
Perpetual Super Wrap

Perpetual Private Super Wrap
Perpetual Private Pension Wrap

Annual Report

**ANNUAL REPORT
YEAR ENDED 30 JUNE 2023**

Perpetual Superannuation Limited
ABN 84 008 416 831 AFSL 225246 RSE L0003315

Perpetual 

Directory

Fund

Perpetual Super Wrap (Fund)
ABN 22 897 174 641
RSE R1074406

Products

Perpetual Private Super Wrap (Super Wrap)
SPIN PER0667AU

Perpetual Private Pension Wrap (Pension Wrap)
SPIN PER0665AU

Issuer and trustee

Perpetual Superannuation Limited (Trustee)
ABN 84 008 416 831
AFSL 225246
RSE L0003315

Contact details

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Sydney NSW 2001

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+612 8245 4406 (from overseas)

Email wrap@perpetual.com.au

Website www.perpetual.com.au/superwrap

Important notes and disclaimer

This Annual Report (Report) provides the fund information required under the Corporations Act 2001 and has been prepared by the Trustee in December 2023 for members of the Fund. This Report should be read in conjunction with your Annual Statement for the year ended 30 June 2023 detailing your specific benefits under the Fund.

In this Report, 'we', 'us', 'our' and 'Perpetual Superannuation' are references to the Trustee.

The information is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. The information is believed to be accurate at the date this Report was prepared and is provided by the Trustee in good faith. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information.

Neither we nor any company in the Perpetual Group guarantee that you will earn any return on your investment or that your investment will gain in value or retain its value. Investment in the Fund is subject to investment risk, including possible delays in repayment and loss of income and capital invested.

Contents

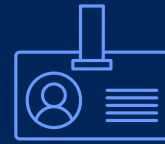
| | |
|--|----|
| The year in review | 3 |
| Promoting your financial interest | 4 |
| Meet the board | 4 |
| What's new | 5 |
| Investment information | 6 |
| Trustee's investment objective | 6 |
| Investment options | 6 |
| Asset allocation | 6 |
| Significant investment holdings | 6 |
| Investment performance | 6 |
| Insurance | 7 |
| Additional information | 8 |
| Indemnity insurance | 8 |
| Trust Deed | 8 |
| Inquiries and complaints | 8 |
| Superannuation benefit transfers to the ATO | 8 |
| Abridged financial information | 9 |
| Value of your account | 9 |
| Appendix 1: Abridged financial statements | 11 |

Creating enduring prosperity is at the heart of what we do



\$2,152m

Funds under administration¹



2,478

Members¹



\$869k

Average balance¹



\$50m

Retirement income payments 2022/23

The year in review

Dear Members

The 2023 financial year has been a year where the global economy has faced significant challenges. Rising inflation, interest rates and the ongoing war in Ukraine have all contributed to volatility in investment markets. Through these challenges, we as a Board have remained committed to providing our members with a diverse and comprehensive selection of high-quality investment options and delivering a seamless digital experience. This in turn gives you and your adviser the flexibility to create an investment portfolio to help achieve your retirement goals.

We regularly update our investment menu and make changes in the best financial interest of members. We have continued to offer a broad range of managed funds, ASX listed securities, term deposits from which you and your advisor can choose from when creating your retirement portfolio

During the year, we have continued to progressively improve the digital experience and functionality to deliver enhancements to the Adviser Portal and Client Portal. In the 2023 financial year we improved the tools and features including launching online live chat, uplifting Advisor Online dashboard and search capabilities, and enabling adviser self-service access to client correspondence. New digital withdrawal and rollover forms will be coming soon with plans for additional online forms as well.

To hear more please join us for our annual member meeting, which will be held on 7 March 2024. The meeting provides an opportunity for us to connect, share insights and talk more about the year in review. Most importantly it provides our members with the opportunity to ask questions of the Board and key members of our Executive team. We will provide more detail closer to the date, and I hope to see you there.

On behalf of the Board, thank you for entrusting us with your retirement savings. We will continue to act in your best financial interests, to help you achieve prosperity in retirement.

Yours sincerely,

Janet Torney – Chair, Perpetual Superannuation Limited



Janet Torney – Chair, Perpetual Superannuation Limited

Promoting your financial interest

The directors of Perpetual Superannuation Limited (the Board) are responsible for the overall governance of the Fund. They are a group of experienced and qualified individuals who are committed to promoting your best financial interests.

