super members.

As we enter FY24, Centric Super stands ready to confront anticipated market challenges and seize the opportunities that lie ahead. Our dedication to our members and stakeholders remains our top priority.

Thank you for your support. We look forward to continuing this journey together and striving to deliver optimal outcomes for all Centric Super members.



Kieran Canavan
Chief Investment Officer,
Centric, Promoter of
Centric Super

The investment landscape

It was a big year for Centric Super, growing by more than 40% in funds under management since 30 June 2023 across multiple asset classes. This growth occurred during a turbulent period in investment markets and the economic environment.

Let's take a look at some of the year's key moments.

The financial year in review

Markets started the financial year in July reeling from a challenging prior six months that saw Australian and global equities face significant headwinds. For the first six months of 2022, the Australian stock market, as measured by the ASX 200¹, had declined by 9.9%, while its global counterpart, the MSCI ACWI², fell by 15.6%.

To compound matters, returns in fixed income, normally meant to offer some protection during periods like this, were also negative. Over the same period, both Australian (Ausbond Composite)³ and global bonds (Global Aggregate AUD Hedged)⁴ had also fallen, down 9.46% and 9.41% respectively.

Around the world, inflation began accelerating, in part due to pent up consumer demand following COVID and related global supply chain problems. By July, the Russia/Ukraine war, which had started four months earlier, was adding further pressure on prices, especially for oil, natural gas, fertilizer and food. Inflation in the Eurozone jumped to 9.30% for the September quarter while Australia's Consumer Price Index (CPI) rose to 7.3% year-over-year.

To slow inflation, central banks around the world began lifting interest rates. By September, the Reserve Bank of Australia (RBA) had lifted the cash rate to 2.35%. In the US, the Federal Reserve was more aggressive, lifting the Federal Funds rate to a range of 3.00-3.25%. As interest rates rise, the value of fixed income investments falls. Hoping for some reprieve, investors in fixed income instead saw further losses in the September quarter with both Australian Bonds (-0.64%) and Global Bonds (-3.78%) posting negative results.

At the same time in the UK, newly elected Prime Minister Liz Truss, delivered a 'mini budget' including the biggest tax cuts since 1972, to be funded by a vast expansion in borrowing. The reaction was swift, triggering a domestic financial crisis in the UK, and leading the International Monetary Fund to issue a public rebuke. The GBP fell to its lowest ever level against the USD, and UK interest rates spiked. Higher interest rates meant higher mortgage rates for consumers and led to a large fall in the value of investments held by UK pension funds. These falls threatened the entire pension system to the point that the Bank of England was forced to intervene five days later to stabilise markets. Liz Truss resigned shortly afterwards.

By December, inflation in Australia had accelerated further to 7.8% and the RBA had lifted rates for the eighth time to 3.10%. Given the circumstances, Australia's economy was holding up well. The labour market remained very tight with the unemployment rate at an historic low of 3.5% and while slowing, economic growth was up 2.7% from a year earlier.

¹ SP ASX 200 Total Return Index (ASX 200 TR) from 31/12/2021 to 30/06/2022.

² MSCI ACWI AUD Net Total Return Index (MSCI ACWI AUD NTR) from 31/12/2021 to 30/06/2022.

³ Bloomberg AusBond Composite 0+ Yr Index (Ausbond Composite) from 31/12/2021 to 30/06/2022.

⁴ Bloomberg Global - Aggregate Total Return Index Value Hedged AUD (Global Agg AUD Hedged) from 31/12/2021 to 30/06/2022.

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Global economic growth was also positive but weak. As the calendar ticked over to 2023, expectations rose that China's reopening from COVID lockdowns would provide the world economy with a much-needed boost. Unfortunately, their economy didn't bounce back as expected and unlike past instances, the government appeared less willing to use fiscal stimulus. One of the key issues was the property market where large amounts of debt had been used by property developers to build speculative new projects. As broader concerns about the economy grew, property sales slowed, and prices turned negative. Ultimately, some of the largest property developers in China including Evergrande and Country Garden, would default on their loans.

