The SA Metropolitan Fire Service Superannuation Scheme

Annual Report

For the year ended 30 June 2010

Look inside to see:

Issued by SA Metropolitan Fire Service Superannuation Pty Ltd ACN 068 821 750
as trustee of the SA Metropolitan Fire Service Superannuation Scheme ABN 99 439 309 855.

Chairman's Report

Welcome to the 2009 – 2010 annual report.

Just one year ago I wrote "All superannuation funds have been adversely affected due to poor conditions in financial markets over the last two years". Our message to you continues to be that falls and corrections are part of the natural movement of investment markets.

Since 1 July 2009 all our investment options have returned acceptable positive returns including the growth portfolio which holds all the Scheme's defined benefit monies. This portfolio returned 11.2% for the financial year, although our returns for both two and three years remain in negative territory. The Scheme's investment portfolio which continues to be managed on a day to day basis by Funds SA continues to perform well relative to its peers. Monthly performance reports are posted on the Scheme's website at www.samfs.superfacts.com.

Whether the global financial crisis has come to an end or we're simply experiencing a further correction within a much larger downturn is impossible to predict. Regardless, the simple fact remains that, over the long term, share markets have out performed all other asset classes. For this reason we will continue to adhere to a prudent investment policy to provide the necessary investment returns over the long term.

Members have been contributing an additional 3% to the Scheme since 1 July 2009 to maintain all defined benefits and insurances at 100% regardless of market volatility. The Actuarial Review of the Scheme as at 1 July 2009 has validated this measure and it will again be reviewed as at 1 July 2010. My thanks go to the Scheme Manager Alan Kent and United Fire Fighters Union secretary Greg Northcott for their work in visiting all sites and stations to explain to members the Board's deficit rectification measures.

During 2009-2010 the Scheme has had to administer a larger than normal number of insurance claims which have placed beneficiaries in a much better financial position than they might have otherwise been. The comprehensive insurance cover provided to members is a very important benefit. On behalf of the trustee directors I would like to again convey our condolences to the families of those members involved.

Whilst the Scheme's trust deed and rules have had no amendments over the last twelve months, they continue to be reviewed as to their adequacy and appropriateness. It will be interesting to see what recommendations from both the Henry and Cooper reviews might finally be adopted by the Federal Government. There is no doubt that the fast growing superannuation industry will be constantly scrutinized by all future governments.

I would like to take this opportunity on behalf of members and the trustee to thank Bill Jamieson who retired during the year and contributed enormously to the Scheme over a period of fourteen years. Bill's support to the Scheme's members, fellow trustees and staff has been unswerving and greatly appreciated.

Again, my thanks go to my fellow directors and the Scheme's staff for their efforts in steering the Scheme through another year of change and challenges in ensuring all members' financial and insurance interests are well protected.

Robert Tidswell

Chairman

Your Super – How your benefit works

If you are a Defined Benefit Member

All permanent employees are Defined Benefit members.

Your retirement benefit is 'defined'. This means that your benefit on retirement is based on a calculation that takes in to account your years of service and your final average salary (please refer to the Member Benefit Guide for more information about how your benefit is calculated). Your retirement benefit is not affected by how the Scheme's investments perform.

As you would be aware, some benefits on leaving service prior to age 50 are related to the Scheme's earnings, i.e. the resignation benefit. The assets for the Defined Benefit Section of the Scheme are invested in the Growth option and therefore the investment earnings generated by this option will be allocated to your compulsory contributions to calculate your leaving service benefit options.

If you are an Accumulation Member (or you are a Defined Benefit member with an Accumulation Account)

Your accumulation investment purchases units

The net amount of your superannuation contribution in an accumulation account (i.e. after any fees and/or taxes are deducted) buys what is known as 'units' in the Scheme. The number of units that your net contributions buy depends on the unit price at the relevant time. For example, if your net contributions are $1,000 (i.e. after any fees and/or taxes are deducted) and the unit price is $1.00 at that time, then 1,000 units would be bought on your behalf.

Unit prices are calculated on a weekly basis and fluctuate according to the investment performance of the Scheme (i.e. the unit price for the Scheme will reflect the value of the Scheme's underlying investments after making provision for tax on those investments and investment management fees).

The value of your accumulation account balance at any time is simply the number of units you have multiplied by their unit price at that time.

Net earnings on the Scheme's investments (which may be positive or negative) will be reflected via changes in unit prices. If the net earnings for the Scheme are positive, the unit price will increase. If the net investment earnings are negative (a loss), the unit price will decrease.

The effective rate of net earnings for a given period can therefore be determined by the proportionate increase (if returns are positive) or decrease (if returns are negative) in the unit prices from the start to the end of the period.

Your member statement shows how many units you have and their value as at 30 June 2010.

Your options - Accumulation Benefits

Your Scheme offers you a choice of where to invest your super money.

Different members have different financial needs and no one investment option will suit everyone. That's why you have a choice of 7 options in this Scheme.

The rate of return you can expect from each investment option will vary according to the asset class(es) it is invested in.

Historically, an investment option invested mainly in growth assets (e.g. shares and property) has provided the best returns over the long term (more than 10 years). However, high growth options tend to have the most variation in returns from year to year. On the other hand, with an investment option that is invested mostly in defensive assets, such as fixed interest and cash, you could expect lower returns over the long term but less variation in returns from year to year.

However, you should be aware that past performance should not be relied upon as an indicator of future performance.

If you do not nominate an investment option when you join the Scheme, your super will be invested in the default option nominated by the Trustee. The Scheme's default investment option is the Growth option.

See pages 6 to 9 for a description of each investment option.

Investment returns – prior 1 November 2007

Prior to 1 November 2007 the Accumulation assets and Defined Benefit assets were invested in the same portfolio. Investment returns (net of tax and investment expenses) from 1 July 2005 to 31 October 2007 were as follows:

Period	Return
1/7/05 - 30/6/06	15.1%
1/7/06 - 30/6/07	14.2%
1/7/07 - 31/10/07	3.0%

Investment returns – since 1 November 2007

The table below shows each investment option's effective rate of net earnings (i.e. the actual rate of return net of tax and investment expenses) over the period from 1 November 2007 to 30 June 2010. You should refer to each investment option's objectives on pages 6 to 9. For an explanation of the reasons behind this year's investment returns, please turn to page 10. Please note that past performance is not a forecast or guarantee of future performance.

	High Growth	Growth	Balanced	Moderate	Conservative	Capital Defensive	Cash
1 November 2007 to 30 June 2008	-16.6%	-14.4%	-12.5%	-9.8%	-6.9%	-2.3%	3.6%
1 July 2008 to 30 June 2009	-17.7%	-16.2%	-14.0%	-8.7%	-6.5%	-1.5%	4.8%
1 July 2009 to 30 June 2010	12.0%	11.2%	11.3%	11.0%	11.0%	9.6%	3.3%
Compound average effective rate of net earnings for period 1 November 2007 to 30 June 2010	-9.4%pa	-8.1% pa	-6.4% pa	-3.3% pa	-1.3% pa	-2.0% pa	4.4% pa

5 year investment returns

Effective 1 November 2007 the Scheme introduced member investment choice for Accumulation benefits. The default investment option for Accumulation benefits is the Growth option.

