

# 2022 Annual Report



# Contents

About .....	3
Governance .....	4
Investments .....	5
Investment performance .....	7
Investment options .....	8
Investment allocation.....	9
Investment managers .....	10
News in superannuation .....	11
Important Information .....	15
Directory .....	20

## About this Annual Report

This Annual Report is for members of Verve Super a sub plan of the Future Super Fund, ABN 45 960 194 277, USI 45 960 194 277 020 RSE No. R1072914 referred to in this Annual Report as the “Fund”. The Fund contains more than one division. Information in this report relates to members of the Verve Super division (“Verve Super”) unless otherwise stated as relating to the Fund.

This Annual Report has been issued by Diversa Trustees Limited (the Trustee or Diversa Trustees or We) ABN 49 006 421 638, AFSL 235153 RSE Licence L0000635 as Trustee of Verve Super. The Sub Promoter of the Fund is Verve Superannuation Pty Ltd ABN 65 628 675 169; AFS Representative No. 001268903.

This Annual Report should be read in conjunction with the Annual Member Statement recently provided to you, which shows your member entitlement in the Fund as at 30 June 2022. If you would like a hard copy of this Annual Report sent to you free of charge, please contact Verve Super on 1300 799 482.

The information in this document is intended to provide you with general information only and does not take into account one or more of your personal objectives, financial situation and needs. Before making any financial decisions about Verve Super, it is important that you consider the current product disclosure statement (PDS) and Target Market Determination (TMD) relevant to your membership and consider your particular circumstances and whether the particular financial product is right for you. The current PDS and TMD for the product is available by calling Verve Super on 1300 799 482 or downloading from [www.vervesuper.com.au](http://www.vervesuper.com.au). You should consult a financial adviser if you require personal advice.



## Governance

Verve Super offers Verve Super Balanced as the investment option which considers the environment, social issues, ethical issues and the Trustee of the Fund is responsible for the ongoing management of the Fund. As Trustee, Diversa Trustees employ specialist providers to help look after the Fund and its investments which are outlined in the 'Directory' section at the end of this Annual Report.

As Trustee, Diversa Trustees aims to ensure that all legal and compliance obligations are properly met. It is responsible for compliance with the Trust Deed of the Fund, including ongoing satisfaction of legislative requirements, and monitoring of risk controls as specified in its' risk management framework. In summary, the Trustee's role generally incorporates:

- fund registration,
- issue of disclosure documents,
- compliance monitoring against legislative and regulatory requirements, and
- risk management.

The names of the Directors of the Trustee as of 30 June 2020 are as follows:

- Mike Terlet (Chair)
- Vin Plant,
- Ron Beard,
- Andrew Peterson
- Fiona McNabb

## Remuneration

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

## Board committees

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

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

## Professional indemnity insurance

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

## The Trust Deed

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

## Compliance

The Fund is a regulated Superannuation Fund and complies with the Superannuation Industry (Supervision) Act (1993) (SIS Act). The Fund lodges a return with APRA every year and has not received a notice of non-compliance from APRA. No penalties have been imposed in respect of the Fund under the relevant superannuation legislation.

## Internal Auditor

The Trustee has appointed RSM Australia Pty Ltd, ABN 33 009 321 377 as the internal auditor of the Fund, to analyse and improve the controls and performance of the Fund. RSM Australia Pty Ltd can be contacted by writing to RSM Australia Pty Ltd, GPO Box 5138 NSW 2001. The Trustee may change internal auditors from time to time.

## Audit

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

## Investments

### Verve Super Values

Verve Super is an ethical superannuation fund tailored for women, led by women. As an ethical super fund, Verve seeks to invest in companies that have a positive impact on the environment and our community.

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

### Investment strategy

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

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

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

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

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

Refer to the current Verve Super Product Disclosure Statement ("PDS") including related incorporated information and the TMD for Verve Super for more detailed information about the investment strategy and investment risks. The PDS is available by contacting Verve Super on 1300 799 482.