Whilst China's anticipated growth fizzled out, US growth continued to beat market expectations. Month after month, the labour market added more jobs than economists were expecting. When central banks lift interest rates to slow inflation, they risk tightening too much which can then lead to increased unemployment and recession. However, there were no signs of this weakness and equity markets rallied as the prospect of a 'soft-landing' grew.

In March, a relatively unknown bank based in California collapsed. Silicon Valley Bank faced similar issues to the UK pension funds. Assets they held as security against the loans they made had dropped in value as interest rates climbed. Worried they would lose money, depositors rushed to withdraw their money, which only made the bank's problems worse. The Federal Deposit Insurance Corporation stepped in and took control of the bank. Two days later, Signature Bank of New York also failed, closely followed by First Republic Bank, which failed six weeks later. To put this in perspective, on an inflation adjusted basis, these three failures were larger than the combined 25 bank collapses during the 2008 global financial crisis.

While there was a short pullback, markets bounced back quickly. One reason was growing optimism about the potential for Artificial Intelligence (AI) to spark a productivity boost that would help economic growth. In fact, stocks related to AI were responsible for the overwhelming share of positive performance in equity market performance. By June 30, US equities markets had risen by 19.5% for the year.

In Australia, the RBA had lifted rates 10 times during the FY23 period and 12 times since its last rate rise in 2010. Despite a slight pullback in property prices during January and February, the housing market rebounded to new highs and posted a return of 4.9% for the year. Demand for housing remained strong and continued to outpace supply. Equities had risen 14.7% and fixed income managed to post 1.24%.

Looking forward

As we look to the new financial year, higher interest rates around the world are starting to have a larger impact on growth. Consumer spending in Australia is being challenged by cost-of-living pressures and higher mortgage rates. Around the world, there are early signs that labour markets are weakening. While a global recession is not inevitable and may be avoided, the world economy is on track to see slower growth and lower inflation over the rest of 2023 and into 2024.



Matt Waugh

Head of Research,
Centric, Promoter of
Centric Super

About Centric Super

We're making investing in super easy.

Centric Super is an online superannuation fund that allows members to manage their investments and superannuation from one place. With the help of a Nominated Financial Adviser, members can design a portfolio that is right for them from a wide range of investments.

Established in 2020, Centric Super has quickly grown with more than 1,400 members and \$583 million in funds under administration¹.

Centric Super offers superannuation, transition to retirement, and account-based pension products through the Centric Platform. This means members can view and manage all of their investments in one place, at any time by logging into the Centric Client Portal.

What we offer?



Wide range of investment choice

Members are able choose from a wide range of investments, including wholesale investments that are not typically available to retail investors.



Investment management flexibility

With multiple account and investment options including our Centric Choice menu and Centric One menu, members have the flexibility to manage their investments the way they want.



Consolidated reporting and administration

We provide a clear overview of a member's entire portfolio of investments in one place through the Centric Platform.



Easy account conversion

Members can move between accumulation, transition to retirement, and account-based pension portfolios without having to sell down their investments.



Convenience of online access

With 24/7 online access to the Centric Platform, members can view and manage their super and investments, anytime and anywhere that suits them.



Training and customer support

We offer regular Centric Platform training, as well as on-demand access to training modules and to our customer support team.

¹ As at June 2023.

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FY23 at a glance

 **1,400+** members
 **400+** new members



329

total managed investment options offered

40



new managed investment options added



\$583.76m

funds under administration



\$341,000

average Accumulation member balance



\$462,900

average Pension (inc. TTR) member balance

29,000+

total visits to the Centric Super website and more than 88,000 page views



2,813

client call enquiries

personally answered by our representatives



Centric One Models launched

offering seven pre-mixed investment options



As at 30 June 2023.

