

New
Vision
Super
website!

MEMBER REPORT 2011

Run only to benefit members

August 2011

This year's highlights



New Vision Super website

Vision Super's new website launched this year with a fresh public face. We've reworked the navigation and layout to make finding the most popular content even easier than before. There's now more online, with extra sections and online forms.

You can rollover by completing a form online (a frequently requested feature), there's a dedicated women's section, the first in our Super School series of videos, scrolling news, enhanced search, and email newsletter subscriptions. Go online and sign up for our newsletter and give us feedback on the site.



Now rollover online

Have you been put off rolling over because of the extra paperwork? Keeping track of multiple super accounts can lead to extra fees and more account management. Who wants extra fees and hassle?

form you can add multiple accounts at the same time, or just one! Save more by consolidating all your super accounts today. Every drop counts. It's one of the most sensible and effective ways to boost your super.

We've now made it even easier for you to transfer your super into Vision. With our online rollover

[More online](#) →



Merger green light

The Equipsuper and Vision Super Boards have committed to merging the two funds. Our organisations aim to come together by 2013.

The merger will create an industry fund of around \$9.5 billion, about double the size of Vision Super and ranking us in the top ten profit-for-member funds. While size is not an end in itself, this will enable us to create new investment opportunities and to offer a range of products and services to

provide you with financial security through your working life and a retirement lifestyle you can look forward to.

The merger's increased scale will allow for greater efficiencies, access to a wider range of skills and talent, and the benefits of a much larger, cost-effective investment pool.

[More online](#) →



Working smarter to help you

This year our Communications Team has been more active than ever. We've been running numerous information and marketing campaigns to help you make informed decisions about super.

A successful Women's Seminar event was held in November. We ran a campaign to win an iPad2 by arranging a post-tax contribution into your super, and plan a whole lot more for 2012. Stay tuned!

[More online](#) →

VISION SUPER
YOUR INDUSTRY SUPER FUND

Vision Super Pty Ltd ABN 50 082 924 561,
Australian Financial Services Licence 225054, is
the Trustee of the Local Authorities Superannuation
Fund ABN 24 496 637 884 and the Vision
Superannuation Fund ABN 79 327 289 195

More available online! Extra information is available on our website in a special Member Report section wherever you see the green [More online](#) button.



Call (03) 9911 3222

www.visionsuper.com.au

Looking ahead



We can help you buy your first home

The Federal Government launched the first home saver account scheme in October 2008. This is a fantastic new initiative for first home savers. Using the scheme, the Government will contribute up to 17% on the first \$5,500 you save into a First Home Saver Account each year to boost your deposit on a first home.

As an added incentive, interest is taxed at a low rate of 15% and the balance is tax free when you take it out after 4 years. If you or a family member is thinking about buying a home, this could be an excellent option to save faster. Soon you'll be able to set up your own First Home Saver Account with Vision Super. Call us on **9911 3222** (regional members **1300 300 820**) for more information.

[More online](#) →



We can tell you more

You can now receive general AND personal advice about your Vision Super account. No fuss or fees, just simple, clear advice delivered to you over the phone or in writing.

In the past we could only offer general super and financial advice, but now we can offer you more tailored information. Advice can cover what type of investor you are, the level of contributions you need to provide for your desired retirement lifestyle, and the right insurance cover level for you.

[More online](#) →



Important budget information

The 2011 Federal Budget has outlined new super measures. Some of these have been passed by Parliament and have become law, including:

1. The 50% pension minimum draw down relief will be reduced to 25% in 2011-12 and will return to the normal rate from 1 July 2012.
2. Current income eligibility levels for the Government Co-contribution scheme remain in place until 2012-13.

The following two measures have yet to be assessed by parliament:

1. People aged 50 and over with less than \$500,000 in super will be able to contribute an extra \$25,000 in pre-tax dollars each year (from 1 July 2012).
2. Those who exceed their concessional (pre-tax) contribution cap for the first time by less than \$10,000 will be able to avoid paying excess contributions tax.

[More online](#) →



Recognised for our sustainability

Vision Super is pleased to have been "Infinity Recognised" by ratings agency SuperRatings.

In a comprehensive research of 70 super funds, we were assessed as one of thirteen funds "that practice genuine responsible investment principles and openly communicate these processes with fund members. To be considered, those funds must also have sound internal sustainability practices underpinning their responsible investment practices.

