2008 MEMBER ANNUAL REPORT

METROPOLITAN FIRE SERVICE SOUTH AUSTRALIA

SUPERANNUATION SCHEME

Trustee

SA Metropolitan Fire Service Superannuation Pty Ltd

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SA METROPOLITAN FIRE SERVICE
SUPERANNUATION SCHEME

This Annual Report forms part of and must be read in conjunction with your 2008 Benefit Annual Statement.

Prepared
November 2008

CHAIRMAN'S REPORT

The Trustee has been very active over the last 12 months implementing economies of scale, maintaining and carrying out Scheme policies as well as introducing new benefits to place members to their best advantage.

The day to day investment of the Scheme's assets was transferred to Funds SA during the months of September and October 2007. This transition has not only reduced costs but has allowed members access to investment benefits not previously available.

Investment choice for accumulation related accounts became effective from November 2007 and together with weekly unit pricing, members have been able to select the risk/return profile that best suits their personal circumstances.

Markets go up and down therefore it is important to remember the nature of investment cycles.

After experiencing exceptional returns over past years it would have been very hard for anyone who has watched the news or read a paper over this most recent year to have missed reports on the volatility in world markets. No-one has been able to avoid the short term impacts on superannuation accumulation valuations. The Scheme's growth portfolio returned -11.88% for the 12 months to the end of June 2008. The Scheme's five year earning average rate remains a creditable 9.5%.

Markets go up and down therefore it is important to remember the nature of investment cycles. They need to be viewed over the longer term, not judged by what has occurred over the past year.

The Trustee believes that continuing member education carries a high level of importance.

Whilst the Scheme has a robust funding model, members do bear the investment risk of the Scheme. As a result of the current unusual and fast moving developments in world financial markets and as a matter of prudence , an active oversight is being conducted by the Trustee on the Scheme's benefit indices.

After a significant amount of work over a long period of time the Trustee was pleased to introduce optional salary sacrifice of member compulsory contributions from July 2008. Members are encouraged to use the purpose built calculator now available on the Scheme's new website as well as seeking professional financial advice before proceeding.

The only constant in super is change and there continues to be constant amendments to Superannuation rules and regulations. The "Simple Super" changes have now been fully implemented and new rules concerning Late Retirement Benefits, Unitisation and Member Investment Choice, Salary Sacrifice and Anti Money Laundering and Counter Terrorism Financing have been addressed.

In addition to the popular pre-retirement seminars, the Manager has been able to visit most stations and departments to discuss the Scheme and superannuation in general.

The Trustee believes that continuing member education carries a high level of importance.

The Trustee and the Manager continue to work to ensure that the Scheme is positioned to effectively serve and protect members both in the years leading up to and beyond retirement.

Bob Tidswell
Chairman

TRUSTEE REPORT

Report from the Trustee of the Scheme

The Trustee of the Scheme is a company, SA Metropolitan Fire Service Superannuation Pty Ltd. The sole activity of the company is to act as Trustee of the Scheme.

There are eight Directors of the Trustee Company, four Employer representatives that are appointed by the SA Metropolitan Fire Service and four Member representatives.

The Member Representatives are elected from two separate electoral 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 each Director is up to three years (or longer if the Trustee determines there are special circumstances). Subject to their being re-nominated and being willing, Member Representative Directors can be re-appointed 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 who is 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 becomes 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 as at 30 June 2008 were:

Employer Representatives

> Grant Lupton
> Mick Smith
> Anthony Norman
> Garry Powell

Member Representatives

Nominated by the UFU
> Greg Northcott
> William Jamieson
> Michael Vander Jeugd

Elected by Scheme members who are not eligible to join the UFU
> Robert Tidswell

Trustee Indemnity Insurance

The Trustee has an Indemnity Insurance Policy in place as a prudent measure due to legislative requirements and trustee responsibilities.

Support Staff

The Trustee employs 2 staff that assist the Directors in the operation of the Scheme.

Alan Kent is the Manager of the Scheme and responsible for the day to day operation of the Scheme, including visits to stations to talk to members.

Alan has been assisted throughout the year by Veronica Varga.

Administration

Mercer (Australia) Pty Ptd (Mercer) has been appointed by the Trustee to maintain member records, annually update members' benefits and produce benefit statements, receive contributions, pay benefits and provide general technical superannuation advice to the Trustee and Manager when required. Mercer developed and now maintains the Scheme's Internet site.

Advisers

In addition to administration services, the Trustee also uses the services of specialist consultants to ensure the efficient operation of the Scheme and its continuing compliance with Government legislation.

These services include the following:

- **Death and Disablement Insurance**
  AMP Life Limited
  33 Alfred Street,
  Sydney NSW 2000
- **Accounting**
  Sharyn Long Chartered Accountants
  Level 6, 216 Georges Tce
  Perth WA 6000
- **Tax Services**
  Sharyn Long Chartered Accountants
  Level 6, 216 Georges Tce
  Perth WA 6000
- **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

YOUR CONTRIBUTIONS TO SUPER

For the year ended 30 June 2008, all contributions due and payable to the Scheme have been received.

SALARY SACRIFICE OF COMPULSORY MEMBER CONTRIBUTIONS

The Trustee is pleased to advise that optional salary sacrifice of compulsory member contributions (for members who are permanent employees) was introduced on 1 July 2008.

Full details are available in the brochure titled Optional salary sacrifice of "compulsory" contributions, issued to you in June 2008. For a copy of the brochure visit *www.samfs.superfacts.com* or call the Scheme Manager on 08 8204 3826. On the website you will also find a Salary Sacrifice and Co-contribution calculator which can help you compare the effect of making a before-tax (salary sacrifice) contribution with an after-tax contribution into super.

CO-CONTRIBUTIONS

The co-contribution is a contribution, by the Government, of up to $1.50 for each $1.00 of personal after-tax member contributions paid to a superannuation fund.

The amount of the co-contribution you will get depends on your income* and the personal after tax contribution you have made during the financial year. The maximum amount of co-contribution for a financial year is $1,500 and is available to people whose income is $30,342* or less. This maximum or cap then phases down by 5 cents for each dollar of additional income over $30,342 and cuts out completely for incomes of $60,342^ or more. You also need to meet other conditions to be eligible for the co-contribution - these are set out below.

* This amount is the lower threshold and is applicable for 2008/2009 and is indexed from 1 July each year.
^ This amount is equal to the lower threshold plus $30,000.

The table below shows the after tax contribution required by you to gain the maximum level of co-contribution from the Government based on various income levels. The actual amount of co-contribution you receive will depend on your actual income* and the level of contribution you make to the Scheme.

Your total income*	Maximum Co-contribution available	Contribution required by you to obtain maximum Co-contribution
Under $30,342.00	$1,500.00	$1,000.00
$35,000.00	$1,267.10	$844.73
$40,000.00	$1,017.10	$678.07
$45,000.00	$767.10	$511.40
$50,000.00	$517.10	$344.73
$55,000.00	$267.10	$178.07
$60,000.00	$17.10	$11.40
$60,342.00	$0.00	$0.00

*Income is your assessable income plus your reportable fringe benefits.