Defined Benefit assets for permanent employees have been invested in the Growth option since 1 November 2007.

The 5 year compound return to 30 June 2010 for Defined Benefit assets (and for Accumulation benefits if you have remained invested in the Growth option), after fees and taxes, was 1.5% p.a.

Indexation rate for Deferred Members

Members that have elected to defer their benefits in the Scheme on ceasing employment prior to age 50 have their benefits indexed each year. The rate that applies depends on when a member elected to defer their benefit. For members who ceased employment prior to 23 June 2003 the annual indexation rate is based on the increase in Consumer Price Index (CPI) plus 3%, whilst for members deferring benefits after 23 June 2003 the annual indexation rate is CPI.

The rates applicable for the year ending 30 June 2010 are as follows:

Members electing to defer prior to 23 June 2003	5.6%
Members electing to defer after 23 June 2003	2.6%

How much is invested in each option?

The following table shows the dollar value and percentage of the total assets of each Accumulation benefit investment option over the past two years.

	High Growth		Growth		Balanced		Moderate	
	($)	(%)	($)	(%)	($)	(%)	($)	(%)
30/06/2010	632,780	1.82	30,927,675	88.79	1,076,632	3.09	283,524	0.81
30/06/2009	329,895	1.16	24,275,532	85.45	686,002	2.41	86,248	0.30

	Conservative		Capital Defensive		Cash		Total	
	($)	(%)	($)	(%)	($)	(%)	($)	(%)
30/06/2010	62,605	0.18	13,586	0.04	1,834,265	5.27	34,831,067	100.0
30/06/2009	31,562	0.11	40,939	0.14	2,958,996	10.42	28,409,174	100.0

The assets in the Defined Benefit portfolio, which is invested in the Growth option, were $161,796,951 as at 30 June 2010.

Changing your investment choice

Once you have made your investment choice, it will continue to apply until you inform the Scheme of a new choice. You are able to switch your investment choice once a week. Forms received by the Trustee by 5pm Thursday will be processed at the next declared unit price, generally on the following Monday.

Call the Manager on (08) 8204 3826 for details on how to make a change.

It's usually wise to seek professional financial advice before making any financial decisions.

Is there a fee involved?

The first investment switch you make each year is free. For any subsequent switches you make each year, a fee of $30.00 is deducted from your account balance.

Planning to leave?

For Accumulation benefits, the investment earnings that apply to your chosen investment option are calculated up to the day you leave the Scheme and applied to your benefit.

For Permanent Fire-fighters, the Defined Benefit portion of your benefit will be invested in the Growth investment option effective from the date of your leaving service. Any Accumulation derived benefit will continue to be invested in your chosen investment option/s.

Your investment options

Choosing and monitoring investment managers

The Scheme's investments are managed by Funds SA. Funds SA invests and manages over $14 billion on behalf of South Australian public sector superannuation funds and other approved authorities. Funds SA create and deliver multi sector investment products by engaging specialist investment managers and advisers to enable superannuation funds like the Scheme to have access to efficient and well structured investment facilities.

Funds SA determines the allocations of investments in each of the investment options and which managers are used to invest the assets. Funds SA critically assesses the selection of investment managers, manages investment manager appointments and replacements, and reviews and reports on performance against investment objectives.

Each investment option has guidelines for investing

For each investment option there is an investment policy that sets an investment strategy and objectives that determine how and where your money will be invested. While having an objective and strategy are required by law, having a strategy helps ensure that your Scheme maximises investment returns while maintaining an acceptable level of risk. **Please note that the objectives are not a forecast or guarantee of future performance**.

Each investment option's performance is monitored regularly against objectives and strategy and changes are made where necessary. A copy of your Scheme's investment policy statement is available on request. There are different levels of investment risk associated with each of the Scheme's investment options. Please refer to the Scheme's Member Benefit Guide for more information. You can obtain a copy of the Scheme's Member Benefit Guide by calling (08) 8204 3826 or visiting **www.samfs.superfacts.com**.

The Scheme's investment approach

The Trustee aims to manage investment risk by offering members a range of investment options for Accumulation benefits that help provide the benefit of diversification by accessing different asset classes.

High Growth Option

Objectives

The broad investment aim is to maximise long term investment returns, while tolerating a high degree of variability in year-to-year returns.

More specifically, the High Growth option aims to earn returns after tax and fees that exceed CPI increases by 5% pa over ten year periods or longer.

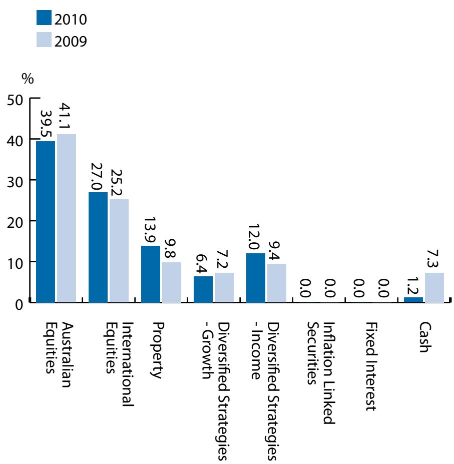
Strategy

The option is invested 85% -100% in growth assets with the balance in income assets.

Risk

Members choosing this option should accept the possibility of negative returns, on average, two years in every seven.

Where the assets were invested as at 30 June



Growth Option (default option)

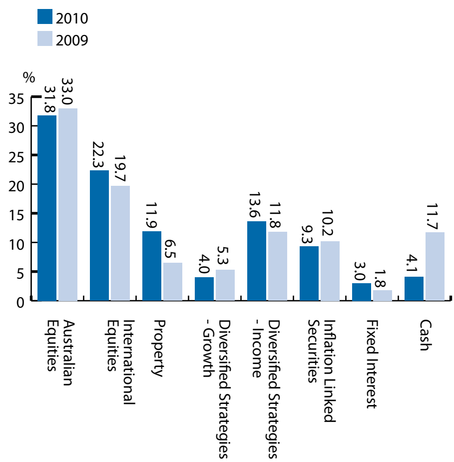
Objectives
The broad investment aim is to maximise long term investment returns, while tolerating a medium to high degree of variability in year-to-year returns.

More specifically, the Growth option aims to earn returns after tax and fees that exceed CPI increases by at least 4.5% pa over eight year periods or longer.

Strategy
The option is invested 70% - 85% in growth assets with the balance in income assets.

Risk
Members choosing this option should accept the possibility of negative returns, on average, two years in every eight.

Where the assets were invested as at 30 June



Balanced Option

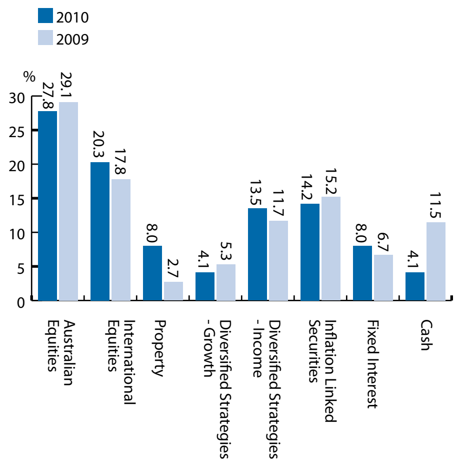
Objectives
The broad investment aim is to maximise long term investment returns, while tolerating a medium degree of variability in year-to-year returns.