Vision Super is committed to a sustainable future, and we believe that long-term economic viability is linked to environmental stability. Visit our website for more information about the Environmental, Social and Governance considerations that we apply to investments and sustainable fund governance.

[More online](#) →



Chairman's report



Welcome to Vision Super's Member Report for the 2010/2011 financial year. This is my final report as my term as Chairman and I retired as a Director of the Fund as of 30 June 2011.

Investment performance

On the eve of my retirement, it is pleasing to be able to report that Vision has again had a successful year, with Vision Super's default investment option (Balanced Growth) returning 9.94%. This is certainly a very satisfying outcome considering the low market returns in recent years due to the global financial crisis and continuing market volatility.

Importantly for our retirees, Vision Super's Allocated Pension (Balanced Growth) has returned 11.18%, another strong financial year result. As a new retiree I am appreciating the value of a tax free allocated pension. I encourage other members thinking about retiring to discuss the advantages of an allocated pension with one of our financial planners. The earlier you make an appointment and assess your options before your retirement, the better.

The benefits of pooling

Since 2005, the assets of Vision Super plans have been invested in the Vision Pooled Superannuation Trust. Two other local government super funds, Quadrant Super in Tasmania and Western Australia Local Government Super have also invested part of their assets in the Trust. At the end of June their combined assets were over \$250 million, taking the assets invested in the Trust to almost \$5 billion.

The pooling of assets in this way allows us to invest assets efficiently, while maximising economies of scale for all members.

Vision and Equisuper to merge

At its June Board meeting, Vision Directors confirmed its decision to merge with Equisuper. The merger will create an industry fund of around \$9.5 billion, about double the size of Vision Super and ranking us in the top ten profit-for-member funds. While size is not an end in itself, this will enable us to create new investment opportunities and to offer a range of products and services to provide you with financial security through your working life and a retirement lifestyle you can look forward to.

Other benefits members will see include savings in the investment field as the new fund will have a strong in-house investment team. This in-house team provides considerable cost savings in management fees now and into the future. Additionally, the new fund will have the capacity to provide a broader range of services to all members.

Lost super

It worries me that many members who have worked in various industries have super accounts in a variety of super funds. This has been a growing issue for some time and can potentially have a significant impact on future retirement benefits. Recently we set up an online form that members can complete in order to allow our staff to search for your lost super for you. Just visit Vision Super's website on the link below, fill in the form, and they will do the rest. Visit www.visionsuper.com.au/members/find-your-lost-super

Farewell

I would like to congratulate Director Rob Spence on being elected as Chair of Vision Super, and Brian Parkinson as Deputy Chair. Rob is CEO of the MAV and is highly respected in the industry. In his capacity as Deputy Chair during my term, Rob always made himself available for the additional meetings required due to the merger of Vision and Equisuper. I am sure Rob and Brian will prove to be a valuable team for the Fund.

As I am retiring, I would like to record my appreciation to CEO Rob Brooks, all Vision Super Directors, and our great staff, who go out of their way to provide expert advice and assistance to all members.

Darrell Cochrane
Chairman

This Vision Super Member Report 2011 and your Vision Super Member Statement with its accompanying Super Update flyer for the year ended June 2011, make up your Member Report and should be read together.

Disclaimer

The information in this Member Report was current at the time of publication. Vision Super believes the editorial content is correct and not misleading but we give no warranty in relation to it. Save for any statutory liability, we disclaim all liability for any loss or damage that may arise from anyone acting on the content. All services and products detailed in this newsletter are subject to Australian laws that may change from time to time. ABN 50 082 924 561. This information is not intended to act as financial advice. Remember, your circumstances and financial needs are unique. Before acting on the basis of anything contained in this document, you should consider whether it is appropriate to your needs and circumstances. You should obtain and read the relevant Product Disclosure Statement before acquiring any financial product. We suggest you seek professional advice to make the best choice for your circumstances.

Managing your money



Managing your Money

Vision Super's assets are invested in The Vision Pooled Superannuation Trust. The pooled trust holds investments in a number of different single sector and premixed investment options. The table below includes approximately \$284 million that other super funds have invested in the Trust. The more money pooled together, the greater the return after fees and the more efficient the funds are to manage.