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

## Report from the Investment Manager

### Report from the Investment Manager of Verve Super

The end of each financial year has been in most instances a moment to celebrate another year of ever-increasing super balances. The past financial year was a difficult period with nearly all asset classes significantly down. Investment strategies that did well across this period typically employed highly active management approaches, or implemented very aggressive asset allocation moves (which can be very risky and may not work).

The year to June 2022 (FY22) was a tale of two halves, the first six months saw markets continue along a similar path of recovery following the Covid pandemic sell-down back in March 2020. With rising interest rates, inflation and recession fears hitting investment markets, the final six months have seen a significant pull back and losses incurred.

No Super fund was immune to the volatility in financial markets. FY22 was the third worst year for returns since the introduction of compulsory super, some 30 years ago. Most of the loss was experienced during the first six months of 2022 with the SuperRatings Balanced Option median return providing a loss in every month except March.

Verve Super was not immune from the downturn, delivering a return of -9.1% over the 2021/22 financial year. The negative performance was driven by weaker returns in International Shares as overweight exposure to the Healthcare and Real Estate sectors detracted in the face of rising interest rates. Recent geopolitical events driving commodity prices higher and the shift from central banks towards aggressive interest rate hikes to reign inflation in, has seen the tide turn aggressively in the short-term.

Despite the volatility across markets, the Verve Super portfolio has continued to see significant growth in members and funds over the last year. This provides opportunities to increase the diversification within our portfolios and continue to increase exposure across impactful assets, with the aim of managing long term risk and producing competitive returns for members.

Thank you for your support.

Verve Super

#### Disclaimer

This statement contains general information only and does not take into account any person's financial objectives, situation or needs. We recommend that you seek professional financial advice tailored to your own personal circumstances.

When considering financial returns, past performance is not a reliable indicator of future performance. Superannuation is a long term investment and it is important to consider investment returns over a long time horizon, rather than short term fluctuations. The risk profile of the Fund's investment strategy is based on the Standard Risk Measure. You can read more about the Risks of Super on page 12 of our Additional Information Booklet.

## Investment performance

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

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

Actual returns will be determined by the investment strategy adopted and prevailing market conditions. The Fund's monthly investment performance information is also made available at [vervesuper.com.au](https://vervesuper.com.au)

Information on investment performance relating to your Account specifically is provided in your Annual Member Statement for the year ended 30 June 2022.

### Investment Performance Returns % - Financial Year 30 June 2022

Returns as at 30 June 2022 <sup>1</sup>	1 year <sup>1</sup>	Since inception <sup>2</sup>
<b>Accumulation</b>		
<b>Verve Super Balanced<sup>3</sup></b>	-9.10%	4.6%

Notes:

<sup>1</sup> Returns are based on actual investment options. Returns shown for 1 year periods or longer are annualised amounts and are net of all investment fees, administration fees and taxes, excluding member direct fees. Returns are calculated using changes in the unit price. Past performance should not be relied upon as an indication of future returns.

<sup>2</sup> Compound returns since inception are compound annualised averages and are net of all investment fees, administration fees and taxes excluding member direct fees. When the 5 or 10 years compound return is unable to be determined the since inception return is provided.

<sup>3</sup> Inception date for Verve Super Balanced option was 5 December 2018.

Neither past performance nor volatility is a reliable indicator of what may happen in the future. Neither capital nor returns are guaranteed. Past performance is calculated net of investment fees and taxes excludes fees charged to member Accounts directly, and does not take into account inflation Investment options

## Investment Options

### Verve Super Balanced Investment Option as at 30 June 2022

The following contains information regarding the investment option of the Verve Super for the year ended 30 June 2022. Details of investment option shown is not a guarantee of any particular benefit or return. The investment option objective is used by the Trustee to measure the performance of the Fund's investments.

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

As at 30 June 2022, Verve Super offers Verve Super Balanced as the investment option which considers the environment, social issues, ethical issues and labour standards in the investment process.

Call Verve Super on 1300 799 482 for more information about your financial matters and consider the PDS before making any decision on your super (available by contacting Verve Super on 1300 799 482 or emailing us at [hello@vervesuper.com.au](mailto:hello@vervesuper.com.au).)