More specifically, the Balanced option aims to earn returns after tax and fees that exceed CPI increases by at least 4% pa over seven year periods or longer.

Strategy
The option is invested 60% -75% in growth assets with the balance in income assets.

Risk
Members choosing this option should accept the possibility of negative returns, on average, two years in every nine.

Where the assets were invested as at 30 June



Moderate Option

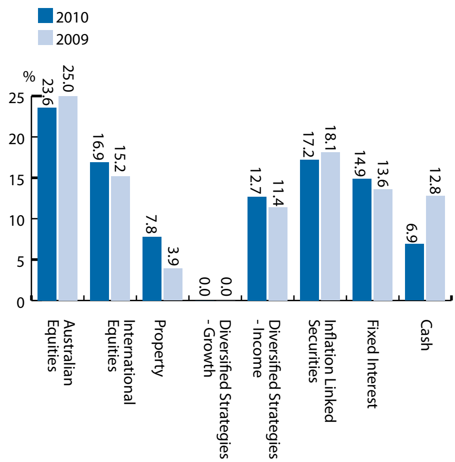
Objectives
The broad investment aim is to maximise long term investment returns, while tolerating a low to medium degree of variability in year-to-year returns.

More specifically, the Moderate option aims to earn returns after tax and fees that exceed CPI increases by 3.5% pa over six year periods or longer.

Strategy
The option is invested 47% - 62% in growth assets with the balance in income assets.

Risk
Members choosing this option should accept the possibility of negative returns, on average, two years in every ten.

Where the assets were invested as at 30 June



Conservative Option

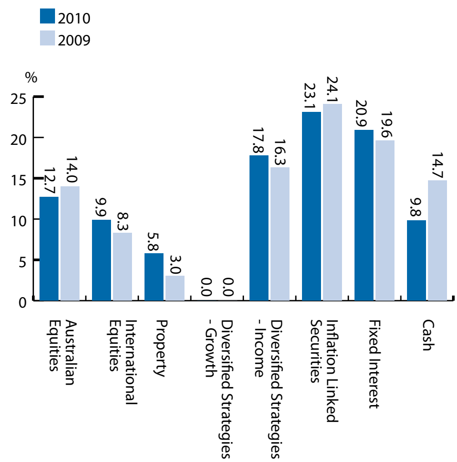
Objectives
The broad investment aim is to maximise long term investment returns, while tolerating a low degree of variability in year-to-year returns.

More specifically, the Conservative option aims to earn returns after tax and fees that exceed CPI increases by at least 3.0% pa over four years or longer.

Strategy
The option is invested 30% - 45% in growth assets with the balance in income assets.

Risk
Members choosing this option should accept the possibility of negative returns, on average, two years in every fourteen.

Where the assets were invested as at 30 June



Capital Defensive Option

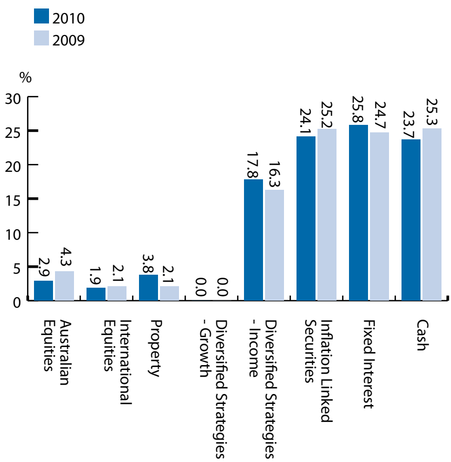
Objectives
The broad investment aim is to maximise long term investment returns, while tolerating a low degree of variability in year-to-year returns.

More specifically, the Capital Defensive option aims to earn returns after tax and fees that exceed CPI increases by at least 2% pa over two years or longer.

Strategy
The option is invested 10% - 25% in growth assets with the balance in income assets.

Risk
Members choosing this option should accept the possibility of negative returns, on average, two years in every forty.

Where the assets were invested as at 30 June

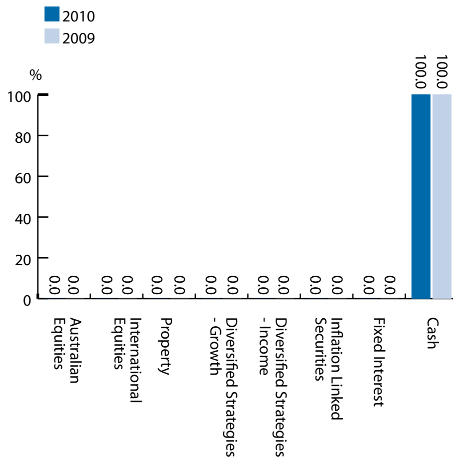


Cash Option

Objectives / Risk
The broad investment aim is to maintain the capital value of the investment with a negligible likelihood of a negative return over any rolling twelve month period.

Strategy
The option is invested 100% in income assets.

Where the assets were invested as at 30 June



Keeping an eye on risk

External investment managers used by Funds SA are required to take steps to ensure that risk is kept at an acceptable level.

The Trustee does not undertake day-to-day management of derivative instruments. External managers used by Funds SA may use derivatives in managing investment portfolios for the Trustee. Limits on the extent of derivative use are specified in the Investment Management Agreements between Funds SA and the managers. In addition, Funds SA considers the risks and the controls in place by analysing the managers' Derivatives Risk Statements.

Environmental, social and ethical considerations

Decisions to invest in or realise investments are based on key financial and managerial criteria. The Trustee does not separately consider social, environmental or ethical factors or labour standards to make these decisions.

Momentum of global economic recovery stalled by fourth-quarter upset

The first three quarters of the 2009-10 financial year saw the global economy continue to recover from the Global Financial Crisis (GFC) but an "upset" in the final quarter has taken back some of the gains made, leaving a weak outlook for global growth for the rest of 2010 and into early next year.

The worst of the GFC (i.e. as we knew it through the second half of 2008 and early 2009) was over by July 2009. At that time, we had already seen share markets rebound for one quarter and strong growth continue for the rest of 2009 and into the first few months of 2010. However, while we were well through the worst of the GFC, we were not out of the woods. As an article from Mercer's investment management business warned in September 2009, "we now need to be mindful of the inherent volatility of investment markets and remain vigilant."

That inherent volatility would again erupt in May 2010, causing a financial year fourth quarter upset primarily driven by the escalation of European sovereign debt risks, originating in Greece but spreading to other areas of the "eurozone." This so-called Sovereign Debt Crisis, along with an apparent sharp slowdown in Chinese economic growth, had a negative impact on share markets and other listed securities (e.g. listed property, listed infrastructure) over the closing months of the year to 30 June 2010.

However, it was not all bad news. Whilst share markets were very weak in May, local investors holding *unhedged* overseas shares benefitted from a sharp fall in the Australian dollar that month. For these investors, the global share market fall was more than offset by the fall in the Australian currency.