Investment manager reviews

During the year the Board made changes to the appointed investment managers. Existing mandates of current investment managers also changed. Full details regarding Vision Super's investment manager changes are available on our website.

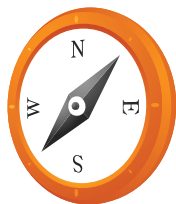
Growth Investments	30-Jun-11		30-Jun-10	
	\$million	%	\$million	%
Australian Shares				
GMO Australian Limited - Value Tilt	0.0	0.0%	130.4	3.1%
Ibbotson Associates - High Alpha Trust	139.0	2.8%	121.4	2.9%
Schroders Investment Management Australian Limited - Growth Tilt	183.8	3.7%	151.5	3.6%
SSGA Australian SAM Sustainability Index Trust **	25.3	0.5%	21.0	0.5%
Macquarie Funds Group - Enhanced Index	485.2	9.7%	417.3	9.9%
Warakirri Asset Management Pty Ltd - Small Companies Fund	0.0	0.0%	80.4	1.9%
Integrity Investment Management - Australian Equities Fundamental	169.8	3.4%	-	-
Invesco Australia Limited - Australian Small Companies	52.3	1.0%	-	-
Kinetic Investment Partners Limited - Australian Small Companies	46.7	0.9%	-	-
Citigroup Futures Overlay - Australian Equities Active and Passive	0.0	0.0%	0.9	0.1%
Total Australian Shares	1,102.1	22.1%	922.9	22.0%
International Shares				
Baillie Gifford Overseas Ltd - Long-Term Global Growth Equities	131.5	2.6%	108.2	2.6%
Global Currents Asset Management LLC - Value Approach Strategy	90.8	1.8%	87.4	2.1%
Colonial First State - Global Emerging Markets Leaders Fund	86.5	1.7%	73.2	1.7%
Generation Investment Management - Global Equity Strategy	78.1	1.6%	78.9	1.9%
SSGA Dow Jones Sustainability World Ex-Australia Index Trust * ^	22.4	0.4%	18.6	0.4%
SSGA - Index Plus Strategy *	339.4	6.8%	282.7	6.7%
Turner Investment Partners - Global Growth	101.4	2.0%	95.1	2.3%
HFA Asset Management - International Shares Fund (Long/Short)	0.0	0.0%	9.9	0.2%
Citigroup Futures Overlay - International Equities Active & Passive	10.9	0.2%	1.9	0.1%
Total International Shares	861.0	17.2%	755.9	18.0%
Currency				
FX Concepts Inc. - Active / Passive	2.8	0.1%	-2.7	-0.1%
Millennium Global Investments Ltd - Active/Passive	4.9	0.1%	-2.8	0.0%
Total Currency	7.7	0.2%	-5.5	-0.1%
Property				
AMP Capital Investors - Property Unit	132.0	2.6%	119.8	2.8%
Colonial First State Property - Direct Property Investment Fund (Retail)	0.0	0.0%	24.3	0.6%
Industry Super Property Trust - Core Fund	115.4	2.3%	105.7	2.5%
Eureka Fund Management - Core Property Fund 3	59.2	1.2%	53.5	1.3%
QIC Properties Pty Ltd - Shopping Centre Fund (Retail)	44.5	0.9%	40.3	1.0%
Total Property	351.1	7.0%	343.6	8.2%
Defensive Investments				
Cash				
Internal Management (Vision Super)	685.1	13.7%	526.6	12.5%
Total Cash	685.1	13.7%	526.6	12.5%
Diversified Bonds				
Alliance Bernstein Australia Ltd - Australian Fixed Income	0.7	0.0%	0.7	0.0%
Hastings Funds Management Limited - High Yield Fund	92.4	1.8%	106.8	2.5%
Members Equity Portfolio Management Limited - Super Loans Trust	10.8	0.2%	11.1	0.4%
Western Asset Management Company - Diversi ed Fixed Income	176.7	3.5%	103.7	2.5%
SSGA - Australian Passive Fixed Interest *	207.6	4.2%	104.6	2.5%
SSGA - Global Passive Fixed Interest *	186.7	3.7%	103.0	2.5%
Citigroup Futures Overlay - Australian and International Diversi ed Bonds	0.0	0.0%	-	-
Total Diversified Bonds	674.9	13.5%	429.9	10.4%
Total Traditional Investments	\$ 3,681.9	73.7%	\$ 2,973.4	71.0%