Eligibility for the Government co-contribution

The co-contribution will only be available to people who earn at least 10% of their income from employment as an employee or running a business or a combination of both.

You must also be under age 71 at the end of the financial year. The co-contribution is not available to most temporary residents.

The co-contribution is also not available in respect of tax deductible contributions (eg contributions made by a self-employed person and for which a tax deduction is claimed).

The Trustee must give the tax office information about your contributions and those made by your employer. Using this information and information in your tax return, the tax office will work out if you are entitled to receive a co-contribution. Any co-contribution payable will then be sent directly to the Scheme or another fund to which you belong.

Fees and Taxes

The Trustee pays the expenses of operating the Scheme and any taxes payable from the Scheme in the manner allowed by the Trust Deed.

Taxes, as imposed by the Government, may be deducted from contributions, from investment income and from any benefit payable to a member. Tax on contributions is deducted from employer contributions (including salary sacrifice contributions) when received by the Scheme and tax payable on benefits is deducted from benefits at the time they are paid.

Tax on contributions

Tax is deducted from employer contributions and any before-tax (salary sacrifice) contributions you make. This tax is normally deducted at 15% but contributions may also be subject to additional tax if you have not supplied your tax file number or exceed the contribution limits that apply from 1 July 2007. Tax may also be deducted in respect of any monies rolled into the Scheme and in respect of certain super benefits that contain an untaxed component.

FEES & CHARGES

The following 'Fees and Other Costs' shows the Scheme's expenses or fees and charges that apply to your superannuation benefits.

- All expenses are current and may be revised, increased or added to or adjusted by the Trustee from time to time due to changes to, for example, the superannuation environment (eg Government regulations) or the trust deed. The Trustee may also introduce new fees. While it is not anticipated that fees and charges will change, if there is an increase in fees the Trustee must notify you 30 days in advance of the change or as required by legislation.
- The Scheme currently pays all insurance costs in relation to your death and disablement benefits from the Scheme's assets and does not reduce your benefit.
- No GST is payable by you on any of the fees and charges described below.
- You should read this fee information carefully, as it's important that you understand how these fees can affect your benefits in the Scheme.

Fees and Other Costs. When your money moves in or out of the Scheme.

Type of fee or cost	Amount	How and when paid
Establishment fee The fee to open your investment	Nil	N/A
Contribution fee The fee on each amount contributed to your investment either by you or your employer	Nil	N/A
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.
Withdrawal fee Applicable to Parked and Spouse Benefits and transfers to other schemes under portability rules. The fee on each amount you take out of your investment	$60.00* per withdrawal (first withdrawal free)	This fee is deducted from your account at the time a payment is made.
Termination fee Applicable to Parked and Spouse Benefits only. 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 estimated asset based fee of 0.70% pa of your Defined Benefit member contribution account and between 0.08% and 0.77% pa of your Accumulation Benefit. (The actual fee depends on your chosen investment option). For details refer to the table on page 10. This estimate is based on the forecast management fee for the year ending 30 June 2009. This fee is calculated annually and may differ in subsequent years.	This fee is deducted when determining the Scheme's unit prices.
Parked and Spouse members only. In addition to the Management costs described above	A weekly administration fee of $2.06* 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.

** This amount may be indexed each 1 January in line with Average Weekly Ordinary Time Earnings (AWOTE). For more information see "Indexation of Fees" later in this report.*

Fees payable for a member investing in the Scheme over a one year period.

The table below contains an example of the fees payable for a member investing in the Growth Option (the Scheme's default investment option) over a one year period using certain assumptions about your contributions and account balance. You should use this table to compare the Scheme with other superannuation products.

Example of annual fees and costs for the Growth Option

Example	Amount	Balance of $50,000 with total contibutions of $5,000 during year
Contribution Fees	Nil	For every $5,000 you will incur no cost.
PLUS **Management Costs**	Approximately 0.70% of your leaving service benefit (plus $107.12 pa for Parked and Spouse members)	And, for every $50,000 you have in the Scheme you will be charged $350.00 each year plus $107.12 for Parked and Spouse members.
EQUALS **Cost of Scheme**		If you put in $5,000 during a year and your balance was $50,000, then for that year you would be charged fees of $350.00* plus $107.12 for Parked and Spouse members. **This represents the estimated amount of management costs.*

Additional fees may apply: If you leave the Scheme or withdraw amounts you may also be charged a withdrawal fee of $60.00 for each withdrawal. These fees may be indexed each year in line with AWOTE. For more information see "Indexation of Fees" on page 10 of this Annual Report.

An explanation of Fees and Costs

Family Law fees for information and for splitting your super – charged to members and/or their former spouses for various services

Where fees apply	Fee	Who pays the fee
Application for information – in the format specified under the Family Law Act		
■ For Defined Benefit valuation	$250	Payable by the person requesting the valuation.
■ No valuation required	Nil	N/A
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	N/A

For more information about Family Law and how it may affect you, please call or write to the Manager.

DID YOU KNOW?

- Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.
- For example, total annual fees and costs of 2% of your Scheme benefit rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from $100,000 to $80,000).
- You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

Please Note: the Trustee is not able to provide any discounts to any of the fees outlined for any individual member.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website **www.fido.asic.gov.au** has a superannuation calculator to help you check out different fee options.

FEES & CHARGES

Investment management costs

The table 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 Management Fees (% pa of your account balance)	
	Actual fees* 2007-08	Forecast fees* 2008-09
High Growth	0.68%	0.77%
Growth	0.58%	0.70%
Balanced	0.55%	0.66%
Moderate	0.42%	0.50%
Conservative	0.36%	0.43%
Capital Defensive	0.26%	0.32%
Cash	0.12%	0.08%

How and when Paid?

Fees are deducted from Scheme earnings before the 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 2007/08 year due to the investment management costs would have been $290.

It should be noted that the **actual investment management expenses shown are for the 2007/08 financial year only. **Forecast** or estimated investment management expenses are also provided in the above table for the 2008/09 financial year. However, the 2008/09 estimates and the costs in future years may vary due to a number of factors including growth in funds under management being different from that assumed and the outcome of performance fee arrangements with certain managers which are dependant on the relevant manager's performance for the year.*

Other fees & charges

Variation to Fees

The fees outlined previously are determined by the Trustee from time to time based on the expenses incurred in running the Scheme and may be revised, increased, added to or adjusted by the Trustee from time to time. You will be notified of any changes to the fees outlined on the previous page.

Performance Based Fees

Where an investment manager used by Funds SA charges a performance based fee, the fee will be included in the management costs as set out in the above table and be passed onto members by way of an adjustment to the Scheme's unit prices.

Investment managers used by Funds SA that charge a performance based fee are only entitled to apply those fees when performance is greater than an agreed target. Accordingly, performance based fees arise when higher returns, relative to a specified target for a particular manager, are achieved.

Member Protection

Superannuation 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 and investment fees are adjusted against the Scheme's unit prices, members pay in proportion to their super account balances and the usual Member Protection does not apply where a member's benefit is less than $1,000.00.

Insurance Premiums

Insurance premiums are currently paid from the Scheme and factored into the contributions made by you and your employer.