Meanwhile, bond markets continued to recover, with sovereign bonds in particular providing a safe haven. Ironically, in a period dominated by concerns over sovereign debt risk, sovereign bonds (which are effectively investments in sovereign debt) outperformed all other asset classes. For example over the final three months of the 2009-10 financial year, the sovereign bonds asset class (in Australia and overseas) was up over 4.0% whilst Australian and overseas (hedged) share market investments declined more than 10.0%.

During the GFC, sovereign bonds proved to be "true to label", meaning they performed in line with expectations for a so-called "defensive" asset class, delivering positive absolute returns. Other defensive asset classes (e.g. global credit) did not.

According to Mercer, investors need not be alarmed by events such as those that unfolded in the eurozone in the final quarter. Mercer remains confident that the defensive qualities of sovereign bonds can be expected to come to the fore again in times of crisis.

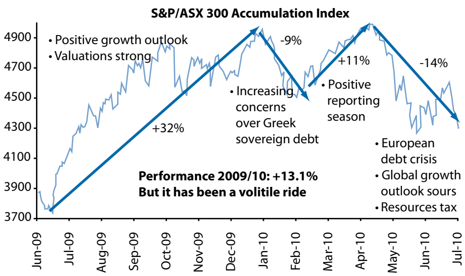
The outlook

Unfortunately, the end of one financial year does not neatly close the book on negative developments and the outlook for global growth for the rest of 2010 remains relatively weak compared to the outlook six months ago due to expectations for world economies.

However, the good news is that markets do tend to operate in cycles and so will eventually recover.

The question is when will they recover enough to make up the losses incurred during the GFC and the more recent Sovereign Debt Crisis? Unfortunately, forecasting the point at which one stage of the investment cycle ends and another begins can never be precise. If only it were!

As we saw over May and June 2010, a recovery can be stalled and revert to a slowdown for a period of time. But a boom might be just around the corner and suddenly take off before you know it. Seeking a safe haven in a more defensive asset class is not necessarily a bad move, but it should never be made reactively in response to a volatile market. A reactive approach only risks locking in or "crystallising" losses and potentially missing out on valuable growth opportunities when share markets again take off. Any move needs to be made strategically in the context of the markets' cycle and indeed where you are in your own personal life cycle.



Source: Mercer Investment Consulting

Where to now for world economies?

The outlook for global growth for the rest of 2010 remains relatively weak compared to the outlook six months ago. Here's why.

United States

A revival in household income supported a further strengthening in consumer spending growth in the United States during the first half of 2010, gradually broadening Gross Domestic Product (GDP) growth there. However GDP growth in the second half of 2010 is likely to be around 2.0% to 2.5%, compared with the 3.0% to 3.5% likely outcome anticipated in the first half of the year.

Europe & Asia

Bank wholesale funding markets remain under increasing strain in the eurozone as concerns mount over the capital adequacy of banks and the potential inability of overstretched governments to bail out insolvent lenders. Even setting aside these intensifying financial risks, some of the smaller European economies may well be driven into deeper recession in the second half of the year, with little prospect of recovery before early to mid 2011. In contrast, GDP growth in Germany appeared to have accelerated sharply in the three months to 30 June 2010, reflecting the concurrent strength of global demand growth and the weaker euro. In the United Kingdom, the new coalition government has proposed a reduction in the fiscal deficit from an estimated 11.0% of GDP in 2009/10 to 3.5% in 2013/14. While likely to constrain GDP growth in the short-term, the measures appear to have curbed concerns over longer-term fiscal sustainability.

In contrast to the US and Germany, growth in China appears already to have moderated significantly, albeit from levels in late 2009 that were clearly unsustainable. After peaking with an annual increase of 11.9% in the first three months of 2010, GDP growth slowed to 10.3% in the next three months, most likely dragged down by the effects of tighter credit conditions and declines in spending on infrastructure.

In Japan, public debt/GDP ratios are among the most troubling in the OECD and will ultimately require Japanese policy-makers to implement substantial fiscal reform.

Australia

Similar to other major economies, production growth in Australia also appears to have peaked during the first half of 2010. Whilst a sharp slump in Australian GDP growth in the second half of 2010 and into early 2011 is probably unlikely, above-trend growth has almost certainly been curtailed by the rapid withdrawal of excess monetary stimulus (and the anticipated unwinding of the fiscal stimulus), along with the sudden emergence of a more challenging short-term global growth outlook. By 30 June 2010, the terms of trade had risen for three consecutive quarters and the pipeline of committed mining and resource-related investment was continuing to swell.

Interest rates

The sharp decline in core inflation over the first half of 2010 and the softening economic outlook in the remaining six months of the year have resulted in a marked decline in inflation expectations, both in the US and the euro area.

Whereas markets had been anticipating the US Federal Reserve (Fed) to begin lifting interest rates in the three months to 30 June 2010, this event is now not expected until mid-2011 (and with an expected Fed funds rate of just 1.20% in mid-2012). Mercer believes the risks remain tilted towards the funds rate remaining unchanged for even longer than currently discounted. Increased interest rates in the euro area is an equally distant prospect.

In Australia, by contrast, having brought the cash rate back from 3.0% to a more 'neutral' 4.5% in the space of just seven months, the Reserve Bank of Australia (RBA) has signalled it is prepared to sit back for some time and assess the unfolding impact. The RBA clearly retains a strong tightening bias, and the key issue is at what point it is likely to re-start the process.

Source: Mercer Investment Consulting

Some investment terms explained

Consumer Price Index (CPI) – is used to measure the rate of increase in inflation. In Australia, it is based on the change in prices of a selection of household goods and services.

Average Weekly Earnings (AWOTE) – is used to measure the rate of increase in average wages in Australia.

Asset class – type of investment such as Australian shares, property securities or Australian fixed interest.

Growth assets – assets expected to grow in value over time (although their value may rise and fall in the short term), such as shares and property.

Stable assets – assets held to generate an income rather than for long-term growth. They are sometimes referred to as 'debt' or 'defensive' assets. Examples are fixed interest and cash.

Asset allocation – the range of assets held in the various asset classes such as Australian shares, overseas shares, and property.

Gross domestic product (GDP) – refers to the total value of goods and services produced by a country in a year. It's calculated based on a formula that includes factors such as consumer and government spending and the value of exports and imports.

How your Scheme works

Your Scheme is run by a trustee company SA Metropolitan Fire Service Superannuation Pty Ltd ACN 068 821 750 according to its governing legal document, the trust deed, and Superannuation Law.

There are eight Directors of the Trustee Company, four Employer Representatives that are appointed by the Employer and four Member Representatives.

The Member Representatives are appointed and elected from two separate groups. The United Fire Fighters Union Inc (UFU) nominates three Directors and Scheme members who are not eligible to join the UFU elect one Director. The period of office for a member-elected Director is up to three years (or longer if the Trustee determines there are special circumstances). Subject to their being renominated and being willing, the Member Representative Director can be reappointed for a further term.

Directors who are either Employer or UFU nominated Member representatives, will cease to hold office if the nomination by the relevant organisation is withdrawn or they become ineligible under relevant legislation.

For the Director elected by the Scheme members who are not eligible to join the UFU, he or she will cease to hold office if written notice to that effect is given to the Trustee by a majority of the relevant Scheme members, or they become ineligible under relevant legislation.