Investment Return Objective			
CPI + 2.50% per annum over rolling ten year periods (after fees and taxes).			
Investment Strategy			
Verve Super – Balanced aims to invest in a diverse mix of assets with the majority in the growth assets such as shares, and a modest investment in defensive assets such as cash and fixed interest. This option aims to provide investors with the highest possible returns consistent with a 'balanced' investment strategy, through investment in companies and assets. Specific allocations may vary but the Fund will retain a broad 65/35 split between growth and income assets and a bias toward Australian assets.			
Asset Classes and Benchmark Allocations	Benchmark (%)	Minimum (%)	Maximum (%)
Cash	5.0	2.0	20.0
Australian Fixed Interest	25.0	15.0	40.0
International Fixed Interest	0.0	0.0	15.0
Defensive Alternatives	5.0	0.0	25.0
<b>Defensive</b>	<b>35.0</b>		
Australian Shares*	30.0	15.0	45.0
International Shares*	30.0	15.0	45.0
Growth Alternatives	5.0	0.0	25.0
<b>Growth</b>	<b>65.0</b>		
<b>Total</b>	<b>100.0</b>		
Suitability			
Verve Super – Balanced investment strategy is suitable for members comfortable with accepting short term market/performance volatility in order to achieve higher long-term returns. This product is intended for everyday Australians who want to shift their retirement savings away from companies and activities which are harmful to the environment and society, and instead want to see their super invested in companies which strive for a fairer more equitable society			
Recommended Minimum Investment Timeframe			
Minimum 4 - 6 years			
Risk Level <sup>1</sup>			
Risk Band 7: Very High (6 or more estimated negative annual returns over any 20-year period).			

#### Standard Risk Measure

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



## Investment allocation

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

The following table provides information on the portfolio allocation for the Verve Super Balanced investment option as at 30/06/2022.

	30-Jun-22	
	% of Assets	Amount \$ '000
Australian shares*	33.32%	64,670
International shares	32.21%	62,516
Alternatives / other	1.90%	3,690
Fixed Interest	27.68%	53,728
Cash	4.89%	9,501
<b>Total</b>	<b>100.0%</b>	<b>194,105</b>

### Buy/Sell costs

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

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

Investment strategy	Buy	Sell
Verve Super Balanced	0.07%	0.07%

## Investment managers

### Significant investments

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

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

Assets	%	\$'000
BetaShares Global Sustainability Leaders ETF Units - Shares	27.13%	52,670
BetaShares Australian Sustainability Leaders ETF Units - Shares	17.20%	33,383
BetaShares Sustainability Leaders Diversified Bond ETF – Fixed Interest	8.48%	16,460
Artesian Green and Sustainable Bond Fund	5.07%	10,477
BetaShares Global Sustainability Leaders ETF Units – Currency Hedged	27.13%	9,847

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

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

Fund Managers	%	\$'000
BetaShares Capital Limited	57.89%	\$112,360
Artesian Corporate Bond Pty Ltd	5.32%	\$10,477

## Other considerations

### Derivatives

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

### Socially responsible investments

The Trustee, with the assistance of its service providers, takes environmental, social, ethical and labour standards into account, in the selection, retention or realisation of investments. Verve Super's Investment Committee draws on internal and external specialists to construct an approved investment list for the Investment Manager, and to ensure Verve Super's investments are consistent with these Verve Super Values. Please refer to the PDS for further information on Verve Super's screening process which assist construction of the approved investment list.