With a strong emphasis on transparency, accountability, and ethical practices, the board diligently oversees the Fund's operations to ensure that every decision is aligned with the objective of safeguarding and growing our members' retirement benefits. The Board's dedication to empowering members with the knowledge to make informed choices is at the core of our mission, which is enduring prosperity for the lifetime of our members.

Meet the board

The directors are:

Janet Torney (independent non-executive director and chair)

Bachelor of Economics

Fellow Australian Institute of Company Directors

Fellow Association of Superannuation Funds Australia

Kerry Adby (independent non-executive director)

Master of Laws

Fellow Australian Institute of Company Directors

Trustee Fellow Association of Superannuation Funds Australia

Jocelyn Furlan (independent non-executive director)

Bachelor of Commerce and Bachelor of Laws

Graduate of the Australian Institute of Company Directors

Mark Smith (executive director)

Chief Executive, Perpetual Private

Bachelor of Economics

Graduate Member of the Australian Institute of Company Directors

Associate of FINSIA

Chris Green (executive director)

Chief Financial Officer

Bachelor of Commerce

Bachelor of Law

Master of Business Administration

Member of the Australian Institute of Company Directors

What's new

Product Disclosure Statements (PDS)

Perpetual Private Super Wrap PDS was reissued with an effective date of 1 September 2022.

The PDS is now a two-part document:

- PDS Part 1 – Features Book (contains everything except fees and costs disclosure)
- PDS Part 2 – Schedule of Fees and Costs.

You can download the current PDS issue, together with any incorporated documents, from our website or obtain a copy, free of charge, by contacting us or your adviser.

Administration Fees Reduction

From 1 September 2022, the percentage-based administration fee was reduced as outlined in below table.

| Tiers | Prior to 1 Sept 2022 | Post 1 Sept 2022 |
|---------------|----------------------|--|
| \$0-\$300k | 0.65% | 0.55% |
| \$300k-\$500k | 0.65% | 0.28% |
| \$500k - \$1m | 0.45% | 0.15% |
| \$1m - \$2m | 0.25% | 0.15% |
| \$2m - \$5m | 0.25% | 0.10% |
| Over \$5m | 0.25% | 0.08% |
| Other fees | 0.10% Trustee Fee | 0.10% Trustee Fee + \$100 pa Account Fee |

Further information

Further information on these changes is available in the 'continuous disclosures and important information' section of our website.

Investment information

Trustee's investment objective

The Trustee's investment objective is to provide a range of investment options within which all members can select investments that are suitable for their personal circumstances at any particular time.

Investment options

The investment options available through the Super Wrap and Pension Wrap are listed in the following 'Investment option classifications' table.

By investing your superannuation through the Super Wrap and Pension Wrap you have access to an extensive range of investments, including managed investments, ASX listed securities and term deposits.

Derivatives

Some of the managed funds available through the Super Wrap may use derivatives in managing their assets. The investment manager may use derivatives in the implementation of the investment strategy, which could include (but is not limited to) for:

- hedging against market or foreign currency exposures
- transactional efficiencies
- gaining indirect exposure to a financial asset.

Derivatives, however, may generally not be used for speculation or leverage.

Please refer to the current product disclosure statements or other relevant offer documents issued by the product issuers for further details about how derivatives may be used for each of the underlying managed funds.

Asset allocation

The following table shows how the Fund was invested across different asset classes. Term deposits are classified as cash and ASX listed securities are classified as Australian shares. The total may vary slightly to the sum of the various components due to rounding.

Where a managed fund invests across a number of asset classes, we construct the asset allocation on a 'look through basis' using the individual asset allocations either provided by the investment managers directly or sourced from a third party. Asset allocations for managed funds can vary over time within ranges specified by the individual product issuers, as detailed in their product disclosure statements.

| Asset class | 30 June 2022 | 30 June 2023 |
|----------------------------|---------------|---------------|
| Cash | 9.0% | 8.2% |
| Australian fixed income | 8.1% | 6.5% |
| International fixed income | 11.5% | 12.4% |
| Property | 9.0% | 8.5% |
| Australian shares | 31.6% | 33.7% |
| International shares | 28.4% | 29.2% |
| Other | 2.4% | 1.5% |
| Total | 100.0% | 100.0% |