A formal set of rules governing the appointment and removal of Member Directors has been established and is available on request from the Manager.

The Directors of SA Metropolitan Fire Service Superannuation Pty Ltd during the period from 1 July 2009 to 30 June 2010 were:

Employer Representatives
Grant Lupton (1/7/09 to 30/6/10)

Garry Powell (1/7/09 to 30/6/10)

Mick Smith (1/7/09 to 30/6/10)

Roy Thompson (1/7/09 to 30/6/10)

Alternate directors:
Glenn Benham (1/7/09 to 30/06/10)

Ray Sedunary (1/7/09 to 27/4/10)

Christopher Smith (2/6/10 to 30/6/10)

Member Representatives
Nominated by the UFU:
Dave Harvey (5/8/09 to 30/6/10)

Michael Vander Jeugd (1/7/09 to 30/6/10)

Greg Northcott (1/7/09 to 30/6/10)

Alternate Directors
Dave Harvey (1/7/09 to 4/8/09)

Neil Mangelsdorf (5/8/09 to 30/6/10)

Greg Smithson (5/8/09 to 30/6/10)

Elected by Scheme members who are not eligible to join the UFU:
Robert Tidswell (1/7/09 to 30/06/10)

Amendments to the Trust Deed

There were no amendments made to the Trust Deed during the period from 1 July 2009 to 30 June 2010.

Advice about your super

While the Trustee and the Manager can give you information about your benefit in the Scheme, neither the Trustee, the Manager nor your employer can provide you with any advice.

If you require any advice about superannuation, you should consult an appropriately licensed financial adviser.

You can also access up-to-date information about your benefit in the Scheme by visiting the Scheme website at **www.samfs.superfacts.com**.
The website allows you to:

- view your account balance;
- update your contact details;
- update your beneficiaries; and
- view your contribution history, account deductions or surcharge details.

Your Scheme has these advisers

These people provide assistance to the Trustee:

Accounting and tax services

Sharyn Long Chartered Accountants
Level 6, 216 Georges Tce
Perth WA 6000

Superannuation consulting

Mercer (Australia) Pty Ltd
Level 5, 108 North Terrace
Adelaide SA 5000

Administration

Mercer (Australia) Pty Ltd
33 Exhibition Street
Melbourne VIC 3000

Death and Disablement Insurance

AMP Life Limited
33 Alfred Street
Sydney NSW 2000

Auditing services

Auditor-General's Department
200 Victoria Square
Adelaide SA 5000

Actuary

Mr Laurie Brett
Brett & Watson Pty Ltd
157 Grenfell Street
Adelaide SA 5000

Legal

DMAW Lawyers
Level 3, 80 King William Street
Adelaide SA 5000

Mercer Legal
33 Exhibition Street
Melbourne VIC 3000

Investment Manager

Funds SA
63 Pirie Street
Adelaide SA 5000

Insurance protection

The Scheme pays for insurance to protect the Trustee, its Directors and the Scheme against the financial effects of any 'honest mistake' that might occur in running the Scheme.

No penalties were imposed on the Trustee under the Superannuation Industry (Supervision) or Corporations legislation during the year.

Special tax treatment

Super is one of the most effective ways to save because it is taxed at a lower rate than many other forms of income. To get this tax advantage, your Scheme must operate according to a strict set of laws.

The Trustee is unaware of any event that occurred during the year that would affect this special tax treatment.

Global Financial Crisis and impact on the Scheme

As a consequence of the impact on the Scheme's finances of the Global Financial Crisis, the Trustee decided that the most appropriate action to assist the Scheme back to a fully funded position was to increase members' contributions by 3% (post tax) of salary, effective 1 July 2009.

The Trustee has subsequently been actively monitoring the Scheme's finances and has accepted the recommendation of the 1 July 2009 Actuarial Review that the extra 3% (post tax) contribution to sustain your benefit accruals and insurances at 100% continue until the Scheme's financial position is again reviewed as at 1 July 2010.

Accordingly, the Trustee will re-assess contribution levels as part of the next scheduled review of the financial position of the Scheme (as at 1 July 2010), though the Trustee will not receive the actuary's report for some months following 1 July 2010.

Costs are carefully managed

The costs of running the Scheme are managed carefully.

This section shows fees and other costs you may be charged. These fees and costs may be deducted from your money, from the returns on your investment, or from the Scheme assets as a whole. You need to take into account the impact of tax as well.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Please refer to the Scheme's Member Benefit Guide for more information.

You do not pay GST on any of the fees and charges set out below.

If you are a Defined Benefit member then fees and costs will not generally impact your defined benefit.

Significant fees

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Scheme		
Establishment fee: The fee to open your investment	Nil	Not applicable
Contribution fee: The fee on each amount contributed to your investment – either by you or your employer	Nil	Not applicable
Withdrawal fee: The fee on each amount you take out of your investment	$60.00	Deducted from your account balance each time you make a withdrawal.
Termination fee: The fee to close your investment	$60.00	This fee is deducted from your account at the time your final payment is made.

Management costs		
The fees and costs for managing your investment	An asset based fee during 2009 -10 of 0.50% pa of your Defined Benefit member contribution account and between 0.07% pa and 0.59% pa of your Accumulation account balance depending on your chosen investment option.*	This fee is calculated in determining the weekly unit price for each investment option.
Parked and Spouse members only	A weekly administration fee of $3.48** which is in addition to the asset based fee above.	This fee is deducted at each 1 July or on ceasing to be a member of the Scheme.

* See the applicable asset based fee for each investment option under the "Investment management costs" heading on page 18.

** This amount may be automatically indexed each 1 January in line with Average Weekly Ordinary Time Earnings (AWOTE).

Service fees		
In some cases, user pays family law fees may also apply. See the section 'Additional explanation of fees and costs' over the page.		

Investment Switching Fee		
This is charged when you switch between investment options offered by the Scheme.	One free switch per year but subsequent switches are $30 each.	The switch fee is deducted from your Accumulation benefit at the time you switch investments.

Example of annual fees and costs

This table gives an example of how the fees and costs for a member's Accumulation account investing in the Growth option (the Scheme's default investment option) during 2009/10 can affect your superannuation investment over a one-year period. You should use this table to compare this product with other superannuation products.

Example		Balance of $50,000 with total contributions of $5,000 during year
Contribution fees	Nil	For every $5,000 you put in, you will be charged nil.
PLUS Management costs	0.5% p.a. of your Accumulation account	And, for every $50,000 you have in the Scheme you will be charged $250.00 each year, using the actual investment management fees for 2009/10 (please refer to page 18 for more information on investment management fees).
EQUALS Cost of Scheme	$250	If you put in $5,000 during a year and your balance was $50,000, then for that year you will be charged fees of $250.* The amount it costs will depend on the investment option you choose.

*Additional fees may apply. If you leave the Scheme, you will also be charged a withdrawal fee of $60.

Additional explanation of fees and costs

Family law fees

The table below shows information about Family Law costs. For more information about Family Law and how it may affect your super benefit, contact the Manager.