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Centric Super details

Centric Super	ABN 91 593 544 166, RSE Licence No. R1078619
Mail	PO Box 446, Flinders Lane Melbourne VIC 8009
Phone	1300 223 687
Email	support@centricwealth.com.au
Website	centricwealth.com.au

Sponsor, Promoter and Investment Services Provider

Specialised Private Capital Ltd (trading as Centric Capital (Centric))	ABN 87 095 773 390, AFSL 246744
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Administrator and Custodian

FNZ (Australia) Pty Ltd	ABN 67 138 819 119
FNZ Custodians (Australia) Pty Ltd	ABN 88 624 689 694, AFSL 507452

Trustee and Issuer

Equity Trustees Superannuation Limited	ABN 50 055 641 757 AFSL 229 757 RSE Licence No. L0001458
Website	eqt.com.au

Trustee Directors at 30 June 2023

Catherine Robson (Chair)	Changes from 1 July 2022 – 30 June 2023
Michael O'Brien (Managing Director)	George Zielinski – retired 20 July 2022
Steven Carew	Anthony Lally – retired 31 August 2022
David Coogan	Mark Blair – retired 10 February 2023
Sue Everingham	Ellis Varejes – retired 30 June 2023
Paul Douglas Rogan – retired 16 November 2023	

Changes to super

A few key super changes came into effect in 2022-23. Here is a brief outline of some of these recent regulatory changes, including those carrying forward into the 2023-24 financial year.

Please consult your Nominated Financial Adviser to learn how these changes may affect your super, or for more information, refer to the Australian Taxation Office (ATO) super website ato.gov.au.

Better access to voluntary contributions

From 1 July 2022, the Government removed the requirement to meet the age-based 'work test' for anyone under 75 years of age to make or receive voluntary super and salary sacrifice contributions.

Members aged between 67 and 74 years old, however, are required to meet the work test to claim a deduction for personal super contributions.

For more information, refer to the [Growing your super](#) page on the ATO website.

Increase in age limit for bring-forward rule

From 1 July 2022, those aged under 75 may be able to access a 'bring-forward' arrangement (previously only available to members aged under 67).

This means eligible members up to 74 years old can use up to three years' worth of their non-concessional (after-tax) contribution caps over a year.

For more information, refer to the [Non-concessional contributions cap](#) page on the ATO website.

Minimum wage threshold for Super Guarantee (SG) removed

From 1 July 2022, the \$450 monthly minimum wage threshold to qualify for employer SG contributions was removed.

Employers now need to make super contributions for all eligible employees (including casual and part-time employees) regardless of how much they are paid.

Pre-existing eligibility exclusions remain, including employees aged under 18 and working less than 30 hours per week. Refer to the [Super guarantee changes](#) page on the ATO website for more information.

Eligibility age reduced for downsizer contributions

From 1 January 2023, eligible members aged 55 years or older (previously 60 years or older) can make a downsizer contribution into their superannuation of up to \$300,000 per person (\$600,000 per couple) from the proceeds of the sale (or part sale) of their home.

For more information, refer to the [Downsizer super contributions](#) page on the ATO website.

Minimum pension payments return to normal levels

The temporary 50% reduction in the minimum annual payment required for account-based pensions came to an end on 30 June 2023. Members will find their minimum drawdown now higher than the temporarily reduced levels in place since the 2019/20 financial year. For more information, refer to the [Payments from super](#) page on the ATO website.

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Key superannuation rates and thresholds

There were some changes to superannuation rates and thresholds for the 2022-23 financial year including the low-rate cap amount.

For more information, refer to the **Key superannuation rates and thresholds** page on the ATO website.

Increase in SG rate

From 1 July 2023, the Superannuation Guarantee, increased from 10.5% to 11%. This is scheduled to increase every year until 2025, up to 12%. Refer to the **Super Guarantee** page on the ATO website to find out more.