If this arrangement were to change in the future you will be appropriately advised. There is no insurance cover for Parked, Spouse or Deferred members.

Fees for Parked and Spouse Benefit Members

In addition to the withdrawal fee detailed on page 8, Parked, Deferred and Spouse members are required to pay an administration fee of $2.06 per week which is deducted from their account balance at each review (1 July) or on exiting the Scheme. This amount may change from time to time.

Indexation of Fees

The fees for withdrawals, terminations and administration fees for Parked and Spouse members (see the Fees and Other Costs table on page 8) are subject to annual indexation based on increases in the annual rate of Average Weekly Ordinary Time Earnings (AWOTE).

INVESTMENTS

The Scheme's investment approach

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

Choosing and monitoring investment managers

Effective October 2007 the Trustee decided to allocate all the Scheme's investments to Funds SA. Funds SA invests and manages over $14 billion (as at 30 June 2008) 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 and ongoing evaluation of investment managers, management of 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, the trustee has an investment policy that sets 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.

Fund's SA regularly monitors each investment option's performance 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 at www.samfs.superfacts.com or by calling the Manager on 08 8204 3826.

Maintaining an Acceptable Level of 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 directly utilise derivative instruments.

External investment managers may utilise derivatives in managing pooled investment vehicles in which the Trustee invests. Where this is the case, Funds SA will consider the associated risks and the controls in place by analysing the manager's Derivative Risk Statements (DRSs).

About Risk

Most investments have some element of risk associated with them. Generally, investment risk is the chance that an investment's performance will be different to what you expect. The Scheme's investments could rise or fall in value or produce a return which is less than is anticipated. Rises and falls in value occur for a variety of reasons and sometimes quickly. The types of investment risks which may have an impact on the Scheme's investments include:

Individual asset risk
the risk attributable to individual assets within a particular asset class.

Market risk
the risk of major movements within a particular asset class.

Political risk
current domestic and international political stability can impact on your investment.

Inflation risk
the risk that money may not maintain its purchasing power due to increases in the price of goods and services (inflation).

Timing risk
the risk that, at the date of investment, your money is invested at higher market prices than those available soon thereafter. Alternatively, it can also mean the risk that, at the date of redemption, your investments are redeemed at lower market prices than those

that were recently available or that would have been available soon thereafter.

Investment manager risk
the risk that a particular investment manager will under perform (this could be for example because their view on markets is wrong or because of their investment style or because they lose key investment personnel).

Credit risk
the risk that a debt issuer will default on payment of interest and principal.

Liquidity risk
the risk that you will be unable to redeem your investment at your chosen time.

Currency risk
the risk that overseas investments gain or lose value as a result of a falling or rising Australian dollar.

You should be aware that investment returns can fluctuate up and down and the value of your investment in the Scheme may increase or decrease over time and may include negative returns from time to time. You should also not rely on past investment performance as an indicator of future performance.

Environmental, social and ethical considerations

Decisions to invest in or realise investments underlying the Scheme's investment options 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.

Investment options for your Accumulation benefits

Funds SA manages the investment options. Each investment option has an investment policy and strategy, which is summarised below. Information on historical investment performance of each option is provided based on the historical performance of the facility that has been operated by Funds SA.

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 the Scheme.

The rate of return you can expect from each investment option will vary according to the asset classes 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 13 to 15 for a description of each investment option.

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 change your investment choice once a week, either online at www.samfs.superfacts.com or by completing a form available from the Manager on (08) 8240 3826.

The investment information presented in this Annual Report is generic information and does not take account of your specific financial circumstances. It is recommended that you refer to a financial adviser for advice as to which is the best option for you.

EXPLANATIONS

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 Ordinary Time 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.

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

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.

Income 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.

High Growth Option

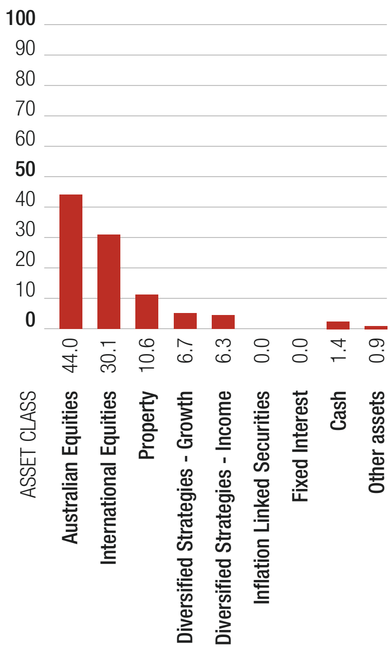
Objectives
The broad investment aim is to maximise long term investment returns, while tolerating a high degree of variability in year-to-year returns.

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 2008



Growth Option (default option)

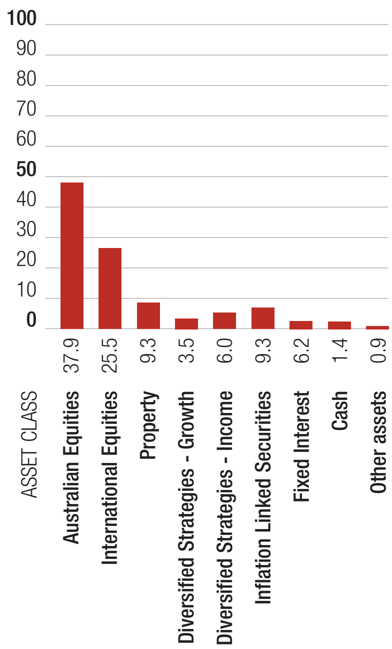
Objectives
The broad investment aim is to maximise long term investment returns, while tolerating a medium to high degree of variability in year-to-year returns.

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 75% - 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 2008



Balanced Option

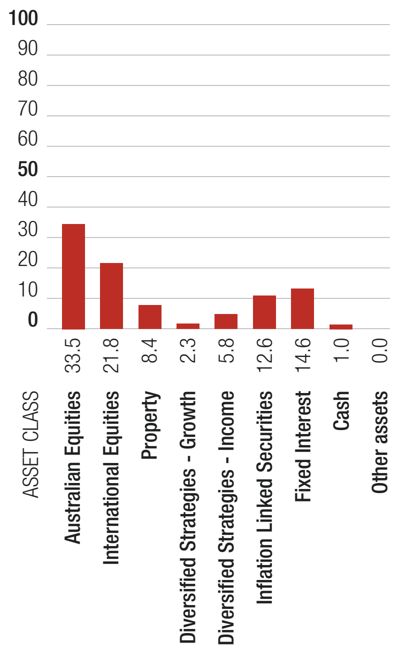
Objectives
The broad investment aim is to maximise long term investment returns, while tolerating a medium degree of variability in year-to-year returns.

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 65% - 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 2008



INVESTMENTS

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 50% - 60% 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 eleven.

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 35% - 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.