Type of fee or cost	Amount	How and when paid
Application for information – in the format specified under the Family Law Act - For Defined Benefit valuation - No valuation required	 $250 Nil	Payable by the person requesting the valuation.
Splitting a benefit	$385	Shared equally by both parties and will be deducted from each super benefit at the time the benefit is split.
Flagging a benefit	Nil	Not applicable.

Breakdown of management costs

The table below contains a breakdown of management costs.

Fees	Amount	How and when paid
Administration fees: Cover the general administration of the Scheme	0% p.a.	N/A
Expense recoveries: An estimate of the out of pocket expenses the Trustee is entitled to recover from the Scheme	0% p.a.	N/A
Member fee: Member account keeping fee charged by the Scheme	$3.48 per week for Parked and Spouse members Nil for all other members	Paid directly from your account balance.
Investment fees: Cover the fees paid to the investment manager	0.07% p.a to 0.59% p.a.	Deducted from Scheme earnings (actual investment management fees 2009/10).

Investment management costs

The table below sets out the fees and costs that apply for managing each investment option. The amount you pay depends on the option you choose. Management costs are passed on to members by way of an adjustment to the unit prices.

Investment option	Total Investment Mgt Fees (% pa of your account balance)		How and when paid
	Actual fees* 2009-10	Forecast fees* 2010-11	
High Growth	0.59%	0.60%	Deducted from Scheme earnings before unit price is declared
Growth	0.50%	0.53%	Deducted from Scheme earnings before unit price is declared
Balanced	0.47%	0.50%	Deducted from Scheme earnings before unit price is declared
Moderate	0.37%	0.37%	Deducted from Scheme earnings before unit price is declared
Conservative	0.34%	0.32%	Deducted from Scheme earnings before unit price is declared
Capital Defensive	0.28%	0.25%	Deducted from Scheme earnings before unit price is declared
Cash	0.07%	0.06%	Deducted from Scheme earnings before unit price is declared

For example, if you had a balance of $50,000 and you had selected the Growth option, the reductions in investment earnings for the 2009/10 year due to the investment management costs would have been $250.

* It should be noted that the **actual** investment management expenses shown are for the 2009/10 financial year only. **Estimated** investment management expenses are also provided in the above table for the 2010/11 financial year. However, the 2010/11 estimates and the costs in future years may vary due to a number of factors including growth in Funds SA funds under management being different from that assumed and the outcome of performance fee arrangements with certain managers which are dependent on the relevant manager's performance for the year.

Performance fees

Where an investment manager used by Funds SA charges a performance fee, that fee will be included in the management costs for the Scheme and be passed on to members by way of an adjustment to the Scheme's unit prices.

Investment managers used by Funds SA that charge a performance fee only apply those fees when performance is greater than an agreed target.

Accordingly, performance fees arise when higher returns, relative to a specified target for a particular manager, are achieved.

As the agreed performance targets may vary between investment managers, it is not possible to provide a precise figure for the performance fees which will be applicable.

Insurance costs

For Defined Benefit members, insurance premiums are currently paid from the Scheme and factored into the contributions you and your employer make. If this arrangement were to change in the future you would be appropriately advised.

For Retained firefighters the insurance premiums are paid by your employer.

There is no insurance cover for Parked, Spouse or Deferred members.

Indexation of fees

The administration fees for Parked and Spouse members and the withdrawal fee and termination fee set out in the 'Significant fees' table may be indexed annually each 1 January to AWOTE, with the next indexation occurring at 1 January 2011.

Fee increases (other than indexation)

The Trustee has the right to increase fees at any time. You will receive at least 30 days' notice of any increase in fees.

Member protection

Federal Government legislation requires that administration charges for members whose withdrawal benefits are less than $1,000 do not exceed the investment earnings credited in respect of the relevant reporting period except in limited circumstances. The intention of the legislation is to protect members with small account balances against any erosion of this benefit due to administration charges.

For Permanent employees and Retained Fire-fighters, because the administration fees are paid from the assets of the Scheme which is funded by employer and member defined benefit contributions, members pay fees (if applicable) in proportion to their super account balances and the usual member protection does not apply where a member's benefit is less than $1,000.

Parked members, Defined Benefit members and Spouse members are generally not eligible for protection as their super accounts do not include any employer Superannuation Guarantee contributions.

Financial summary

This is a summary of the Scheme's audited accounts for the year ended 30 June 2010. You can request a copy of the audited accounts and the auditors report from the Manager.

Statement of change in financial position 2009-10	
Scheme assets at 30 June 2009	**$174,965,042**
plus	
Net investment revenue	$21,087,840
Employer Contributions*	$14,164,445
Member Contributions	$1,411,981
Transfers from other funds	$1,100,307
Insurance Proceeds	$911,405
Other revenue	$2,045
Total revenue	**$38,678,023**
less	
Benefits paid	$7,173,438
General administration expenses	$711,003
Insurance premiums	$968,714
Income tax expense	$2,225,329
Total Expenses	**$11,078,484**
Net assets as at 30 June 2010	**$202,564,581**

* This includes all pre-tax contributions including salary sacrifice contributions and any other deductable contributions.

Financing the Defined Benefits

Under the financing arrangements for permanent employees' benefits, the Employer pays a fixed contribution of 11% of members' superannuation salaries. This amount is based on the salary at 1 April each year and changes for Scheme purposes at each 1 July.

Members are required to pay the relevant contribution based on their age at the date joining the Scheme.

Each year, the Scheme's actuary conducts a review of the Scheme's financial position to determine if the contributions being made are sufficient to meet the ongoing financial requirements of benefits to members. Please see page 14 for information on the impact of the global financial crisis on the Scheme's defined benefit funding.

Statement of financial position 30 June 2010	
Investment by facility	
Investments	$196,628,018
Cash at Bank	$1,005,254
Deferred tax asset	$6,363,009
Other assets	$16,371
Receivables	$273,377
Total Assets	**$204,286,029**
Liabilities	
Benefits payable	$400,458
Provisions for tax	$1,161,343
Other liabilities	$159,647
Total liabilities	**$1,721,448**
Net assets as at 30 June 2010	**$202,564,581**

These accounts were prepared by Sharyn Long Chartered Accountants.

Surcharge Tax

Prior to 20 June 2005, an additional 'surcharge tax' was charged on the super accounts of some higher income earners. This tax only applied to certain contributions and to some termination payments made by your employer.

Although this tax was abolished from 1 July 2005, it still applies to some contributions and termination payments that were made before 20 June 2005. In these cases, the Australian Tax Office (ATO) will issue surcharge tax assessments or amended surcharge assessments in respect of those contributions and termination payments.

If the Scheme is required to pay surcharge tax in relation to you, the tax payable is deducted from your super account in the Scheme. If you roll your super into the Scheme from another fund, any surcharge tax liability may be transferred to the Scheme.

If you leave the Scheme and we receive a surcharge assessment or an amended surcharge assessment for your account, we will return it to the ATO. The ATO will either forward it to your new fund or to you.

Super news

Proposed improvements to super following Henry Taxation Review

Despite speculation about adverse changes arising from the Henry Review of Australia's tax system, the superannuation changes announced by the Government on 2 May 2010 were all positive:

- A gradual increase in the Superannuation Guarantee from 9% to 12%
- Superannuation Guarantee contributions to be required up to age 70
- A new Government superannuation contribution for low income earners
- A permanent higher concessional contribution limit for those aged 50 or more

Changes to the Superannuation Guarantee

The Government has announced that it will gradually increase the Superannuation Guarantee from 9% to 12% in small increments from 1 July 2013 to 1 July 2019. This should improve the adequacy of retirement benefits provided to Australians and the sustainability of Australia's retirement income system.