Annual Members Meeting

The third Annual Members Meeting for Centric Super will be held in the first quarter of 2024. Members will be sent an invitation. The meeting is an opportunity for the Trustee's Board of Directors to provide an oversight of the Fund's strategy and performance, and for members to ask questions about the Fund's management and financial position. The promoter will also discuss Centric Super's future strategy.



Investment summary

Centric is the Investment Services Provider to the Fund. Centric may sub-contract the activities of some of its functions to other investment managers for specific financial products or strategies within Centric Super.

You can obtain the Centric Super Investment Menu from your Nominated Financial Adviser, by logging onto your Centric Profile at:
login.centricwealth.com.au, by contacting us on 1300 223 687 or by emailing support@centricwealth.com.au.

Objectives and strategy

The investment objectives for Centric Super are:

- To offer members a range of investment options that cater for different investment timeframes, risk appetites and individual circumstances while promoting diversification of member strategies, and
- To provide the ability for members to achieve investment returns commensurate with the risk associated with each investment option.

To achieve the investment objectives, the Trustee may:

- Select and approve a range of Managed Funds, Exchange Traded Funds, Listed Investment Companies and Listed Investment Trusts within each asset class
- Select and approve pre-mixed Managed Portfolios (including Trustee-Directed Models)
- Select and approve a selection of cash products (including Term Deposits) issued by Authorised Deposit-taking Institutions (ADIs)
- Approve a selection of direct investment options within selected asset classes (includes Shares), and
- Apply holding limits commensurate with risk and for the management of concentration and liquidity.

By considering each individual investment strategy, the Trustee aims to provide you with a wide range of investment choices that will enable you to consider your:

- Personal investment objectives
- Expected investment timeframe
- Personal goals and circumstances, and
- Risk tolerance.

Investment performance

You can view your investment performance information by logging into your Centric Profile at login.centricwealth.com.au.

Your Annual Member Statement will also contain performance information for each investment you hold.

Use of financial derivatives

Centric Super does not invest directly in derivative instruments. However, some investment managers of managed investments available via the Fund may use derivatives from time to time. For more information on the use of financial derivatives, please refer to the relevant underlying disclosure documents for your chosen investment option(s) which are available from your Nominated Financial Adviser or Centric Super.

Investment options

You can access a variety of investment options and strategies through your Centric Super Account. This range of investments allows you to construct an investment portfolio to meet your risk/return objectives. The table on the following page sets out the characteristics of each type of investment to help you and your Nominated Financial Adviser select investment options. Refer to the **Centric Super Investment Guide** for more information about investment options and objectives.

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Investment type	Characteristic
Australian Securities Exchange (ASX)-listed securities	<p>Centric Super will offer access to a broad range of ASX-listed securities, including:</p> <ul style="list-style-type: none">• Shares in the S&P/ASX 300 Index• Exchange Traded Funds (ETFs)• Australian Real Estate Investment Trusts (A-REITs)• Listed Investment Trusts (LITs)• Listed Investment Companies (LICs)• Exchange Traded Commodities (ETCs) and Listed Fixed Interest Securities (including hybrid securities). <p>Some ASX-listed securities, for example warrants, are not available for investment through Centric Super. ASX-listed securities may pay dividends or distributions, which will be deposited into your Centric Super Cash, or reinvested (if reinvestment is offered by the Issuer) based on your nomination.</p>
Managed funds	<p>Managed funds are managed by professional managers. They may be made up from a combination of multiple asset classes or may comprise a single asset class type. They have a defined objective that may include an income or growth outcome. Investing in managed funds should be considered as a long-term investment and should be considered in line with your investment needs. Members invest in units of managed funds and indirectly into the underlying assets held by the Fund.</p> <p>Income or distributions will generally be paid periodically and deposited into your Centric Super Cash Account. Distributions from Managed Funds can also be reinvested (if reinvestment is offered by the Issuer) based on your nomination.</p> <p>Before making any investment decisions in relation to a managed fund, you should refer to its Product Disclosure Statement (PDS) for more information.</p>