Capital Defensive Option

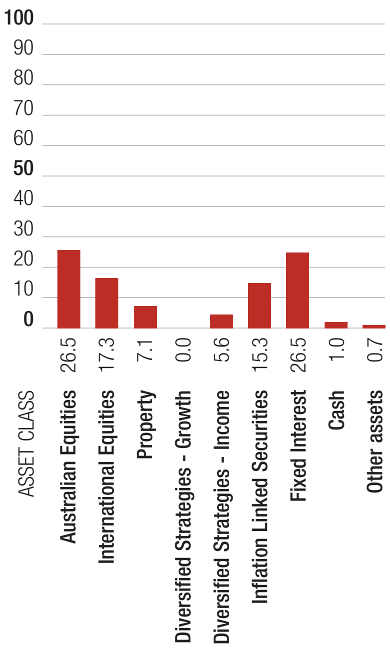
Objectives
The broad investment aim is to maximise long term investment returns, while tolerating a low degree of variability in year-to-year returns.

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.

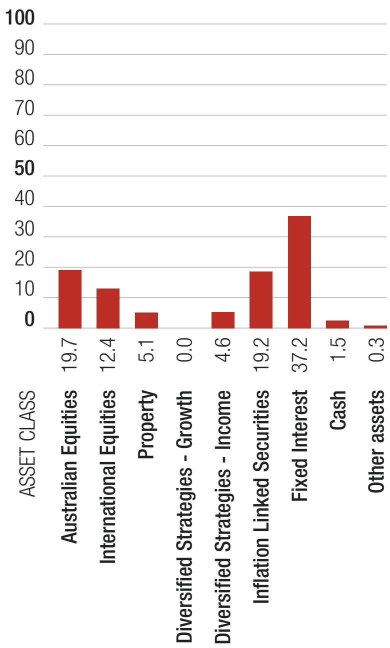
Strategy
The option is invested 15% - 25% in growth assets with the balance in income assets.

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

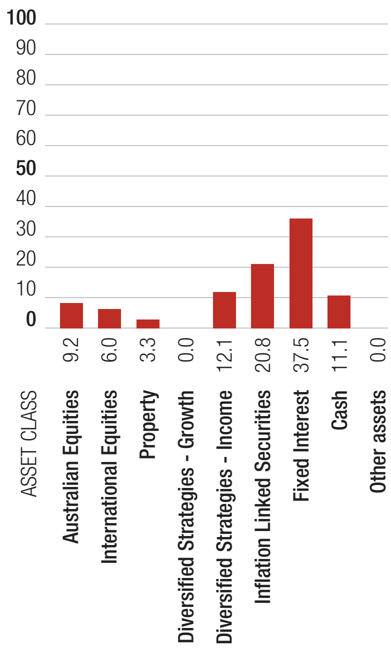
Where the assets were invested as at 30 June 2008



Where the assets were invested as at 30 June 2008



Where the assets were invested as at 30 June 2008



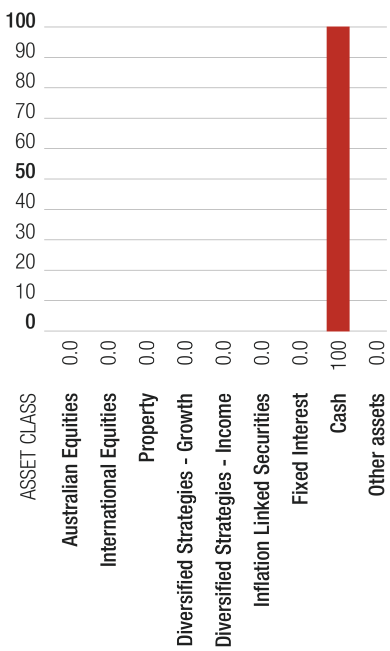
Cash Option

Objectives
The broad investment aim is to maintain the capital value of the investment with a negligible likelihood of a negative return in any year.

Strategy
The option is invested 100% in income assets.

Risk
Members choosing this option will expect never to have a negative return and achieve returns consistent with bank deposits.

Where the assets were invested as at 30 June 2008



How much is invested in each option?

The following table shows the dollar value of each investment option as at 30 June 2008.

Investment option	**Accumulation Assets** at 30/06/2008 **($)**
High Growth	231,116
Growth	30,871,976
Balanced	203,425
Moderate	52,690
Conservative	49,632
Capital Defensive	2,155
Cash	1,392,182
Total	**32,803,176**

The assets in the Defined Benefit portfolio, which is invested in Funds SA's Growth portfolio, were $172,129,425 as at 30 June 2008.

Your Accumulation contributions purchase units

The net amount of your voluntary superannuation contributions (i.e. after any fees and/or taxes are deducted) buys what is known as 'units' in your chosen investment option. 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 of your selected investment option is $1.00 at that time, then 1,000 units would be bought on your behalf.

Unit prices for each investment option are calculated on a weekly basis and fluctuate according to the investment performance of that investment option (i.e. the unit price for each option will reflect the value of the option's underlying investments after making provision for tax on those investments and investment management fees). The value of your Accumulation benefit at any time is simply the number of units you have multiplied by their unit price at that time.

Net earnings on your chosen investment options (which may be positive or negative) will be reflected via changes in unit prices. If the net earnings for the option 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.

INVESTMENTS

How your Defined Benefit is invested

You only have access to investment choice on your Accumulation benefit in the Scheme.

You do not have access to investment choice on your contributions that you are required to make to the Defined Benefit section of the Scheme. This applies to all permanent employees of the Corporation or other participating employers.

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 of this option will be allocated to your compulsory contributions to calculate your leaving service benefit options.

The Scheme's investment performance

Investment performance – before 1 November 2007
Effective 1 November 2007 the Scheme introduced member investment choice for Accumulation benefits.

Prior to 1 November 2007 the Trustee determined a crediting rate to be applied to all Accumulation Benefits as well as to the Defined benefit member account for permanent employees. The rate was determined as the actual net rate of return of the assets after allowing for tax and the costs of investing the Scheme's assets.

The crediting rate for the period from 1 July 2007 to 31 October 2007 was 2.97% (note that these are the actual earnings credited over this period; the annualized equivalent is 8.81%).

Investment performance – from 1 November 2007
The table following shows each investment option's effective rate of net earnings (i.e. the actual rate of return net of tax and investment expenses) from 1 November 2007 to 30 June 2008. You should refer to each investment option's objectives on pages 13 to 15. For an explanation of the reasons behind this year's investment returns, please turn to page 18.

Investment option	**Net earnings** 1/11/2007 to 30/06/2008
High Growth	-16.62%
Growth	-14.42%
Balanced	-12.47%
Moderate	-9.82%
Conservative	-6.88%
Capital Defensive	-2.29%
Cash	3.58%

Investment performance – combined results from 1 July 2007 to 30 June 2008
If you remained in the Growth investment option (the Scheme's default option) after the introduction of member investment choice on 1 November 2007, then the rate of earnings (net of tax and investment expenses) applicable to your benefit would have been 2.97% from 1 July 2007 to 31 October 2007 and then -14.42% from 1 November 2007 to 30 June 2008.

In this case the combined rate of earnings over the period from 1 July 2007 to 30 June 2008 was -11.88%

The Scheme's historical investment performance

Investment Returns

The investment returns outlined below are applicable to both the *Scheme* (from 1 December 2006) and to the SA Metropolitan Fire Service Superannuation *Fund* for the period prior to 1 December 2006.