The Government will also raise the Superannuation Guarantee age limit from 70 to 75. This will be done incrementally with effect from 1 July 2013. This is also a positive change which broadens the range of employees covered by the Superannuation Guarantee.

Superannuation contribution for low income employees

A new contribution of up to $500 (not indexed) will be provided by the Government for individuals with an adjusted taxable income* of up to $37,000. This is designed to effectively return the 15% contribution tax on Superannuation Guarantee contributions and will commence in 2012-13.

This change will improve the tax effectiveness of superannuation for eligible low income earners, as well as provide a boost to their superannuation savings.

* Your adjusted taxable income includes your assessable income, reportable fringe benefits and your reportable employer superannuation contributions (see below).

Higher concessional contribution limit for those aged 50 or more to continue

The current transitional limit of $50,000 applicable to those aged 50 or more only applies until 30 June 2012. The Government has announced it will continue to provide the higher limit for those aged 50 or more, but only for those with total super balances below $500,000.

Again, this is a welcome change which will provide greater scope for eligible members to use concessional contributions to top-up their superannuation.

Please note that the above proposed changes were also mentioned in the recent 2010 Federal Budget but have not yet been legislated.

Co-contributions reduced but still valuable

The Government has decided to make permanent the previously temporary reduction in the rate of its popular **superannuation co-contribution**. Even though the amount of the co-contribution has now been permanently reduced, it is still a valuable benefit, which may increase your super savings.

The Government will continue to contribute up to $1 for each $1 contribution you make from your after-tax income. The maximum co-contribution is $1,000 a year if your adjusted taxable income* is less than $31,920 a year. The co-contribution reduces gradually for those earning up to a maximum of $61,920. These thresholds will remain frozen at these levels for the next two years, after which indexation will recommence.

* Your adjusted taxable income includes your assessable income, reportable fringe benefits and your reportable employer superannuation contributions (see below).

Reportable employer superannuation contributions

From 1 July 2009, employers are required to report details of employees' reportable employer superannuation contributions. This will be shown on a payment summary given to you by your employer each year so that you can include it in your tax return.

Generally, your reportable employer superannuation contributions will include any salary sacrifice contributions you make and any voluntary employer contributions over which you have some influence.

Even though you will need to show this figure in your tax return for the year ending 30 June 2010 (and subsequent years going forward), it will not form part of your taxable or your assessable income for income tax purposes. However, it will impact on your eligibility for a number of tax offsets and other benefits which are subject to income tests. It may also increase your obligations to pay the Medicare Levy surcharge and to make Child Support payments.

For example, your reportable employer superannuation contributions will be taken into account in assessing your eligibility for various benefits including Government superannuation co-contributions, the eligible spouse superannuation contribution tax offset, the Low Income Tax Offset, Mature Age Worker Tax Offset and Family Tax Benefits.

Family Law changes

Legislation introduced from 1 March 2009 enabled de-facto couples (including same-sex de facto couples) to split their superannuation on relationship breakdown.

The new provisions did not previously apply in South Australia or Western Australia. However, from 1 July 2005, the laws also apply to South Australia defacto couples. The laws still do not apply in Western Australia.

Changes in rules for the Government's age pension

The Government has increased the age at which people can become eligible for the age pension to age 67. However, this will not apply immediately.

Previously men were eligible (subject to the means tests) from age 65. Women were also eligible from age 65 although those born before 1 January 1949 were eligible from an earlier age which was being phased up to age 65.

This latest change will not affect men and women who were born before 1 July 1952. If you were born after 31 December 1956, you will not be eligible for the age pension until age 67.

If you intend retiring before the age you become eligible for the age pension, your super is now even more important as, unless you change your retirement plans, you may now need to rely on your super for up to two extra years before you might qualify for the age pension.

The following table sets out the new eligibility ages in more detail:

Born	**Women eligible for Age Pension at age**	**Men eligible for Age Pension at age**
From 1 January 1946 and 30 June 1947	64	65
From 1 July 1947 and 31 December 1948	64.5	65
From 1 January 1949 to 30 June 1952	65	65
From 1 July 1952 to 31 December 1953	65.5	65.5
From 1 January 1954 to 30 June 1955	66	66
From 1 July 1955 to 31 December 1956	66.5	66.5
From 1 January 1957	67	67

The Government has also replaced the previous pension bonus scheme, which was available to those who continued working past the pension eligibility age. (It will continue to apply to those already participating in the scheme). A new and much simpler scheme has been introduced under which only part of your employment income will be counted when working out your eligibility for the age pension. This will encourage people to continue working after reaching the eligibility age for the age pension.

Pension tax agreement between Australia and New Zealand

A new Double Tax Agreement between the Australian and New Zealand Governments is now in force. The agreement contains a section on pensions that will assist the movement of retirees between Australia and New Zealand.

Under the new treaty, pensions arising in the other country will not be taxed in the country of residence to the extent that they are not taxed in the source country. For example:

1. For a New Zealand resident receiving a pension from an Australian superannuation fund (other than an untaxed element of a pension paid from a Government sector fund):
   - If the person is over age 60: The pension would not be taxed if the pensioner was in Australia so it will no longer be taxed in New Zealand;
   - If the person is under age 60: The pension would generally be taxed if the pensioner was in Australia so it will be subject to New Zealand tax.
2. An Australian resident receiving a pension from a New Zealand pension fund will no longer be subject to Australian tax, as pensions from New Zealand funds are not taxed if paid to a person in New Zealand.

Note that the above changes only relate to pensions. Lump sums will continue to be taxed solely in the country where the benefit originates. However, lump sums paid from an Australian scheme are generally not subject to tax (from age 60) and there is generally no tax on lump sums paid from New Zealand schemes on cessation of employment.

The new treaty does not affect the taxation of Australian Centrelink pensions or New Zealand age pensions (paid by NZ Superannuation).

Cooper Review

The Super System Review, led by Jeremy Cooper, examined the governance, efficiency, structure and operation of Australia's superannuation system. The Panel has released a number of preliminary reports which essentially focused on ways of reducing costs, simplifying super for members and maximising retirement incomes for Australians.

The Review Panel's final report was released at the end of June 2010. The Government are yet to determine which of the Panel's recommendations it will implement, if any. It is likely that any recommendations which are accepted by Government will be introduced over time.

What to do when you leave

Permanent employees

Following your termination of employment with a participating employer you have 90 days from when you receive information from the Scheme to make arrangements for your super. If you don't advise the Trustee of where your benefit is to be paid you will remain in the Scheme as a Parked Member as from the date of your termination of employment.