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Investment type	Characteristic
Term deposits	<p>A term deposit is a fixed-term cash deposit held at a financial institution. Centric Super will only provide access to term deposits from the Australian Prudential Regulation Authority's (APRA) register of Authorised Deposit-taking Institutions (ADIs). They are generally deposits with maturities ranging anywhere from a month to several years.</p> <p>Term deposits are less liquid than cash and are considered a defensive asset as they provide capital security if placed with an ADI. Their return is generated from a set rate of interest for a defined period. When a term deposit is purchased, the investment may have very restrictive capital withdrawal options and may only be withdrawn upon maturity or in certain circumstances such as in the case of hardship (as determined by the term deposit provider). The term deposit provider maintains the absolute discretion to approve an early repayment. Providers' terms and conditions are outlined in the <i>Centric Super Investment Menu</i>.</p>
Cash	<p>Cash provides members with security and liquidity. Cash is the least volatile asset and is therefore a defensive asset. Centric Super Cash held in your Account earns interest, however, the return may be below the potential returns for other investment choices.</p>
Centric One Models	<p>Centric One Models are made up from a combination of multiple asset classes. Each Model has defined objectives that may include an income or growth outcome. Investing in a Centric One Model should be considered in line with your investment timeframe and needs.</p>

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Diversification requirements

Holding limits apply to individual investments through Centric Super to promote diversification which may reduce risk. These limits help to promote diversification by ensuring that you do not hold more than a certain proportion of your investments in any one type or category of investment.

The Trustee sets the limits for the Fund, based on an assessment of investment liquidity, diversification and risk. These limits apply to each Account in your Portfolio. You or your Nominated Financial Adviser will be notified if you exceed the limits.

You will not be able to make further investments into an investment option if your Account exceeds the investment's holding limit. An overview of the maximum holding limits applicable to groups of Centric Super investment options are listed in the *Centric Super Investment Guide*. You can also view individual holding limits applicable to each investment option on the *Centric Super Investment Menu*.

Allocation of investment earnings

The investment earnings of the Fund consist of income and capital gains achieved on investments. Earnings on investments held in your Portfolio less applicable tax and expenses are passed on to your Account. Investment earnings may be positive or negative.

Investment income and net realised capital gains are credited to your Centric Super Cash Account. Unrealised gains (and losses) are reflected in the value of your investments.

Your annual return is equal to the gross earnings generated by the selected underlying investment options less any relevant fees, costs, and taxes during each financial year. More information about the fees and costs can be obtained by reviewing the *Fees and Costs* section in the *Centric Super PDS* and *Centric Super Additional Information Guide*.

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Table 1. below provides an overview of the Centric Super aggregate investment exposures as determined by the relevant asset classes.

Table 2. summarises the investment exposures representing 5% or more of this aggregate.

1. Centric Super asset allocations

Asset Class	Asset Allocation % as at 30 June 2023
Cash	14.87
Fixed Interest	23.68
Australian Equities	24.33
Australian Property	7.37
International Equities	16.62
International Property	3.32
Alternatives	9.39
Other (including multi-asset funds)	0.42

Cash includes Centric Super Cash as well as Cash Funds.

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2. Investments exceeding 5% of Centric Super assets

Single investments	% of total assets
Centric Super Cash	14.65
Multi Strategy Alternative Fund	6.57
Alceon Australian Property Fund	5.41
Responsible entity	% of total assets
Specialised Private Capital Limited	17.37
BetaShares Capital Ltd	7.38
Vanguard Investments Australia Ltd	6.83
Melbourne Securities Corporation Limited	5.41
Mutual Limited	5.18
Single investment manager	% of total assets
Vanguard Investments Australia Ltd	6.83
Grosvenor Capital Management, LP	6.57
Alceon Real Asset Management Pty Limited	5.41
Mutual Limited	5.18
BetaShares Capital Ltd	5.04

Other important information

Trust Deed

The operation of Centric Super, together with the rights and obligations of the Trustee and members, is governed by the Trust Deed dated 1 September 2020 (as amended). The Trustee is responsible for the operation of Centric Super in accordance with the Trust Deed and relevant laws.