Period	Return
1.7.03 - 30.6.04	16.60%
1.7.04 - 30.6.05	13.30%
1.7.05 - 30.6.06	15.10%
1.7.06 - 30.6.07	14.20%
1.7.07 - 30.6.08*	-11.88%

**Note: the returns for the period 1 July 2007 to 30 June 2008 assume investments in the Growth investment option since the introduction of Member Investment Choice on 1 November 2007.*

The investment return achieved on the Fund/Scheme's assets as an annual compound percentage over the five-year period ending 30 June 2008 was 8.88% pa. The investment returns are after investment charges and tax on the investment earnings of the investment facilities. There is no deduction from the earning rate for the expenses of operating the Scheme.

Crediting Interest Rate and returns in the Growth investment option

Prior to the introduction of Member Investment Choice, the Trustee determined the crediting interest rate at each Annual Review Date (1 July) for the preceding year. The rate was determined as the actual net rate of return of the assets after allowing for tax on and the costs of investing the Scheme's assets. Prior to 1 July 2004 the crediting rate was based on the money weighted return for the previous 3 years. The crediting interest rates (and returns of the Growth investment option from 1 November 2007) for the last five Annual Review Dates were as follows:

Period (Growth investment option from 1/11/07)	Crediting Rate
1.7.03 - 30.6.04	2.80%
1.7.04 - 30.6.05	13.30%
1.7.05 - 30.6.06	15.10%
1.7.06 - 30.6.07	14.20%
1.7.07 - 30.6.08*	-11.88%

**Note: the returns for the period 1 July 2007 to 30 June 2008 assume investments in the Growth investment option since the introduction of Member Investment Choice on 1 November 2007 and are based in part on the change in value of applicable unit prices.*

It is important to note that past performance is not an indication of future performance.

The average compound crediting rate over the 5 year period ending 30 June 2008 was 6.17% pa. As detailed in the above table, the Scheme's crediting interest rate may have been positive or negative from time to time.

So now the Scheme's investments are managed by Funds SA - how have they performed historically?

Since October 2007 the Scheme's assets have been invested by Funds SA. The table following shows the effective rate of net earnings (i.e. the actual rate of return net of tax and investment expenses) achieved by each option provided by Funds SA over the last three years compared with increases in the cost of living, as measured by the Consumer Price Index (CPI). You should refer to each investment option's objectives on pages 13 to 15. For an explanation of the reasons behind this year's investment returns, please turn to page 18.

Historical Investment performance of each investment option in Funds SA

Note: these investment options have only been available to the Scheme from 1 November 2007.

Option	1/07/2007 to 30/06/2008	1/07/2006 to 30/06/2007	1/07/2005 to 30/06/2006	Compound average 1/07/05 to 30/06/2008
High Growth	-13.42%	20.88%	21.90%	8.46%
Growth	-11.21%	18.57%	19.50%	7.95%
Balanced	-9.27%	16.32%	16.90%	7.25%
Moderate	-6.67%	13.05%	n/a	2.72%
Conservative	-3.77%	10.73%	11.80%	6.01%
Capital Defensive	0.48%	7.40%	8.80%	5.50%
Cash	5.26%	5.50%	5.60%	5.45%
CPI	4.50%	2.10%	4.00%	3.53%

1. Returns are net of 15% superannuation earnings tax and after deduction of all fees and costs.
2. The Moderate investment option was established in July 2006.
3. Compound average returns for the Moderate option are for the period from 1 July 2006 to 30 June 2008.

INVESTMENTS

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 you elected to defer your benefit. For members that ceased employment prior to 23 June 2003 the annual indexation rate is based on the increase in 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 2008 are as follows:

Members electing to defer prior to 23 June 2003	7.5%
Members electing to defer after 23 June 2003	4.5%

What happened in investment markets over the last twelve months?

The 2007/08 financial year produced negative returns for a number of asset classes following a global credit and liquidity crisis that resulted from deterioration in the US sub-prime mortgage market. Globally liquidity tightened, credit spreads widened and the interbank funding market dried up culminating in a global credit crunch in August 2007. The first quarter of the 2008 calendar year saw markets again dominated by continuing global credit market problems and the poor economic outlook in the US. By March quarter end, a number of asset classes had again fallen sharply. The final quarter of the 2008 financial year saw the majority of asset classes lose ground due to deteriorating global growth prospects, persistent inflationary pressure, record oil prices and higher bond yields.

Global equities (unhedged) dropped by over 20%, with most developed markets producing negative results. However, for hedged investors the return was only -13.7% due to the rise in the Australian dollar. Domestically, the financial year will be remembered as the first time there has been three consecutive negative quarters since December 1990. After four years of 20%+ returns and an increase of almost 150%, the Australian market dropped by almost 14%.

In contrast to equities, bond market returns were positive. Global bond yields fell as the US economy slowed and the US Fed cut rates. Falling house prices, tighter credit conditions and deterioration in the labour market saw investors' risk appetite diminish. By contrast Australian bond yields were supported by The Reserve Bank of Australia (RBA) tightening stubborn inflation, finishing the year higher.

Key developments during the year were:

- The RBA lifted the official short term cash rate by 1.0% to 7.25%, a 12 year high. However as economic data signalled a slowdown of growth, the RBA left rates on hold from February. Its June commentary was mixed with inflationary concerns on one side and recessionary on the other finely balanced. The US Federal Reserve cut the US cash rate by 3.25% to 2.0% in response to ongoing implications from the credit crisis. From April, a more hawkish Fed turned its attention from downside risks to growth to concerns over the inflationary outlook. Rates were left on hold in June.
- The election of a new government in Australia. A Federal Labor Government was elected in November with changes to the industrial relations landscape, signing the Kyoto protocol and spending on broadband amongst a number of mooted policies.
- Domestic economic highlights: inflation higher than predicted, consumer confidence hitting a record low, yet employment remained strong.
- The June quarter saw the European Central Bank make hawkish comments signalling their focus on price stability and likely further policy tightening, in order to control inflation problems.
- The price of oil surged +98.6% over the year hitting an intraday high of over US$140/barrel before closing the financial year at US$139.96/barrel.
- Gold returned +42.5% over the year to close at US$924.80/oz.

Australian shares

The S&P/ASX 300 index ended the financial year down 13.7%, the first time the domestic equity market had finished the financial year down since 2002/2003. The continued rise in oil and commodity prices helped the Energy and Material sectors but hindered other sectors. That, together with the effects of the credit crunch emanating from the US saw the Australian market decline by the largest amount since 1982.

Concentration on large cap stocks would have been beneficial, with this returning -11.8% for the year. The smaller companies, as measured by the S&P/ASX Small Ordinaries Index, were the worst performers with a return-20.5%, while the S&P/ASX Mid 50 returned -18.2% for the year.

After producing the lowest return for last year (still up a healthy 22.2%), the Energy sector was the best performer this year, following up some strong returns (up 34.7% in 2005/06 after 67.2% and 45.3% in 2004/05 and 2003/04 respectively). The Materials sector followed suit, being the only other sector to produce a positive return. Consumer Discretionary stocks were worst effected by the credit concerns, which also resulted in big falls in Financial and Property stocks.