If you are under age 50, the amount of your benefit will be based on the amount payable for the Immediate benefit as detailed in the Scheme's Member Benefit Guide and you will not have the option to select the Deferred benefit. If you are aged 50 or more, the amount of your benefit will be based on the amount payable for the Retirement Benefit. **It is important to note that your Defined Benefit derived portion will be invested in the Growth investment option effective from the date of your leaving service and will accumulate with investment earnings which may be positive or negative. Any Accumulation derived benefit will be invested in your chosen investment option/s and will accumulate with investment earnings which may be positive or negative.**

Retained fire-fighters

If you are about to leave work and take your super, make sure you respond promptly to letters from the Trustee about your benefit payment.

If you have reached age 65 and have not told your Scheme how and where to pay your benefit, and you cannot be contacted, then your benefit will be considered unclaimed money. It will then be placed with the ATO or relevant State or Territory authority for placing unclaimed money. You will then need to contact the ATO or State or Territory authority to find out how to claim your benefit.

If you are aged 64 or younger, and you do not respond to the Trustee within 90 days of leaving, your benefit may be transferred to an Eligible Rollover Fund (ERF). Upon transfer, you will no longer be a member or have any rights under the SA Metropolitan Fire Service Superannuation Scheme.

ERFs are designed as holding funds and are required to provide member protection. As a result, the rate of return in the ERF may be lower than in another superannuation fund. You should seek professional financial advice about the best place to roll over your benefit when you leave employment.

The Scheme uses the following ERF:

Australian Eligible Rollover Fund

About the Australian Eligible Rollover Fund

Set out below is a summary of some of the more significant features of the Australian Eligible Rollover Fund (AERF), current as at July 2010:

- The investment objective of the AERF is to provide members with long term growth and moderate volatility through investment in a diversified portfolio with exposure to growth assets (equities and property), alternative assets (such as hedge funds, private equity and infrastructure) and defensive assets (fixed interest and cash).
- The AERF doesn't have investment options. The Trustee invests the AERF's assets across a range of investment products offered by the appointed investment managers.
- The Trustee determines the earning rate to credit to all member accounts at the end of each reporting period (financial year ending 30 June) for the AERF having regard to:
  - investment returns of the AERF,
  - the costs of the AERF which have not otherwise been charged to member balances, in particular, the costs of providing member protection, and
  - provision for income tax which may be payable in relation to taxable income derived during the relevant financial year.

- An interim crediting rate applies for members leaving the AERF during the year. The interim crediting rate is generally reviewed on a weekly basis or as otherwise required due to market conditions. The Trustee reviews the interim earning rate having regard to;
  - the investment returns of the AERF since the last earning rate was declared,
  - the costs incurred by the AERF which may include estimates for some costs, and
  - an estimation of income tax that may be payable by the AERF.
- The following fees and charges apply to sub-plan A and sub-plan B members in the AERF:
  - estimated management costs of 1.325% p.a. (sub-plan A) or 0.965% p.a. (sub-plan B) are deducted from the gross investment returns, before the earning rate is declared;
  - an Administration fee of $0.25 per week for lost members and $0.28 per week for other members (subject to member protection); and
  - a Withdrawal fee of $35.83 for each withdrawal from the AERF.
- The AERF is unable to accept contributions from members or their employers. However, Superannuation Guarantee shortfall components from the ATO are permitted.
- The AERF can also accept additional rollovers from other superannuation funds.
- The AERF does not provide insurance benefits to members.

Should you wish to know more about the AERF, please call 1800 677 424 for a copy of their Product Disclosure Statement or email: aerfenquiries@perpetual.com.au

Continuing your insurance

While you are an employee and a member of the Scheme, you receive death and disablement insurance cover. However, if you leave your employer, this cover only continues for 30 days subject to any policy conditions. Provided you are under age 60, you are generally able to continue this death and disability insurance by buying a personal policy through your Scheme's insurer. The policy can be for the same amount of cover you had while in your Scheme, although the premium may differ.

Usually, the insurer will only require an AIDS declaration and payment of the premium to effect your continuation option. The continuation option is only available for a limited time and must be taken up within 30 days of leaving your employer. Please ask the Manager for more information.

Like to know more?

As a member of the SA Metropolitan Fire Service Superannuation Scheme, you already have access to a Member Benefit Guide containing information about your benefits and rules governing the Scheme. You also receive an annual Benefit Statement containing important personal information about your benefits in the Scheme.

Other documents relating to the Scheme that are available for you to look at are:

- the trust deed
- the investment policy statement
- the enquiries and complaints procedure
- the Privacy Policy.

If you have a question about your benefits in the Scheme, please contact the Manager. Please note that neither the Trustee, its directors nor the Manager are able to give any personal advice relating to your own personal circumstances.

If you need advice, you should speak to a licensed financial adviser.

The Manager is:
Mr Alan Kent
Manager
SA Metropolitan Fire Service Superannuation Scheme
99 Wakefield Street
Adelaide SA 5000
Phone: (08) 8204 3826
Fax: (08) 8204 3610
Email: kent.alan@samfs.sa.gov.au

If you have a problem...

Most queries can be sorted out over the phone, but if we are unable to help you immediately, you may also put your question in writing and we will reply within 28 days.

If you are not satisfied with the response, you should contact your Complaints Officer, who will pass your complaint to the Trustee. You can expect a decision within 90 days.

The Complaints Officer is:
Mr Alan Kent
Manager
SA Metroploitan Fire Service Superannuation Scheme
99 Wakefield Street
Adelaide SA 5000
Phone: (08) 8204 3820
Fax: (08) 8204 3610
Email: kent.alan@samfs.sa.gov.au

The Trustee always seeks to resolve complaints to the satisfaction of all concerned and in the best interests of all members of the Scheme. However, if you have followed the steps outlined above and are not satisfied with the outcome, you may be able to take the matter to the Superannuation Complaints Tribunal (SCT). The SCT is an independent body that aims to resolve certain types of superannuation disputes.

Any complaints must be lodged with the SCT within certain time limits. For more information about requirements and time limits, you can call the SCT on **1300 884 114.**

If the SCT accepts your complaint, it will try and help you and the Scheme reach a mutual agreement through conciliation. If conciliation is unsuccessful, the complaint is referred to the SCT for a determination that is binding.

Protecting your privacy

Your Scheme holds personal information about you, such as your name, address, date of birth, salary and tax file number in order to provide your super benefits. This personal information may be disclosed as necessary to the Scheme's administrator and professional advisers, insurers, Government bodies, employers, and other parties.

The Scheme has a privacy policy that sets out in more detail the way your personal information is handled. If you would like a copy of the Scheme's privacy policy, please contact the Scheme's Privacy Officer Mr Alan Kent on (08) 8204 3826.

Disclaimer

This annual report has been prepared by the Trustee to meet its legislative obligations. The information contained in this annual report does not take account of the specific needs, or personal or financial circumstances of any persons. Readers should obtain advice from a licensed financial adviser before making any changes to their own superannuation arrangements or investments. You should also read carefully the Scheme's Member Benefit Guide.

The terms of your membership in the Scheme are set out in the Scheme's trust deed and, should there be any inconsistency between this annual report and the Scheme's trust deed, the terms of the Scheme's trust deed prevail. While all due care has been taken in the preparation of this report, the Trustee reserves its right to correct any errors and omissions.

All statements of law or matters affecting superannuation policy are up-to-date as at 30 June 2010.

This document contains general information about investments and investment performance. Please remember that past performance is not necessarily a guide to future performance.