* SSGA refers to State Street Global Advisors

** SSGA Australian SAM Sustainability Index Trust was formally Vanguard Sustainability Leaders Australian Share Fund

^ SSGA Dow Jones Sustainability World Ex-Australia Index Trust was formally Vanguard Sustainability Leaders International Share Fund

Investment Strategy



Investment Strategy

Vision Super offers a range of Premixed and Single Sector Member investment Choice Options. The investment objectives and risks for each option vary according to the asset class mix which makes up the option. The objectives are reviewed annually and involve careful consideration of past and expected future risks and returns. A key strategic objective is to ensure that each Investment Choice Option is invested in line with its target asset allocation. At times this can be difficult.

Financial markets go up and down at different times for different reasons and a fund can quickly get out of balance. Providing we are able to do so, we rebalance our portfolios regularly sometimes by way of redirecting contributions and at other times by reallocating portfolios between managers.

Derivatives

We do not use derivative instruments in managing the internal cash portfolio. Derivative instruments are used to assist with the efficient implementation of our asset allocation. We use an Implementation Manager for this purpose. External fund managers of discrete mandates are only authorised to use derivative instruments for the efficient management of their portfolios under agreed guidelines. These guidelines allow fund managers to use derivatives to control risk and reduce (or increase) exposure to investment markets. Fund managers are not authorised to use derivative instruments for the purposes of leveraging the portfolio or for speculation.

Vision Super invests in a number of pooled investment funds. As part of their active investment strategies, these pooled investment funds may use derivative instruments from time to time to leverage their portfolios. Vision Super does not have additional liability associated with these pooled funds beyond the amounts invested.

Alternative investments

	30-Jun-11		30-Jun-10	
	\$million	%	\$million	%
Infrastructure				
IFM Australian & International Infrastructure	447.0	8.9%	395.8	9.4%
Hastings Funds Management Limited - Utility Trust of Australia	81.7	1.6%	72.4	1.7%
Regional Infrastructure Fund	11.3	0.2%	10.0	0.2%
Total Infrastructure	540.0	10.8%	478.2	11.3%
Private Equity				
IFM Australian Private Equity Funds II & III	34.4	0.7%	37.9	0.9%
Allegro Private Equity - Fund I	12.1	0.2%	7.5	0.2%
Members Equity Bank - Industry Super Holdings Pty Ltd *	20.1	0.4%	20.0	0.5%
ING Investment Management - Private Capital Fund No. 1	4.1	0.1%	6.5	0.2%
Quay Partners Pty Ltd - Australia 2, 3 & 4 Funds	46.1	0.9%	41.1	1.0%
Macquarie Alternative Investment Funds IV & V	43.3	0.9%	41.5	1.0%
IFM International Private Equity Funds I, II & III	57.5	1.2%	64.7	1.5%
Greenspring Global Partners III & IV, L.P.	27.7	0.6%	24.8	0.6%
Generation Investment Management - Climate Solutions Fund	13.7	0.3%	13.3	0.3%
LGT Capital Partners AG - Crown European Private Equity PLC	28.9	0.6%	22.7	0.5%
Mid Europa Partners Emerging Europe Convergence Fund II, L.P.	34.4	0.7%	35.3	0.8%
Private Equity Trust ##	108.8	2.2%	99.8	2.4%
Vencap 12 Limited	20.5	0.4%	15.3	0.3%
Hawkesbridge Private Equity Pty Ltd & Fund 3 (Trust C)	21.5	0.4%	15.0	0.4%
FX Concepts Inc.- Private Equity Europe & USD Hedge	1.5	0.0%	-2.2	-0.1%
Total Private Equity	474.6	9.5%	443.2	10.5%
Property Opportunistic				
APN Funds Management Ltd - Development Fund No. 1	9.0	0.2%	9.3	0.2%
Colonial First State Property - Opportunistic Partnership No. 1	0.3	0.0%	0.2	0.0%
Eureka Funds Management - Property Funds No. 1 & 2	9.9	0.2%	14.6	0.3%
Eureka Funds Management - Loan Note Facility #	2.2	0.0%	-	-
Macquarie Wanda Real Estate Fund	26.3	0.5%	27.5	0.7%
Private Equity Trust - Property Opportunistic ###	78.9	1.6%	61.7	1.5%
Warakirri Asset Management Pty Ltd - Dairy Farm Trust	12.2	0.2%	11.0	0.3%
Warakirri Asset Management Pty Ltd - Dairy Land Trust	34.4	0.7%	37.3	0.9%
Investa - Enhanced Fund	22.3	0.4%	21.9	0.5%
Gresham Partners Limited - Property Mezzanine Funds No. 2,3 & 4 ^	12.7	0.3%	18.2	0.4%
FX Concepts Inc.- Property Opportunistic Europe & USD Hedge	0.5	0.0%	0.2	0.0%
Total Property Opportunistic	208.7	4.2%	201.9	4.8%
Absolute Return Strategies				
Bridgewater Associates Inc. - Pure Alpha Fund	86.3	1.7%	63.6	1.5%
BlackRock Alternative Advisors - QBLK ARS III	3.9	0.1%	37.4	0.9%
Total Absolute Return Strategies	90.2	1.8%	101.0	2.4%
Total Alternative Investments	\$ 1,313.5	26.3%	\$ 1,224.3	29.0%
Total	\$ 4,995.4	100.0%	\$ 4,197.7	100.0%