The main detractors from market performance over the year were a number of financial related companies. Banks such as National Australia Bank (-32.0%), ANZ (-31.9%), Commonwealth (-23.3%), Macquarie Group (-39.8%) and Westpac (-18.0%) and insurers such as QBE Insurance Group (-25.2%) all felt the brunt of US sub-prime credit related issues. Resource stocks, including BHP Billiton (+26.6%) and Rio Tinto (+38.9) made a significant positive contribution to the index on the back of strong commodities prices. Whilst the surging oil price saw Woodside Petroleum (+51.0%) also well supported.

Overseas Shares

Overseas shares (unhedged in A$) returned -21.3%, with Canada the only large market to produce a positive return for the year. The continued appreciation of the Australian dollar against most major currencies resulting in a fully hedged investor, seeing a return of -13.7%.

The resource heavy Canadian share market returned 6.7% for the financial year as measured by the S&P/TSX Composite. In contrast, most other developed markets returned less than -20%. Emerging markets were less affected than developed markets, dropping by 7.5% in $A, after out performing developed markets every financial year since 2002/03.

As with the Australian market, the Energy and Material sectors were the only positive performers. Unsurprisingly, Financials bore the brunt of the markets falls, which also affected the Consumer Discretionary sector.

Property

Continued fallout from the sub-prime crisis in the US and associated concerns around debt financing affected investment returns for both global listed and domestic listed property funds. Global Listed Property (UBSW Global Investors Hgd Index) and Domestic Listed Property (S&P/ASX 300 Property Trust Index) returned -21.7% and –37.7% respectively over the financial year. Direct Property (Mercer Unlisted Property Index) rose +14.7% for the year and finished ahead of all other asset classes.

Fixed Income and Cash

Australian bond yields rose 19bps over the year to 6.45%. The UBSA Composite Bond Index returned +4.4% over the year. Cash outperformed domestic bonds with the UBSA Bank Bill index returning +7.3% for the year.

Overseas bond markets produced positive returns after yields fell sharply. The US ten year bond yield fell 106 bps to 3.97%. The Citigroup World Government Bond index and the Lehman Global Aggregate index returned +8.7% and +7.9% respectively on a fully hedged basis over 12 months as global bonds outperformed most asset classes.

Currency Markets

Over the June year, the Australian dollar appreciated 13.1% against the US dollar, 14.0% against the Pound Sterling but depreciated 2.9% against the Yen and 3.0% against the Euro. The local currency gained 6.5% on a trade weighted basis.

Source: Mercer Investment Consulting

OTHER INFORMATION ABOUT THE SCHEME

Trust Deed Amendments

The Trustee made the following amendments to the Trust Deed during the year:

- An amendment to implement Member Investment Choice with effect from 1 November 2007.
- An alteration to allow compulsory member contributions (paid by Permanent employees) to be made by salary sacrifice.

Family Law Legislation

The Trustee has approval from the Commonwealth Attorney General to use a different method to calculate the value of a member's defined benefit entitlements in the Scheme.

For the purposes of Family Law valuations, a retirement age of 60 applies when calculating the value of any defined benefit entitlement. This only applies for permanent employees and is not applicable to Retained Fire-fighters.

Spouse Superannuation

Members are able to make contributions to a superannuation arrangement for their spouse and, depending on their spouse's income, possibly gain a tax offset. There are maximum tax offsets that apply to contributions you elect to make for your spouse.

Under the spouse arrangements, you can claim a tax offset of up to 18% of your contributions when your spouse earns less than $13,800 per annum. The maximum offset available is $540 assuming your spouse earns less than $10,800 and you make a contribution of $3,000 for the year.

You can pay your spouse contributions to the Scheme by lump sum deposits at any time. Lump sum deposits must be a minimum of $500. All contributions must be made from after tax income to be eligible for the tax offset. You cannot allocate salary sacrifice contributions to your spouse account.

For more details on the benefits of spouse superannuation, please contact the Scheme Manager for a copy of the Spouse Benefit Guide. You will also be able to access information on spouse accounts via the Scheme's website, **www.samfs.superfacts.com.**

Parked Benefits Facility

This is a facility whereby members who are eligible to receive a retirement or permanent disablement benefit from the Scheme, are able to retain or park all or part of their benefit in the Scheme.

The Parked Benefits facility is not an allocated pension or an annuity.

Parked Benefit members can also make contributions to the Scheme and deposit any rollovers or lump sum deposits. Parked Benefits are not considered for any potential defined benefit surplus allocations.

The features of the Parked Benefits facility are as follows:

- Parked Benefits are invested in your chosen investment option.
- Unlimited number of withdrawals - Parked Benefit members can access their cash benefits at any time. (Normal Preservation rules apply)
- Minimum amount of withdrawal is $5,000.00 for each withdrawal.
- A withdrawal fee of $60 will be charged for each withdrawal except for the first.
- An administration fee will be charged at $2.06 per week.
- The fees are reviewed effective each 1 January and are based on the cost for the service provided to the Scheme by its administrator.
- Members can cancel their Parked Benefit membership at any time and the balance will be paid out or rolled over (normal Preservation Rules

apply) with no penalty. The withdrawal fee will be payable, if applicable.

Full details of the Parked Benefits facility are contained in the Scheme's Member Benefit Guide. You should read this before retaining your benefits in the Scheme.

Any member requiring more information can contact the Manager.

Preservation Rules

The Federal Government legislates preservation rules. Preservation requires that a certain portion of a superannuation benefit must be maintained in a superannuation scheme or rollover scheme until permanent retirement after a specific preservation age.

All contributions made after 30 June 1999 and benefit accruals (increases in benefits) after 30 June 1999 are preserved.

The preservation ages are shown in the following table:

Date of Birth	Preservation Age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Retained Fire-fighters – Death and TPD Benefits

Benefits payable on the death or total and permanent disablement of a Retained Fire-fighter member will be the balance of:

1. Superannuation Guarantee Contributions with investment earnings applicable to your chosen investment option or the Scheme's default investment option (as the case may be).
2. Member contributions (if any) with investment earnings applicable to your chosen investment option or the Scheme's default investment option (as the case may be).
3. Rollovers, with investment earnings applicable to your chosen investment option or the Scheme's default investment option (as the case may be).
4. Plus the insured component.

The insured component is calculated according to the table below. The value of the one unit as at 1 July 2008 is $4,194 and is indexed each 1 July by the increase in CPI.

Age attained in Years of Member at date of Death or TPD	Number of Units
39 or less	35
40	34
41	33
42	32
43	31
44	30
45	29
46	28
47	27
48	26
49	25
50	24
51	23
52	22
53	21
54	20
55	19
56	18
57	17
58	16
59 to 64	15
65 onwards	0

Tax changes

From 1 July 2007, significant changes were made to the taxation of superannuation. Even though there has been a change of Government since these changes were made, the new Government has given its support to the changes.

