

## AGENDA 14.13

# LCA Nominees Pty Ltd ATF Lutheran Super

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## MEMBERS

John Grocke (Chairperson) Anthony Klatt, Sarah Dixon Lester Kerber Bernadette Latimer  
Alison Doecke, Philip Riquier

## BACKGROUND

Lutheran Super is a not-for-profit fund established by the Lutheran Church of Australia to provide excellent superannuation benefits with competitive fees for its employees.

1. Increase and Maintain Membership Numbers.
  - a. 6,526 members as at 31 December 2017. Target to increase membership numbers to 6,950 by 31 December 2020.
2. Continuing to deal with increased internal governance and regulatory requirements and demands on the board.
  - a. Internal Review of Board Structure resulted in a change from 4 Employer Appointed and 4 Member Elected Directors to 3 Employer Appointed, 3 Member Elected and 2 Independent Directors;
  - b. Received a "Normal rating from each prudential Review conducted by the Australian Prudential Regulation Authority (APRA).
  - c. Continue to meet all regulatory requirements.

## SUCSESSES

- Reviewed the structure of the Lutheran Super Investments offering resulting in a saving of \$150k per annum.
- Review on Insurance Arrangements resulting in a reduction in the premiums paid by members.
- Remaining a valued niche Superannuation Fund for the Lutheran Church of Australia's employees

## CHALLENGES AND LESSONS LEARNED

- Maintaining ongoing regulatory requirements given relative scale compared to the wider superannuation industry.
- Accessing appropriate expertise to continue to run the superannuation on a best practice basis.

## RISKS

Description of risk	Likelihood of risk occurring and potential impact for the ministry and LCA	Summary of action to mitigate the risk
Increased Regulation	Almost Certain- potential for Lutheran Super to become non-compliant	Ongoing timely response to regulatory requirements
Relative Scale	Possible - potential for Lutheran Super to become financially unviable	Continuing investigation into possible efficiency gains in order to maintain competitiveness

## **ALIGNMENT TO LCA STRATEGIC DIRECTION 2013–2018**

Lutheran Super assists the LCA in meeting Strategic Priority 3: Enable us to Go and Grow.

## **COOPERATING LCA BOARDS AND AGENCIES**

Lutheran Super engages on a collaborative basis with both the LCA Executive Office and Lutheran Education Australia to ensure that any superannuation issues that have ramifications for the employers and employees of the LCA are raised at the appropriate level so that informed decisions can be made in the best interests of all key stakeholders.