* Industry Super Holdings Pty Ltd was formally IFBT - Industry Funds Banking Trust

^ No 4 was added in 2011

Loan note apart of Eureka Fund 1

Adveq Management AG Europe III L.P., Lexington Capital Partners VI-B & Mesirow Financial Private Equity Partnership Fund III, L.P.

Macquarie Global Property Advisors Asia & Europe Funds II & III

Your investment choices



Sustainable investment options

The "Sustainable" MIC options and the Property and Alternative Single Sector options were closed to new investments on 1 March 2011.

Tables on this page show the asset allocations of Vision Super's Premixed and Single Sector investment options at 30 June 2011.

[More online](#)

Trustee Premixed options

Conservative		Sustainable option available		
Performance objectives	Super*	Outperform CPI by 2.5% p.a. for super (3.5% p.a. for pensions) over 2/3 of all rolling 5 year periods (after fees and taxes).	Probability of a negative return	1 year in 25 (4%)
	Pensions**			

Balanced		Sustainable option available		
Performance objectives	Super*	Outperform CPI by 3.5% p.a. for super (4.5% p.a. for pensions) over 2/3 of all rolling 5 year periods (after fees and taxes).	Probability of a negative return	1 year in 10 (10%)
	Pensions**			

Balanced Growth		Sustainable option available		
Performance objectives	Super*	Outperform CPI by 4% p.a. for super (5% for pensions) over 2/3 of all rolling 5 year periods (after fees and taxes).	Probability of a negative return	1 year in 9 (11%)
	Pensions**			

Growth		Sustainable option available		
Performance objectives	Super*	Outperform CPI by 4.5% p.a. for super (5.5% for pensions) over 2/3 of all rolling 5 year periods (after fees and taxes).	Probability of a negative return	1 year in 6 (17%)
	Pensions**			

Just shares		Sustainable option available		
Performance objectives	Super*	Outperform CPI by 4.5% p.a. for super (5% for pensions) over 2/3 of all rolling 10 year periods (after fees and taxes).	Probability of a negative return	1 year in 4 (25%)
	Pensions**			

Single Sector options

Cash		Sustainable option		
Performance objectives	Super*	Outperform CPI over 2/3 of all rolling 3 year periods (after fees and taxes).	Probability of a negative return	Very low
	Pensions**			

Diversified Bonds		Sustainable option		
Performance objectives	Super*	Outperform CPI by 2% p.a. for super (3% p.a. for pensions) over 2/3 of all rolling 3 year periods (after fees and taxes).	Probability of a negative return	1 year in 25 (4%)
	Pensions**			

Alternative Assets		Sustainable option		
Performance objectives	Super*	Outperform CPI by 3% p.a. for super (4% p.a. for pensions) over 2/3 of all rolling 5 year periods (after fees and taxes).	Probability of a negative return	1 year in 15 (6%)
	Pensions**			

Property		Sustainable option		
Performance objectives	Super*	Outperform CPI by 3% p.a. for super (4% p.a. for pensions) over 2/3 of all rolling 5 year periods (after fees and taxes).	Probability of a negative return	1 year in 5 (20%)
	Pensions**			