The important things to note about the new rules are:

- Super benefits paid to a person aged 60 or over will generally be tax free. This applies to benefits paid either as a lump sum or as a pension. Tax may still apply to some death benefits and some disability income benefits. Tax will generally be payable on any benefits paid before age 60

- Limits on contributions apply in each financial year from 1 July to 30 June. Provided that you keep within these limits and have provided your Tax File Number to the Scheme, your employer contributions will continue to be taxed at 15%. Significant extra tax applies to any contributions that exceed these limits. There are limits for concessional contributions and limits for non-concessional contributions.
  - The current concessional contribution limit is $50,000 (although if you are at least age 49 at the start of the financial year, the limit is $100,000 – this higher limit only applies to 30 June 2012). Concessional contributions include employer and salary sacrifice contributions, tax deductible contributions made by the self employed as well as certain other contributions and transfers.
  - The current non-concessional contributions limit is $150,000 (although if you are under 65 at the start of the year you may be entitled to a higher limit of $450,000 by bringing forward your limit for the following two years). Non-concessional contributions include any post tax contributions and certain other contributions and transfers.
  - If your contributions are expected to be above these limits or if you are intending to transfer benefits into the Scheme from an overseas fund, the trustee recommends that you seek the advice of a licensed, or appropriately authorised, financial adviser.

- It is important to provide your Tax File Number to the Scheme. If not, significant additional tax will be paid on your contributions and it will generally not be possible for the Scheme to accept any contributions for you other than contributions by your employer. If your Tax File Number was not provided before 1 July 2008, this additional tax may have already been deducted from your account. If you provide your Tax File Number now, no further additional tax will be deducted. You will also be able to reclaim this additional tax however time limits and other conditions may apply. Contact the Manager on (08) 8204 3826 for more information.

Superannuation Guarantee

From 1 July 2008, employers need to contribute at least 9% of your Ordinary Time Earnings to your superannuation fund for you. For some members, this may mean that a higher employer contribution is payable. Ordinary Times Earnings includes your salary or wage together with various allowances such as shift and site allowances and various other payments including performance bonuses.

It generally does not include overtime. If your Ordinary Time Earnings is higher than $38,180 in a quarter, your employer may restrict their quarterly contributions to 9% of $38,180.

Permanent employees should note that the employer contributions are the greater of:

- 11% of Member's Annual Salary, and
- 9% of Ordinary Time Earnings, plus 2% of each Member's Annual Salary relating to that Review Date.

WEB SITE

Anti-money laundering

Superannuation funds must comply with new rules which have been set up to reduce the risk of superannuation funds being used to launder money or to finance terrorism. One of the new requirements is that your fund may need to ask you to provide proof of your identity before any benefits are paid to you. You will be advised if this is the case.

Terminal medical conditions

The Government is changing legislation to enable members to receive benefits tax free if they are suffering from a terminal medical condition and have certificates from two doctors stating that they are expected to die within 12 months. At least one of the doctors needs to be a specialist in the relevant field. If you think that you might be eligible for such a benefit, you should check with the Manager to determine whether you qualify under the Scheme's rules. Whilst these changes will enable you to access your benefit tax free before death, in some cases, depending on your particular circumstances, your dependants may receive a larger benefit if the benefit is not paid until after your death. The Trustee recommends that you seek advice from a licensed, or appropriately authorised, financial adviser, before making any decision.

Same-sex relationships

The Government is proposing to pass legislation that would remove some discrimination against same-sex couples. At the time of writing this report, the legislation had not been finalised but the changes are unlikely to have a significant impact on benefits provided by the Scheme. We expect to provide more details in next year's annual report.

Insurance Changes

As part of the Government's Choice of Fund legislation, from 1 July 2008, an employer's default superannuation fund must offer a minimum level of death insurance cover to its members. Under the Choice of Fund laws, an employer's default superannuation fund is the fund to which an employer will pay Superannuation Guarantee (SG) contributions where an employee, who is eligible for choice, does not choose another fund.

A review of the death insurance cover offered under the Scheme has been undertaken, and the Scheme benefit design meets the minimum level of death insurance as set out in the Choice of Fund legislation.

Have you accessed your super online lately?

The Scheme has a website that enables you to access information about your benefits at any time.

The address is:
www.samfs.superfacts.com

- To login you use your existing membership number and PIN.
- If you have misplaced your PIN, or are experiencing difficulties in connecting to the website, you should contact the Superfacts Helpdesk on 1300 132 573.

Some of the features of the website are:

- Summary and detailed views of your current superannuation benefits.
- Access to a library of over 130 financial well-being articles sorted into 32 topics such as 'financial planning', 'taxation' and 'wealth creation'.
- View and update your investment choice online.
- View and update your address and beneficiaries online.
- View the contributions that have gone into your super.
- Use the Scheme's 'Salary Sacrifice and Co-Contributon' calculator.
- Download all Scheme forms and documents.

Your super is a valuable employee benefit and the Scheme's website helps you to make the most of it.

IMPORTANT GENERAL INFORMATION

Insurance Continuation Option applicable for all members – if you leave the Scheme

While you are an employee of any participating employer and a member of the Scheme, you may receive death and disablement insurance cover. However, if you leave your employer this cover only continues for 30 days. You may wish to consider continuing this insurance by buying a personal policy through the Scheme's insurer. The policy can be for the same amount of cover you had at the time you left the Scheme. If you are between 55 and 60 the cover is for death only. Death and permanent disablement cover is available if you are under age 55. No continuation option is available if you are over age 60.

Other terms and conditions may apply. The insurer may require some evidence of good health, and you must take up this insurance within 60 days of ceasing employment. For more information, please contact the Manager.

Enquiries and Complaints

A formal procedure has been established for dealing with enquiries and complaints from members and beneficiaries about the operation of the Scheme. In the first instance, all questions should be directed to the Manager.

If you are not satisfied with the response, you may then lodge a formal written complaint with the Trustee via the Manager. Formal written complaints will be reported to the Trustee, which must issue a response to the individual making the complaint within 45 days.

Any member or beneficiary who is still not satisfied may take the complaint to the Superannuation Complaints Tribunal.

Superannuation Complaints Tribunal (SCT)

This Tribunal, based in Melbourne, is an independent body established by the Federal Government to provide an economical and fair method of resolving complaints about decisions of superannuation trustees. Members must have had their complaints dealt with by the Scheme's internal dispute resolution mechanism before the complaint will be considered by the SCT.

The contact details of the Tribunal are:

Location:	Level 15 31 Queens Street Melbourne VIC 3000
Postal:	Locked Bag 3060 GPO Melbourne VIC 3001
Email:	info@sct.gov.au
Phone:	1300 780 808

The Tribunal will not deal with complaints about the management of the Scheme as a whole.

Financial Advice

- Require financial advice?
- Planning for your retirement?
- Looking for financial independence?
- Need to know how much extra do you put into super to top-it-up ?

The Trustee has arrangements with an advisory firm that can provide members with financial advice on a range of issues including wealth creation, insurance, taxation and estate planning.

The Trustee has chosen Industry Fund Financial Planning (IFFP) for this role. IFFP is the financial planning division of Industry Fund Services Pty Ltd whose Australian Financial Services Licence (AFSL No. 232514) authorises IFFP to provide financial planning services. While the trustee has chosen IFFP this is not to be construed as a recommendation or endorsement by the trustee to use IFFP. You are free to select any financial adviser you wish to provide you with advice on your superannuation. Members wishing to seek advice from IFFP can do so by calling IFFP and speaking to any one of the financial advisors available.