Significant investment holdings

The following tables provide details of the Fund's investments that had a value in excess of 5% of the Fund's total assets as at 30 June 2023. Totals may vary slightly to the sum of the various components due to rounding.

| Underlying investments | Value of investment (\$,000) | Percentage of total Fund assets |
|---|------------------------------|---------------------------------|
| Perpetual Cash Account | \$110,934 | 5.1% |
| Perpetual Private Australian Share Fund ¹ | \$124,897 | 5.8% |
| Perpetual Private Fixed Income Fund ¹ | 298,907 | 13.9% |
| Perpetual Private International Share Fund ¹ | \$546,370 | 25.3% |
| Perpetual Private Real Estate Fund ¹ | \$134,271 | 6.2% |
| Sub-total | \$1,215,379 | 56.4% |
| All other | \$940,059 | 43.6% |
| Total Fund assets | \$2,155,438 | 100.0% |

1 Class I units.

| Underlying investments | Value of investment (\$,000) | Percentage of total Fund assets |
|------------------------------|------------------------------|---------------------------------|
| Perpetual Group ² | \$1,303,750 | 60.5% |
| Macquarie Group Limited | \$145,401 | 6.7% |
| Sub-total | \$1,449,151 | 67.2% |
| All other | \$706,287 | 32.8% |
| Total Fund assets | \$2,155,438 | 100.0% |

2 Perpetual Group means Perpetual Limited (ABN 86 000 431 827) and its subsidiaries.

Investment performance

You should refer to your Annual Statement for the year ended 30 June 2023 for details of investment performance relating to your chosen investments.

Insurance

The Fund's insurance objective is to provide a choice of suitable retail insurance policies that members and their advisers can customise to meet their specific needs.

The Fund offers insurance on a voluntary basis through two retail insurance providers. Members and advisers can decide the type and level of insurance cover they wish to hold and can access online reporting and member statements to stay informed about their coverage levels. Additionally, advisers have access to the portals of the retail insurance providers.

To ensure that insurance premiums do not erode members' superannuation benefits, the Fund monitors the level of insurance premiums that a member pays relative to their account balance. If the premium is more than 5% of their account balance, the adviser and member will be notified.

Additional information

Indemnity insurance

The Fund is covered by professional indemnity insurance under arrangements implemented by the Trustee's parent company, Perpetual Limited.

Trust Deed

The Trust Deed dated 30 September 2011 (as amended) is a legal document that sets out the provisions governing the operation of the Fund and the rights and obligations of members and the Trustee. The Trustee is responsible for ensuring that the Fund operates according to the Trust Deed and the accompanying Rules, and that the Fund complies with all relevant laws.

Members may inspect the Trust Deed at any time at our website or by arrangement with us.

Inquiries and complaints

We're committed to providing you with the highest level of service and the Trustee has established procedures for dealing with any inquiries and complaints.

Inquiries

If you have an inquiry, you can either contact your adviser, phone our contact centre on 1800 099 265 during business hours, email us at wrap@perpetual.com.au or write to:

Client Services
Perpetual Private Super Wrap
GPO Box 5230
Sydney NSW 2001

Complaints

If you have a complaint about your investment in the Super Wrap or Pension Wrap or a Trustee decision that affects you, you should take one of the following steps:

1. Contact one of our contact centre representatives on 1800 099 265 and tell them about your complaint.
2. Email your complaint to MyComplaint@perpetual.com.au.
3. Complete our online complaints submission form available at www.perpetual.com.au/privacy-policy/making-a-complaint.
4. Put your complaint in writing and mail it to:
Perpetual Private Super Wrap
GPO Box 5230
Sydney NSW 2001

We will endeavour to respond to your complaint fairly and as quickly as we can and by no later than the maximum response timeframe of 45 days (unless these are complaints made about the proposed distribution of a superannuation death benefit, where we will respond by no later than 90 days after the end of the 28 day statutory period available to potential beneficiaries to raise their objections about a proposed superannuation death benefit distribution). If we have not had a reasonable opportunity to respond to your complaint before the maximum response timeframe ends, we will write to you to let you know.

If, before the maximum response timeframe for your complaint has passed, you don't feel as though your concerns are being heard or have received our response and are not satisfied with the resolution that has been proposed, our Client Advocacy Team may be able to assist you. Please see www.perpetual.com.au/about/client-advocacy for information on how to get in touch with our Client Advocacy Team members.