International Equities		Sustainable option		
Performance objectives	Super*	Outperform CPI by 4.5% p.a. for super (5% p.a. for pensions) over 2/3 of all rolling 10 year periods (after fees and taxes).	Probability of a negative return	1 year in 4 (25%)
	Pensions**			

Australian Equities		Sustainable option		
Performance objectives	Super*	Outperform CPI by 4.5% p.a. for super (5% p.a. for pensions) over 2/3 of all rolling 10 year periods (after fees and taxes).	Probability of a negative return	1 year in 4 (25%)
	Pensions**			

* The earnings of super products are taxed.

** The earnings of pension products are untaxed.

Understanding the charts

- Probability of a negative return allows members to select an option with a level of risk (sometimes called volatility) they are comfortable with. Figures in the table are indications of long-term expectations. Investment markets go up and down and it is possible for negative returns to occur more frequently than shown.
- Performance objectives are higher for pension than super products because they pay no tax on investment earnings.

We can help!

If you have any questions about your investment options, or the way we manage our investments, please call **9911 3222** (regional callers **1300 300 820**). You can also find information at www.visionsuper.com.au. Just click on **Investments**.

Financial facts



Three sets of financial reports

Below is a summary of our unaudited financial statements. There are three sets of financial reports. One is for the Local Authorities Superannuation Fund, one for the Vision Superannuation Fund and one

combined report. The full audited financial statements will be published on our website, or will be available on request, from October 2011. To download them go to www.visionsuper.com.au and click **About Vision**, then **Financial Statements**.

Financial Report – Combined

Incorporating Local Authorities Super Fund and Vision Superannuation Fund.

Net Assets as at 30 June	2011 \$000	2010 \$000
Assets		
Assets	4,760,148	4,215,126
Other receivables	31,095	2,955
Total Assets	4,791,243	4,218,081
Less Liabilities		
Less Liabilities	73,211	45,715
Net assets	4,718,032	4,172,366

Changes in Net Assets for year ended 30 June	2011 \$000	2010 \$000
Net Assets at beginning of the year	4,172,366	3,729,551
Investment revenue (less)	357,932	298,713
Contributions by employers	394,630	198,745
Contributions by members	147,073	213,207
Other revenue	1,606	1,600
Total	901,241	712,265
Outgoings		
Benefit payments	270,930	208,187
Administration Expenses	18,307	18,527
Other expenses	66,338	42,736
Total	355,575	269,450
Net Assets at end of year	4,718,032	4,172,366

Financial Report – Local Authorities Superannuation Fund

Generally incorporating **Defined Benefit, Super Saver and Partner Plan** plus **Personal Plans and Pensions** established before 1 February 2007.

Net Assets as at 30 June	2011 \$000	2010 \$000
Assets		
Investments	4,388,006	3,935,710
Other Assets	31,077	2,941
Total	4,419,083	3,938,651
Less Liabilities		
Income Tax payable	55,222	36,831
Provision for deferred tax	143	143
Other liabilities	17,449	8,254
Total	72,814	45,228
Net Assets	4,346,269	3,893,423

Changes in Net Assets for year ended 30 June	2011 \$000	2010 \$000
Net Assets at beginning of the year	3,893,423	3,530,821
Income		
Investment revenue (loss)	329,338	281,639
Contributions by employers	393,035	277,286
Contributions by members	125,269	116,324
Other revenue	1,568	1,577
Total	849,210	676,826
Outgoings		
Benefit payments	312,732	253,722
Administration expenses	17,403	17,862
Insurance premiums	11,737	6,062
Other expenses	0	1
Income tax	54,492	36,577
Total	396,364	314,224
Net Assets at end of the year	4,346,269	3,893,423

Financial Report – Vision Superannuation Fund

Incorporating **Vision Personal Plan** and **Vision Income Stream plans** (pensions) from 1 February 2007.