## News in superannuation

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

### Contributing to Super

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

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

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

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

#### Eligibility changes to the bring forward arrangements

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

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

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

#### Extending Access to Downsizer Contributions

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

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

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

Note: Eligibility criteria for the Downsizer Contributions Scheme include:

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

#### Increasing the First Home Super Saver Maximum

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

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

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

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

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

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

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

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

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

## **Extension to temporary reduction in pension minimum drawdown**

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

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

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

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

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

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

Caps for the upcoming financial year			2023	2022
Super Guarantee (SG) contributions			10.5%	10%
Concessional contributions cap			\$27,500	\$27,500
Non-concessional contribution cap			\$110,000	\$110,000
Super co-contributions			Max. \$500	Max. \$500
<b>FY</b>	<b>lower Income Threshold</b>	<b>Higher Income Threshold</b>		
2022	\$41,112	\$56,112		
2023	\$42,016	\$57,016		
Low income super tax offset (LISTO) Adjusted taxable income up to \$37,000 (based on Concessional contributions made to the Fund)			Max. \$500	Max. \$500
Transfer Balance Cap			\$1,700,000	\$1,700,000
CGT cap			\$1,650,000	\$1,615,000
Low rate cap			\$230,000	\$225,000
Minimum annual pension amount continues to be halved for the FY2023			2.0%	Under age 65
			2.5%	Age 65 – 74
			3.0%	Age 75 – 79
			3.5%	Age 80 – 84
			4.5%	Age 85 – 89
			5.5%	Age 90 – 94
			7.5%	Age 95 or more

For further information, refer to:

- <https://www.ato.gov.au/individuals/super/in-detail/growing-your-super/>, or
- Via the Secure Online Portal, in the FAQ/Forms tab
- Super caps, rates and thresholds factsheet
- Pension caps, rates and thresholds for super income streams factsheet.

## INACTIVE ACCOUNTS AND TYPES OF UNCLAIMED SUPER

### Treatment of inactive low-balance super Accounts

Superannuation legislation requires the Trustee of the fund to transfer information and superannuation benefits to the Australian Taxation Office (ATO) when Member benefits are classified as unclaimed super. On receipt, the ATO will try to match said account with any active super Account there is a record of you holding.

The exception to this is where you have provided a written notice to the ATO declaring that you are not a Member of an inactive low balance Account. If this applies to you, you can authorise the Fund to provide the written notice to the ATO on your behalf. The notice must be provided to the commissioner of Taxation on or before the relevant due date for the payment to the ATO.

The notice is valid for 16 months, and after that period if your Account remains an inactive low balance Account, you will need to complete another declaration every 16 months if you wish your funds to remain in your Account.

Further information on unclaimed super monies and inactive low-balance super Accounts can be found in the Important Information section of this Annual Report or on the ATO website at <https://www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Inactive-low-balance-super-accounts/>.

Alternatively, if you make a contribution or rollover to your Account, make changes to your insurance, or change your investment options, before the transfer date, your Account will be considered 'active' and won't be closed or transferred to the ATO.



## Inactive low-balance Accounts and unclaimed super monies – Reporting and payment requirements

There are two ATO reporting periods each year (by 31 October for the 30 June six-month period, and by 30 April for the 31 December six-month period).

1. **Member aged 65 or older** – your Account has been inactive for two years or more, and we have not been able to make contact with you for five years.
2. **Non-Member spouse** - An amount payable to a non-Member spouse as a result of a family law superannuation split – and after making reasonable efforts to contact, the non-Member spouse, and after a reasonable period has passed, we are unable to ensure that the non-Member spouse will receive the amount.
3. **Deceased Member** – the trustee is unable (after reasonable endeavour) to locate a beneficiary to pay your benefit to.
4. **Temporary residents** - temporary residents permanently leaving Australia have up to six months to claim their superannuation and if not claimed the amount will be transferred to the ATO.
5. **Former temporary resident Member** and you have not claimed your benefit after six months from your visa expiry or cancellation date and you are not Australian or New Zealand citizen.
6. **Small and insoluble lost Member** - when your balance is less than \$6,000 (small lost Member Account), and you are considered as:
  - uncontactable - two pieces of mail sent to you have been returned undelivered, no contributions or rollovers have been received within the last 12 months, and the fund is satisfied that it will never be possible to pay an amount to the member (insoluble lost Member Account).
  - Holding an inactive low-balance Account - A super Account is an inactive low-balance Account if all of the following criteria are met on unclaimed money day where:
    - no contribution or rollover has been received for 16 months,
    - the Account balance is less than \$6,000,
    - the Member has not met a prescribed condition of release,
    - the Account is not a defined benefit Account,
    - there is no insurance on the Account,
    - the Fund is not a self-managed super fund (SMSF) or small Australian Prudential Regulation Authority (APRA) Fund.