If, at any time you are not satisfied with our response to your complaint, any aspect of our complaints handling process or if you have not received a response within the maximum response timeframe, the Australian Financial Complaints Authority (AFCA) might be able to assist you.

Australian Financial Complaints Authority

We are members of the AFCA external dispute resolution scheme.

AFCA has been established by the Commonwealth Government to deal with complaints from consumers and small businesses about financial services firms. AFCA service is free of charge to you.

Contact details for AFCA are as follows:

Phone 1800 931 678
Email info@afca.org.au
Website www.afca.org.au
Mail Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Superannuation benefit transfers to the ATO

We are required by law to transfer the following superannuation benefits to the ATO:

- inactive low-balance accounts
- lost member accounts
- unclaimed benefits.

After payment to the ATO, we are discharged from any further liability for payment of the benefit.

You can consolidate superannuation benefits transferred to the ATO into an active superannuation account through your myGov account. The ATO will also pay any superannuation amounts it holds into an active superannuation account held by the member where the consolidated balance will be \$6,000 or more.

Interest will be paid at a rate equivalent to CPI on all superannuation benefit amounts reclaimed from the ATO.

Inactive low-balance accounts

An inactive low-balance account is an account with a balance of less than \$6,000 where the member has had no contributions for 16 months and where the member has **not** done at least **one** of the following:

- made changes to their investment option(s)
- elected to maintain or made changes to their insurance cover
- made or amended a binding beneficiary nomination
- confirmed that they want their account to remain with their super fund by providing the fund with a written notice at least 30 days before the relevant reporting date (see below for details).

Inactive low-balance accounts must be identified as at 30 June and 31 December each year and reported to the ATO on the following 31 October and 30 April respectively. The balances of those accounts remaining inactive at that time must then be transferred to the ATO.

Lost member accounts

You will be considered a lost member in the Fund if you are uncontactable because:

- either:
 - the Fund has never had an address (whether non-electronic or electronic) for you
- or**
- at least one written communication (whether non-electronic or electronic) has been sent to your last known address (or addresses) and we believe, on reasonable grounds (eg communication returned unclaimed), that you can no longer be contacted at any address known to us **and**
- you have not contacted us (whether by written communication or otherwise) within the last 12 months **and**
- you have not accessed details about your interest in the Fund from any electronic facility we have provided within the last 12 months **and**
- we have not received a contribution or rollover for you within the last 12 months.

Small or insoluble lost member accounts

A lost member account is also taken to be unclaimed super money if either:

- the balance of the lost member account is less than \$6,000 (small lost member account) or
- the lost member account has been inactive for 12 months and we are satisfied that it will never be possible to pay the benefit to the member (insoluble lost member account).

Unclaimed benefits

Your superannuation may be treated as unclaimed money if you:

- have reached age 65 and we have not received an amount on your behalf for at least two years and five years have passed since we last had contact with you or
- were a temporary resident who has permanently departed Australia and you did not claim your benefits within six months of the later of the date of your departure or your visa ceasing to be effective (except if you are an Australian or New Zealand citizen). We will make all reasonable efforts to contact you in such circumstances, however, it is important that you notify us of any changes to your details.

Abridged financial information

The general purpose financial report for the Fund has been prepared in accordance with the requirements of the Trust Deed, the accounting and disclosure requirements of AASB 1056 Superannuation Entities, other applicable accounting standards, the requirements of SIS and other relevant legislative requirements.

Abridged financial statements are provided in Appendix 1 for the information of members. Copies of the full audited financial statements and auditor's report are available upon request.

Value of your account

The value of your account is the aggregate net value of your investments, including your Perpetual Cash Account, after the deduction of fees, taxes and charges. The following information is a guide on how different investments are valued and what will be reported. Accrued fees and taxes are not reflected on your portfolio valuation report.

Perpetual Cash Account

Returns are distributed to your Perpetual Cash Account monthly. Accrued returns are not reported on your account until they are paid.

Term deposits

The value of a term deposit is determined by the amount initially invested. Interest is reported when the term deposit has matured and the interest has been paid.