Compliance

Centric Super is administered to comply with the Superannuation Industry (Supervision) Act 1993 (SIS) and all other relevant legislation. The Trustee has lodged all relevant annual returns and disclosure documents with APRA and has not received any non-compliance notices regarding Centric Super.

Lost member or inactive accounts

In some circumstances, if an amount is payable to you or your dependant(s) and we are unable to ensure that you or your dependant(s) will receive it, we may be obliged to transfer the amount to the ATO. We may also be required to transfer your account balance to the ATO if you become a 'lost member' or a member with an 'inactive low-balance' account.

If your superannuation is transferred to the ATO, you or your dependants where relevant, will be able to reclaim it from the ATO. See the [Application for payment of ATO-held superannuation money](#) page on the ATO website for more information. Alternatively, speak to your Nominated Financial Adviser. You can find more information about lost or inactive members on the [Lost and inactive members](#) page on the ATO website.

Government superannuation surcharge

Although this surcharge has been abolished so the surcharge will not apply to any super contributions made on or after 1 July 2005, the Fund may still receive surcharge assessment notices from the ATO relating to a time when a surcharge applied.

If a notice for a member's account is received, the amount assessed will be deducted from the member's account and paid to the ATO.

Indemnity insurance

The Trustee maintains an appropriate level of professional indemnity insurance to protect its directors and officers from any liability they may incur in carrying out their duties. Protection from liability does not extend to loss incurred through gross negligence or willful misconduct and is subject to the terms of the relevant insurance policy.

Temporary residents

The following information does not apply to New Zealand residents and is limited to eligible visa holders.

If you have entered Australia on an eligible temporary resident visa, you may claim your super benefits once you have permanently departed Australia. Under super legislation if you do not claim your benefit within six months of departing Australia, the Trustee may pay your benefit as unclaimed super to the Commissioner of Taxation under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999 (the Act).

The Trustee relies on an Australian Securities and Investments Commission (ASIC) relief to not notify you or provide an exit statement in this instance. You have the right to claim the unclaimed super money under Division 4 of Part 3A of the Act by making an application to the Commissioner of Taxation. For more information go to the [Departing Australia Superannuation Payment](#) page on the ATO website.

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Operational Risk Reserve

Super fund trustees are required to 'reserve' monies which can be drawn on to address losses arising from operational risks. The Trustee of the Fund meets this requirement by:

- Maintaining a reserve in the Fund called the Operational Risk Reserve (ORR) for this purpose which is operated in line with the Trustee's Operational Risk Financial Requirement (ORFR) strategy, and
- Holding an amount of Trustee capital outside the Fund (Trustee Capital).

A charge is levied to cover the cost incurred by the Trustee in obtaining Trustee Capital to meet ORFR obligations. From 1 July 2022 to 25 September 2022, the ORFR charge was paid into the Fund's ORR. From 26 September 2022, the ORFR charge was paid into the Fund's General Reserve. Any excess will be retained within the General Reserve and may be used to build and maintain the ORR in the Fund.

The target reserve amount at 30 June 2023 was determined as being 0.25% of the Fund's net assets. Should the total ORFR fall below 80% of the target amount, the Trustee will implement a Replenishment Plan to increase the ORFR to its target amount. The level and appropriateness of the ORFR is reviewed quarterly.

As at 30 June 2023, the Fund had an ORR consisting of \$181k in the Fund and \$1.5m held as Trustee Capital, the total of which has met the target amount.

In the financial year ending 30 June 2023, the ORR held in the Fund aligns with a cash investment strategy.

Operational Risk Reserve	
1 July 2022	30 June 2023
\$56k	\$181k

General Reserve

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

General Reserve	
1 July 2022	30 June 2023
\$19k	\$57k

Unallocated surplus

Unallocated surplus includes unallocated earnings or losses between the date on which unit prices are determined and the reporting date. Reserves are invested in cash.