## WHEN IS AN INACTIVE LOW-BALANCE ACCOUNT CONSIDERED ACTIVE?

An inactive low-balance account is deemed to be active if any of the following have occurred within the last 16 months. The Member:

- Changed their investment options,
- Changed or elected to maintain insurance coverage,
- Made or amended a binding death benefit beneficiary nomination,
- Notifies the Fund or ATO in writing that they are not a Member of an inactive low-balance Account, or
- Owes the super provider an amount in respect of their Membership.

Further information can be obtained from the website [ato.gov.au/Individuals/Super/Growing your super](https://ato.gov.au/Individuals/Super/Growing_your_super).

## Important information

### Abridged financial information

Set out below is the abridged financial information relating to the Future Super Fund of which Verve Super is a sub-fund.

Statement of Financial Position as at <sup>30</sup> June	2022 (\$'000)	2011 (\$'000)
<b>Assets</b>		
Cash and cash equivalents	98,401	88,391
Investments held at fair market value	1,331,676	1,160,357
<b>Distributions and dividends receivable</b>	19,599	30,561
GST receivable	244	285
Deferred tax assets	9,117	10
<b>Total Assets</b>	1,459,037	1,279,604
<b>Liabilities</b>		
Benefits Payable	1,684	1,492
Accounts Payable and Accrued Expenses	1,230	1,052
Current Tax Liability	14,011	15,923
Deferred tax Liability	–	13,721
<b>Total Liabilities excluding Member Benefits</b>	16,965	32,188
<b>Net assets available to pay benefits</b>	<b>1,442,112</b>	<b>1,247,415</b>
Member benefits	1,424,804	1,239,213
Contributions not allocated to members	737	991
<b>Total net assets</b>	<b>16,571</b>	<b>7,212</b>
<b>Equity</b>		
- Operational Risk Reserve	3,612	2,902
- Expense Reserve	1,746	92
Unallocated Surplus	11,213	4,218
<b>Total Equity</b>	<b>16,571</b>	<b>7,212</b>

Income Statement For the Year Ended <sup>30</sup> June	2022 (\$'000)	2011 (\$'000)
<b>Superannuation activities</b>		
Interest Revenue	4,754	3,546
Dividend and distributions	31,166	67,342
Net change in fair value of investments	(191,045)	94,514
Other Income	2,735	-
<b>Total Net Income</b>	<b>(152,390)</b>	<b>165,402</b>
Less Expenses		
General Administration Expenses	(19,151)	(14,838)
<b>Total Expenses</b>	<b>(19,151)</b>	<b>(14,838)</b>
Income tax (expense)/benefit	26,708	(20,172)
<b>Results From Superannuation Activities After Income Tax Expense</b>	<b>(144,833)</b>	<b>130,392</b>
Net benefits allocated to defined contribution members	151,750	(130,085)
<b>Operating Result After Income Tax</b>	<b>6,917</b>	<b>307</b>

Statement of Changes in Member Benefits	2022 (\$'000)	2021 (\$'000)
Opening balance of member benefits (as at 1 July)	1239,203	755,065
Employer contributions	170,235	109,349
Member contributions	20,589	17,346
Government co-contributions	2,056	2,083
Compensation Payments	30	21
Transfers in from other superannuation funds	242,662	308,014
Income tax on contributions	(26,671)	(17,555)
<b>Net after tax contributions</b>	<b>408,901</b>	<b>419,258</b>
Benefits to members	(71,997)	(64,143)
Insurance premiums charged to member Accounts	(1,008)	(743)
Death & disability benefits credited to member accounts	-	21
Reserve transferred to/(from) members		
- Operational Risk Reserve	(152)	(95)
- Expense Reserve	(489)	(556)
- Unallocated surplus	2,096	311
Net benefits allocated to defined contribution members	(151,750))	130,085
<b>Closing balance of member benefits (as at 30 June)</b>	<b>1,424,804</b>	<b>1,239,203</b>