Industry Fund Financial Planning
Level 2, 104 Frome Street
ADELAIDE SA 5000
Ph: 8125 2500

Most advice that can be given over the phone is provided at no cost to members.

Interviews and plans are charged to the member seeking the advice at very competitive rates. The first hour at interview is free.

Members seeking this service should always check with the adviser on the cost of the service to be provided.

Please Note:

- Although the Trustee has an arrangement with IFFP for the provision of limited advice this should not be seen as a recommendation or endorsement of IFFP by the Trustee. The Trustee strongly recommends that any member seeking advice should at least obtain a second opinion from another licensed financial advisory firm before acting on any advice given by IFFP.
- Members seeking advice from IFFP must consider the advice they are given in context to their own personal circumstances and other opinions they have received.
- The Fire Service, Trustee and its staff, accept no responsibility for the advice given by IFFP.
- You are free to seek financial advice from any appropriately licensed adviser of your choice.

IF YOU DON'T GIVE INSTRUCTIONS

Retained Fire-fighters

Following your termination of employment with a participating employer you generally 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 your benefit will be sent to an Eligible Rollover Fund (ERF) on your behalf. This benefit will then cease to be payable from the Scheme and can be claimed by you by contacting the ERF. An ERF is simply a holding account where your benefit will remain until you notify the ERF where you would like your money to be transferred.

For this purpose, the Trustee has selected the Australian Eligible Rollover Fund (AERF). The AERF can be contacted as follows:
Australian Eligible Rollover Fund
Locked Bag 5429
Parramatta NSW 2124
Phone: 1800 677 424
Fax: 02 9947 4411

Where a member's benefits are transferred to the AERF:

- the person ceases to be a member of the Scheme;
- any insurance cover with the Scheme ceases; and
- the benefit will be credited to an account in the AERF, where it will earn interest and pay fees under the rules of the AERF.

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 1 July 2008:

- There is no investment choice available to members.
- 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 both growth (equities and property) and defensive assets (fixed interest and cash) through managed funds offered by some of Australia's leading investment managers.
- The annual earning rate for the AERF is dependent on the returns achieved by each Investment Manager having regard to:
  - investment returns of the AERF,
  - the costs incurred by 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 at any time before the annual crediting rate is declared. The interim crediting rate is reviewed on a weekly basis or as otherwise required due to market conditions. The AERF 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:
  - Management costs of 1.39% p.a. (sub-plan A) or 1.07% p.a. & (sub-plan B) are deducted from the gross investment returns, before the earning rate is declared;
  - An Administration fee of $0.35 per week for lost members and $0.40 per week for other members (subject to member protection); and
  - A Withdrawal fee of $33.97 for each withdrawal from the AERF.

- The AERF is unable to accept contributions from members or their employers. However, Superannuation Guarantee vouchers and shortfalls are permitted.
- The AERF can also accept additional rollovers from other superannuation
- The AERF does not provide insurance benefits to members.

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

Permanent Fire-fighters

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 from the date of your termination of employment as detailed on page 21. 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 your Defined Benefit derived portion will be invested in the Growth investment option effective from the date of your leaving service. Any Accumulation derived benefit will be invested in your chosen investment option.

Protecting your privacy

In order to provide your superannuation benefits and to properly manage the Scheme, it's necessary for the Scheme to hold personal information about you. This information identifies you as a Scheme member and typically includes your name, address, date of birth, gender, occupation, salary, Tax File Number and any other information that is required.

The Scheme generally collects this information from either you or your employer. Your personal information may be disclosed to the Scheme's administrator and professional advisers, insurers, government bodies, your employer and other parties as required and permitted by law, including the trustee of any other scheme you may transfer to. By becoming a member of the Scheme, it's assumed that you consent to this handling of yourpersonal information. If you do not provide the Trustee with your personal information, the Trustee may not be able to provide all of your superannuation benefits.

You may request access to your personal information held by the Trustee. Should any of your personal information be incorrect, you have the opportunity to correct it. There are, however, some circumstances where you may be denied access to your information. The Scheme's Privacy Officer will advise if any of these circumstances apply.

The Scheme abides by the National Privacy Principles under the Privacy Act 1988 (Cth) and has adopted a Privacy Policy which sets out in detail the way it handles members' personal information.

If you would like a copy of the Scheme's Privacy Policy please contact the Scheme's Privacy Officer by writing to:
Privacy Officer
SA Metropolitan Fire Service
Superannuation Scheme
GPO Box 98,
Adelaide SA 5001

Further Information

Most information that you will need about the Scheme is in the Member Benefit Guide, your Annual Benefit Statement and in this Report. You are entitled to inspect or obtain copies of the following additional information on request:

- Trust Deed
- Audited accounts and Auditors' reports
- Extracts of information from the latest Actuarial investigation
- The Rules governing the appointment and removal of Member Directors.

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If you have any question on any aspect of the Scheme please contact:

Phone	(08) 8204 3826 or (08) 8204 3713
Fax	(08) 8204 3610
Postal	GPO Box 98, Adelaide SA 5001
Visiting	Adelaide Station 99 Wakefield St, Adelaide SA 5000
Email	kent.alan@samfs.sa.gov.au

FINANCIAL STATEMENTS

Statement of the change in net assets 2008

Scheme assets at 30 June 2007	**$234,360,878**
PLUS	
Net investment revenue	-$25,843,871
Employer contributions	$7,371,096
Member contributions	$3,216,478
Transfers from other funds	$600,785
Other revenue	$66,064
Total revenue	**-$14,589,448**
LESS	
Benefits paid	$10,970,594
General administration expenses	$809,713
Insurance premiums	$1,863,399
Contributions surcharge	$2,208
Income tax expense	-$1,951,911
Total expenses	**$11,694,003**
Fund assets as at 30 June 2008	**$208,077,427**

Fund assets 2008

Investment by facility	
Investments	$204,932,601
Cash at Bank	$864,749
Other assets	$3,113,649
Receivables	$14,627
Total assets	**$208,925,626**
Liabilities	
Provisions for tax	$459,964
Other liabilities	$388,235
Total liabilities	**$848,199**
Net assets as at 30 June 2008	**$208,077,427**

The Financial Statements are based on the full audited accounts of the Scheme.

Prepared by:
SA Metropolitan
Fire Service
Superannuation
Pty Ltd
ACN 068 821 750

as Trustee for the
SA Metropolitan
Fire Service
Superannuation
Scheme
ABN 99439309855

November 2008

Disclaimer This annual report has been prepared by the Trustee to meet its legislative obligations under the Corporations Act. Any information contained in this annual report does not take account of the specific needs, personal or financial circumstances of any persons. Readers should obtain specialist advice from a licensed financial adviser before making any changes to their own superannuation arrangements. 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. This document contains general information about investments and investment performance. Please remember that past performance is not necessarily a guide to future performance. You should also consider the Scheme's Member Benefit Guide.

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