This reserve is utilised by the Fund to maintain the difference between the amounts allocated to members as at the end of the financial year and the net assets of the Fund. It includes, among other items, unallocated contributions, income receivable to be allocated to members on receipt, and tax credits arising from the completion of the tax position following the year end.

This income or any tax credits will be allocated in accordance with applicable Fund policies.

Refer to the Financial report section - *Statement of changes in equity the year ended 30 June 2023*.

Unallocated surplus	
1 July 2022	30 June 2023
\$3.13m	\$3.54m

Centric Super Annual Report

For the year ended 30 June 2023

Complaints

Resolving complaints is a priority for us. As a first step, please contact us if you have any concerns or complaints about the products and services we provide.

Our contact details are:

Complaints Officer

Phone: 1300 223 687 or +61 3 9133 4795

Email: support@centricwealth.com.au

Mail: PO Box 446, Flinders Lane
Melbourne VIC 8009

We will promptly acknowledge receipt of your complaint and will work with you to try to resolve your complaint quickly and fairly in accordance with our internal dispute resolution process. We will respond within 45 days of receipt (*90 days for superannuation death benefit distribution complaints).

*The maximum timeframe for a response for complaints about superannuation death benefit distributions is no later than 90 calendar days after the expiry of the 28-calendar day period for objecting to a proposed death benefit distribution.

There are many variables that can affect complaint response times. This includes the complexity of the issues raised and the availability of information, including from third parties. Any delays in managing your complaint will be communicated to you within the response timeframe.

If an issue has not been resolved to your satisfaction, you may lodge a complaint with the Australian Financial Complaints Authority (AFCA) of which Centric is a member.

AFCA's contact details are:

Australian Financial Complaints Authority (AFCA)

Phone: 1800 931 678 (free call)

Email: info@afca.org.au

Website: afca.org.au

Mail: Australian Financial Complaints Authority,
GPO Box 3
Melbourne VIC 3001

AFCA provides fair and independent financial services complaint resolution that is free to consumers. Time limits may apply to complain to AFCA so you should act promptly, or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

For more information about the Fund's complaints process, refer to the **Support and Complaints** page on the **Centric Super website**.

Complaints for the financial year to 30 June 2023

Complaints received	10
Complaints outstanding	1
AFCA referred complaints	1

Complaints during the period were largely concerned with the timeliness and/or level of service.

The Trustee works with service providers to identify and address root causes of complaints, including those that could indicate systemic issues, through its Complaint Handling and Incident and Breach management processes.

Centric Super Annual Report

For the year ended 30 June 2023

Keep in touch

You should contact a customer service representative if you have an enquiry or wish to:

- Advise us of a change of your name or contact details
- Change your beneficiary(ies)
- Claim a benefit from Centric Super, or
- Receive a hard copy of the audited financial statements or product disclosure documents for Centric Super.

Contact details

Phone: 1300 223 687

Email: support@centricwealth.com.au

Mail: PO Box 446, Flinders Lane
Melbourne VIC 8009

Website: centricwealth.com.au



Centric Super Annual Report

For the year ended 30 June 2023

Financial report

The following abridged Fund financial information for the financial year ended 30 June 2023 is for the Centric Super Fund. The full financial statements including the auditor's report are available on the Fund's [website](#).

Centric Super Fund

Statement of financial position as at 30 June 2023:

Assets	2023 \$'000	2022 \$'000
Cash		
Cash and cash equivalents	81,916	58,114
Receivables		
Distributions and dividends receivable	5,206	2,090
Due from brokers	5,761	2,620
GST receivable	128	118
Other receivable	-	1
Investments		
Investments held at fair value	499,268	341,930
Other assets		
Deferred tax assets	556	1,256
Total assets	592,835	406,129
Liabilities		
Accounts payable	1,779	486
Current tax liabilities	987	467
Total liabilities (excluding member benefits)	2,766	953
Net assets available for member benefits	590,069	405,176
Member benefits		
Defined contribution member liabilities	586,286	401,970
Total member liabilities	586,286	401,970
Total net assets	3,783	3,206
Equity		
Operational risk reserve	181	56
General reserve	57	20
Unallocated surplus	3,545	3,130
Total equity	3,783	3,206