Statement of Changes in Equity for the Year Ended 30 June	\$'000	\$'000	\$'000	\$'000
	Operational Risk Reserve	Expense Reserve	Unallocated (Deficit) / Surplus	Total Equity
<b>Opening Balance as at 1 July 2020</b>	<b>1,629</b>	<b>703</b>	<b>1,496</b>	<b>3,828</b>
Operating result	20	(10)	296	306
Net transfers (to)/from member accounts	96	556	(310)	342
Transfer between reserves	1,157	(1,157)	-	-
Amounts not yet allocated to members	-	-	2,736	2,736
<b>Closing Balance as at 30 June 2021</b>	<b>2,902</b>	<b>92</b>	<b>4,218</b>	<b>7,212</b>
<b>Opening Balance as at 1 July 2021</b>	<b>2,902</b>	<b>92</b>	<b>4,218</b>	<b>7,212</b>
Operating result	21	1,702	5,194	6,917
Net transfers (to)/from member accounts	152	489	(2,096)	(1,455)
Transfer between reserves	537	(537)	-	-
Amounts not yet allocated to members	-	-	3,897	3,897
<b>Closing Balance as at 30 June 2022</b>	<b>3,612</b>	<b>1,746</b>	<b>11,213</b>	<b>16,571</b>

Verve Super (only) movement in Member Benefits	2022 \$'000	2019 \$'000
<b>Opening Net Assets</b>	<b>155,954</b>	<b>86,697</b>
Increase (Decrease)	43,721	69,257
<b>Closing Net Assets</b>	<b>199,675</b>	<b>155,954</b>

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

## Reserves

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

## Operational Risk Financial Requirement

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

Future Super Fund ORFR (as at 30 June)	2022	2021	2020
	\$'000	\$'000	\$'000
<b>Closing Balance</b>	<b>3,612</b>	<b>2,902</b>	1,629

## Expense Reserves

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

Future Super Fund Expense Reserve (as at 30 June)	2022	2021	2020
	\$'000	\$'000	\$'000
<b>Closing Balance</b>	<b>1,746</b>	<b>92</b>	703

## Allocating net earnings to members' Accounts

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

The unit pricing process for pooled investment options:

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

Sometimes unit pricing errors may occur. In the event that a material unit price error is detected and requires rectification, the Trustee may apply a fixed dollar minimum of \$5 when determining whether exited (former) members affected by the error should be compensated.

Refer to the current PDS for more detailed information about the calculation of earnings. The PDS is available by contacting us on 1300 799 482. Refer to your Annual Member Statement for information the net investment performance for your portfolio of investments.

## Member statements

Your Annual Member Statement is published online within your Account, you can access this via your Member online log in. Additionally, we also publish product updates and personalised communications online.

## Superannuation surcharge tax

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

## Temporary residents

If you have worked in Australia on a temporary visa and you have super in Australia, you can apply after you leave Australia, to have this super paid to you as a departing Australia superannuation payment (DASP). If you have not claimed your super after you have left Australia for at least 6 months, and your visa has expired or been cancelled, your super will be transferred to the ATO as unclaimed super money.

You can subsequently access your benefit from the ATO. The ATO can be contacted on 13 10 20. We are not obliged to notify or give an exit statement to you if we transfer your super to the ATO after you depart Australia.

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

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

Note: If you are a New Zealand citizen or you become an Australian citizen or permanent resident these changes

## Disclosure of Interest

The Trustee is also the Trustee of SMERF and receives remuneration in this capacity.

## Conflicts

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



## Enquiries and Complaints

Superannuation legislation requires us to have arrangements in place for you to make enquiries or complaints about the operation or management of the Fund.