Net Assets as at 30 June	2011 \$000	2010 \$000
Assets		
Assets	372,143	279,417
Other receivables	18	14
Total	372,161	279,430
Less Liabilities		
Income Tax payable	109	95
Other liabilities	289	392
Total	398	487
Net Assets	371,763	278,943

Changes in Net Assets for year ended 30 June	2011 \$000	2010 \$000
Net Assets at beginning of the year	278,943	198,730
Income		
Investment revenue (loss)	28,594	17,074
Contributions by employers	1,595	1,259
Contributions by members	108,404	96,882
Other revenue	38	24
Total	138,631	115,239
Outgoings		
Benefit payments	44,798	34,265
Administration fees	904	666
Income tax	109	95
Total	45,811	35,026
Net Assets at end of the year	371,763	278,943

Managing your fund











Commonwealth superannuation law generally requires that fund trustees have equal representation of employer and member representatives.

Vision Super Pty Ltd is the Trustee and Administrator of the Local Authorities

Superannuation Fund, the Vision Superannuation Fund and the Vision Pooled Superannuation Trust. Vision Super has eight directors, four appointed on the nomination of the ASU, and four appointed on the nomination of the following employer associations:

- Municipal Association of Victoria (MAV) – two directors
- Victorian Water Industry Association (VWIA) – one director
- Victorian Employers' Chamber of Commerce and Industry (VECCI) – one director

Each director has an alternate director appointed in the same manner. The term of appointment for directors and alternates is four years. The directors and their alternates as at 30 June 2011 are detailed in the table.

Director	Alternate Director	Method of appointment	Appointed
 Darrell Cochrane *	Brian Parkinson	Nominated by ASU	1993
 Rob Spence	Alison Lyon	Nominated by MAV	2003
 Michael Tilley	Steve Bird	Nominated by VWIA	1998
 Russell Atwood	Brian Parkinson	Nominated by ASU	2009
 Tony Tuohy	Bill Watton **	Nominated by ASU	1995
 Geoff Lake	Alison Lyon	Nominated by MAV	2009
 Angela Emslie	Leigh Harder	Nominated by VECCI	1998
 Wendy Phillips	Bill Watton **	Nominated by ASU	1998

* Darrell Cochrane retired as a Director on 30 June 2011 and Brian Parkinson was appointed.

** Bill Watton retired May 2011.

Fund Administration

Chief Executive Officer: Rob Brooks
 Company Secretary: Paul Curtin
 External auditor: Ernst & Young
 Internal auditor: PWC
 Master Custodian: NAB Asset Servicing

Principal advisors

Fund actuary: Matthew Burgess
 Investments: Frontier Investment Consulting
 Property: J G Service
 Private Equity: Sovereign Investment Research
 Lawyers: DLA Piper; Rigby Cooke
 Tax: KPMG

New Chairperson

Rob Spence replaced Darrell Cochrane as Chairman of Vision Super from 1 July 2011.

Committees of the Board

The Board has established a number of Committees comprising Vision Super Directors to deal with issues, and where applicable, to make recommendations to the Board.

Audit, Risk and Compliance Committee

(Independent Chair – John Warburton)

Reviews and makes recommendations to the Board on internal controls, corporate governance issues, statutory reporting and general audit performance.

Benefits Committee

(Chair – Rob Spence)

Assesses death and disability claims and makes recommendations to the Board on policies affecting benefits.

Investment Committee

(Chair – Tony Tuohy)

Analyses, reviews and makes recommendations to the Board on investment strategy, performance and manager selection.

Insurance

Vision Super Pty Ltd has taken out a policy of trustee indemnity insurance.

Superannuation surcharge

The Government Superannuation Surcharge Tax is a tax which applied to higher income earners prior to 1 July 2005. If the Trustee paid a surcharge on your behalf during the year it will appear on your Member Statement. The liability for any surcharge paid is borne by the affected members against their respective benefits.

Insurance Reserve

Effective from 1 July 2010, all Death and Disability (other than the cover provided by the Defined Benefits Plans) was outsourced to CommInsure. Existing Death and Disability reserves will be used only to meet the cost of claims that existed or arise from illnesses or injuries prior to the transfer of cover to CommInsure. The balance of the insurance reserve as at 30 June 2011 was \$4,152,945 (\$6,617,902 in 2010 and \$4,450,006 in 2009).

Our contact details

Member Services: (03) 9911 3222
Fax: (03) 9911 3299
email: memberservices@visionsuper.com.au

Address: Level 5/1 Spring Street
 Melbourne VIC 3000
Postal address: PO Box 18041 Collins Street East
 Melbourne VIC 8003