Centric Super Annual Report

For the year ended 30 June 2023

Centric Super Fund

Income statement for the year ended 30 June 2023:

Superannuation activities	Year ended 30 June 2023 \$'000	Year ended 30 June 2022 \$'000
Revenue		
Changes in fair value of investments	20,038	(34,737)
Distribution income	18,352	5,070
Dividend income	1,384	1,678
Interest	1,840	74
Other operating income	144	118
Total revenue/(loss)	41,758	(27,797)
Expenses		
Investment expenses	(208)	(114)
General administration and operating expenses	(6,798)	(3,094)
Total expenses	(7,006)	(3,208)
Operating result before income tax expense	34,752	(31,005)
Income tax (expense)/benefit	(421)	1,439
Operating result after income tax expense	34,331	(29,566)
Net benefits allocated to defined contribution member accounts	(34,789)	28,847
Operating result	(458)	(719)

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For the year ended 30 June 2023

Centric Super Fund

Statement of changes in member benefits for the year ended 30 June 2023:

	Year ended 30 June 2023 \$'000	Period ended 30 June 2022 \$'000
Opening balance of member benefits as at 1 July	401,970	117,529
Contributions:		
- Employer contributions	2,365	1,399
- Member contributions	46,512	35,082
Transfers from other superannuation entities	137,816	297,131
Income tax on contributions	(847)	(603)
Net after tax contributions	185,846	333,009
Benefits to members	(36,321)	(19,721)
Reserve transfers to member accounts	2	-
Net benefits allocated, comprising:		
- Net investment income /(loss)	41,587	(25,753)
- Net administration fees	(6,798)	(3,094)
Closing balance of member benefits as at 30 June	586,286	401,970

Centric Super Annual Report

For the year ended 30 June 2023

Centric Super Fund

Statement of changes in equity for the year ended 30 June 2023:

	Operational risk reserve \$'000	General reserve \$'000	Unallocated surplus \$'000	Total equity/ reserves \$'000
Opening balance as at 1 July 2022	56	20	3,130	3,206
Transfers to reserves	-	-	1,037	1,037
Transfers to member accounts	-	-	(2)	(2)
Operating result	125	37	(620)	(458)
Closing balance as at 30 June 2023	181	57	3,545	3,783

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

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For the year ended 30 June 2023

Centric Super Fund

Statement of cash flows for the year ended 30 June 2023:

	Year ended 30 June 2023 \$'000	Period ended 30 June 2022 \$'000
Cash flows from operating activities		
Interest received	1,840	73
Distributions and dividend received	16,620	6,374
Other income received	145	118
General administration and operating expenses paid	(5,515)	(2,877)
Investment expenses paid	(208)	(112)
Income tax paid	(48)	(215)
Net cash inflows from operating activities	12,834	3,361
Cash flows from investing activities		
Proceeds from sale of investments	133,717	50,297
Payments for purchase of investments	(276,156)	(349,146)
Net cash outflows from investing activities	(142,439)	(298,849)
Cash flows from financing activities		
Employer contributions	2,365	1,399
Member contributions	46,512	35,082
Unallocated contributions	3,035	-
Transfers from other funds	137,816	300,302
Benefits paid to members	(28,153)	(19,721)
Transfers to other funds	(8,168)	-
Net cash inflows from financing activities	153,407	317,062
Net increase in cash held	23,802	21,574
Cash at the beginning of the financial period	58,114	36,540
Cash at the end of the financial period	81,916	58,114

Centric^C

support@centricwealth.com.au
1300 223 687

[centricwealth.com.au](https://www.centricwealth.com.au)