The arrangements that we have established are:

- Enquiries can be made by telephone to 1300 799 482 or in writing [hello@vervesuper.com.au](mailto:hello@vervesuper.com.au).
- A complaint can be made verbally or in writing and addressed to The Complaints Officer, Verve Super, PO Box 909, Byron Bay NSW 2481 or sent electronically to [hello@vervesuper.com.au](mailto:hello@vervesuper.com.au).

The receipt of complaints will be acknowledged by the Fund. The complaint will be investigated, and action initiated to resolve the matter. A written response will be made as soon as possible but within the timeframes prescribed by superannuation legislation. The Complaints Officer will investigate your complaint and write to inform you of the results of that investigation no later than 45 calendar days after receiving your complaint (unless the complaint relates to a death benefit distribution, in which case the Complaints Officer will respond no later than 90 calendar days after the expiry of the 28 calendar day period for objecting to a proposed death benefit distribution). If you are not satisfied with our response or you have not received a response within the required timeframe, you may take your complaint to the Australian Financial Complaints Authority (AFCA).

## AFCA

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

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

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

## Information on request

The following information is available on Verve Super's website [vervesuper.com.au](http://vervesuper.com.au) and/or by contacting Verve Super during office hours, or write to Verve Super at GPO Box 909, Byron Bay NSW 2481 (refer to the Directory on the back page):

- Verve Super's various Product Disclosure Statements (including Insurance Guide and Additional Information Booklet which are incorporated by reference, where applicable),
- Verve Super's regular investment performance
- recent member newsletters,
- the Fund's Trust Deed and Rules,
- all forms, e.g. the Nomination of Beneficiaries Form,
- Verve Super's TMD
- information about your benefit entitlements, and
- any other information that may help you understand particular investments of the Fund or its management.

## Disclaimer

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

The terms of your membership in the Fund are set out in the Fund's Trust Deed and any applicable insurance policy and PDS. Should there be any inconsistency between the Trust Deed and other documents, the terms of the Fund's Trust Deed will prevail. The Trustee reserves the right to amend the terms and conditions of the Fund in accordance with the provisions of the Trust Deed and superannuation law. The Trustee may also withdraw the PDS and close the Fund.

## Directory

### Obtaining further information

#### Verve Super

**Phone:** 1300 799 482  
**Email:** [hello@vervesuper.com.au](mailto:hello@vervesuper.com.au)  
**Mail:** PO Box 909  
Byron Bay NSW 2481  
**Visit:** [www.vervesuper.com.au](http://www.vervesuper.com.au)

#### Trustee

##### Diversa Trustees Limited

ABN 49 006 421 638 AFSL No. 235153  
RSE Licence No L0000635 GPO Box  
3001  
Melbourne VIC 3001

#### Auditors

##### Deloitte Touche Tohmatsu

ABN 74 490 121 060  
447 Collins Street  
Melbourne Vic 3000

#### Custodian

##### CITIGROUP PTY LTD

ABN 88 004 325 080, AFSL 238098  
Level 16, 120 Collins Street  
Melbourne Vic 3000

### Investment Manager

#### Future Super Investment Services Pty Ltd

ABN 55 621 040 702 AFSL Rep. No. 001271441  
Corporate Authorised Representative of Future Super  
Holdings Pty Ltd ABN 90 167 800 580 AFSL 482684  
GPO Box 1858  
Sydney NSW 2001

#### Insurer

##### AIA Australia Limited

ABN 79 004 837 861 AFSL 230043

#### Promoter

#### Future Super Investment Services Pty Ltd

ABN 55 621 040 702 AFSL Rep. No. 001271441  
Corporate Authorised Representative of Future Super  
Holdings Pty Ltd ABN 90 167 800 580 AFSL 482684  
GPO Box 1858  
Sydney NSW 2001

#### Sub Promoter

#### Verve Superannuation Pty Ltd

ABN 65 628 675 169;  
AFS Representative No. 001268903  
PO Box 909,  
Byron Bay NSW 2481

#### Administrator

#### OneVue Super Services

ABN 74 006 877 872 AFSL No. 246883  
PO Box 1282  
Albury NSW 2640