Managed investments

When you invest in a managed investment, the number of units allocated to you depends on its unit price and the amount you invest. Each managed investment will have a unit price set by the product issuer. The unit price that you receive is determined by the product issuer, and generally reflects the value of the managed investment's assets after deducting the product issuer's fees, expenses and transaction costs. The value of your managed investments will be the number of units held by you multiplied by the redemption unit price set by the product issuer. Further details are available in the product disclosure statement for each managed investment.

Managed investment distributions will not be accrued on your account valuation after they have been declared by the product issuer and will only be credited and reported once received by us.

ASX listed securities (excluding instalment warrants)

Listed securities are valued at their last available closing price on the ASX. If no trades have occurred for a security during the day, the last traded price will be used.

Instalment warrants

The valuation price used to value instalment warrants is generally more reflective of an instalment warrant's value, as the last available closing price may be several days old but the underlying security's value may have increased or decreased substantially. The valuation price would be expected to better reflect the instalment warrant price once the next trade in this security is made.

Changes in methods for valuing assets

At our discretion, we may change the method by which we value an asset. For example, where a method becomes available which reflects more accurately the fair value of these assets, we may adopt this method. Where a particular asset we believe is not fairly valued using the standard methods described above, we may report a value that we believe reflects a more accurate value.

Appendix 1: Abridged financial statements

Income statement

| | 2023 \$,000 | 2022 \$,000 |
|---|-----------------|------------------|
| Revenue | | |
| Dividend/distribution income | 55,099 | 94,630 |
| Interest income | 2,384 | 181 |
| Net changes in fair value of investments | 124,171 | (223,748) |
| Total revenue/(loss) | 181,654 | (128,937) |
| Expenses | | |
| Administration and Trustee fees | (3,267) | (5,096) |
| Other expenses | (14,559) | (12,459) |
| Total expenses | (17,826) | (17,555) |
| Results from superannuation activities before income tax | 163,828 | (146,492) |
| Income tax benefit/(expense) | 7,402 | 7,617 |
| Results from superannuation activities after income tax | 171,230 | (138,875) |
| Net (benefits)/losses allocated to members' accounts ¹ | (171,230) | 138,875 |
| Profit/(loss) after income tax | - | - |

1 A positive amount is a loss and a negative amount is a benefit, allocated to member's accounts.

Statement of financial position

| | 2023 \$,000 | 2022 \$,000 |
|--|------------------|------------------|
| Assets | | |
| Cash and cash equivalents | 113,009 | 74,430 |
| Investments | 2,015,747 | 1,677,087 |
| Receivables | 22,851 | 56,323 |
| Current tax assets | 3,831 | 2,461 |
| Deferred tax assets | 0 | 1,468 |
| Total assets | 2,155,438 | 1,811,769 |
| Liabilities | | |
| Payables | 1,723 | 1,477 |
| Deferred tax liabilities | 1,331 | - |
| Total liabilities (excluding member benefits) | 3,054 | 1,477 |
| Net assets available for member benefits | 2,152,384 | 1,810,292 |
| Member benefits | 2,152,384 | 1,810,292 |
| Total net assets | - | - |
| Equity | | |
| Unallocated surplus/(deficit) | - | - |
| Total equity | - | - |

Statement of changes in member benefits

| | 2023 \$,000 | 2022 \$,000 |
|---|------------------|------------------|
| Member benefits at the beginning of the year | 1,810,292 | 1,895,143 |
| Contributions – employer | 6,077 | 4,536 |
| Contributions – member | 86,547 | 79,339 |
| Transfers from other superannuation funds | 233,467 | 92,135 |
| Government co-contributions | 8 | 5 |
| Tax on contributions | (2,930) | (1,574) |
| Net after tax contributions | 323,169 | 174,441 |
| Benefit payments and transfers out | (152,290) | (120,406) |
| Insurance premiums deducted from members' accounts | (17) | (11) |
| Death and disability benefits applied to members' accounts | - | - |
| Benefits allocated to members' accounts | | |
| Net investment income | 174,497 | (133,779) |
| Administration fees | (3,267) | (5,096) |
| Net benefits/(losses) allocated to members' accounts | 171,230 | (138,875) |
| Member benefits at the end of the year | 2,152,384 | 1,810,292 |

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Australian Capital Territory

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2 Phillip Law Street
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South Australia

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Adelaide SA 5000

Victoria

Rialto South Tower
Level 29
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Melbourne VIC 3000

Western Australia

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Perth WA 6000

www.perpetual.com.au

Trust is earned.

Perpetual 