

# Annual Report 2011

*making super  
easy for life*



Issued by CARE Super Pty Ltd (Trustee)  
ABN 91 006 670 060 AFSL 235 226  
CARE Super (Fund) ABN 98 172 275 725  
Level 5, 53 Queen Street, Melbourne VIC 3000



# From the Chairman & CEO

Left: Michael O'Sullivan, Chairman

Right: Julie Lander, Chief Executive Officer

**We are pleased to report strong investment performance across all CareSuper investment options for 2010/11.**

The Balanced option (the default option) produced a return of 10.2% for the financial year ended 30 June 2011. This is a strong result against the median Balanced fund return of 8.7%\* in a year where economic concerns dominated Australian and overseas markets. As always we emphasise that with super it's more important to focus on long-term performance, so our members can feel confident that the Balanced option has recorded an average return of 6.6% p.a. over the past 10-year period. This result significantly outperformed inflation over the decade by 3.6% and positions the Balanced option as number two in a survey of the 50 largest super funds for that time.\*

CareSuper has again been recognised with top awards from a number of independent ratings agencies. *Money* magazine awarded CareSuper the Best Accumulation Fund Manager in the Best of the Best awards for 2011 and we also received accolades from SuperRatings for Super of the Year and SelectingSuper's Fund of the Year. You can see more of our awards on page 3 opposite.

This year Giaan Rooney joined CareSuper as a member and ambassador. Giaan recognises the importance of preparing for the future, and taking control of your super is an integral part of that. She hopes to share this knowledge with other young super members.

We have also seen some exciting enhancements to our product offering for members. As of April 2011 we negotiated even more competitive insurance for our members, resulting in reduced weekly rates for income protection cover. This significant benefit will encourage more members to consider whether they would be financially secure if they were unable to work due to an accident or illness.

In the next few months we will be offering a new investment option. From December 2011 the Direct Investment option will enable members to invest in companies included in the S&P/ASX 300 Index and have more choices and control over how their super is managed. For more information visit our website at [caresuper.com.au/dioption](http://caresuper.com.au/dioption).

Since the end of the financial year, CareSuper and ASSET Super have announced a proposed merger of the two funds. The aim of a merger is to maximise benefits of greater scale to deliver favourable outcomes for members and long-term sustainability of the Fund. Over the next few months, Directors and staff of both funds will work together to determine how members' interests can best be served through a merged entity. Appropriate due diligence will be required before the proposed merger can take place and we will keep you informed of the outcome.

As always we welcome your questions and feedback – please see our contact details on the back cover.

**Michael O'Sullivan**

**Julie Lander**

\*SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index, June 2011.

## printed annual reports

If you require a printed copy of this annual report, you can order one by calling the CareSuper hotline on **1300 360 149**.



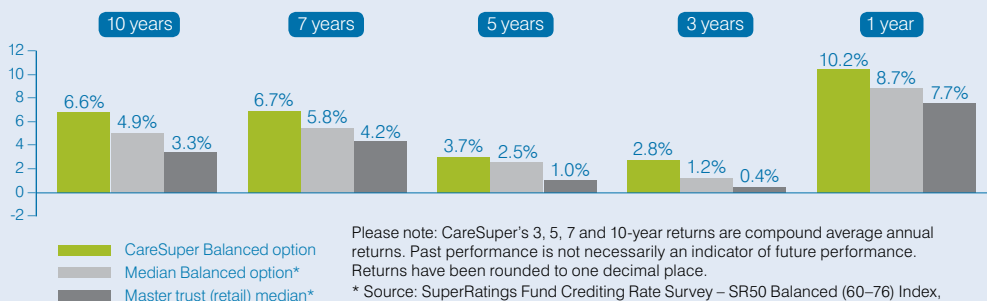
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# Our performance at a glance

## Top returns from an award-winning fund

Compare CareSuper's Balanced option with the median Balanced option and the master trust (retail) median over a range of timeframes.



Please note: CareSuper's 3, 5, 7 and 10-year returns are compound average annual returns. Past performance is not necessarily an indicator of future performance. Returns have been rounded to one decimal place.

\* Source: SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index, June 2011. This survey includes Balanced options for industry funds and master trusts.

## Facts and figures

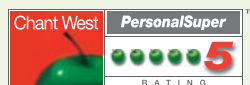
For 2010/11 CareSuper:

- Welcomed over 21,000 new members and 8000 new employers
- Reached \$4.6 billion in funds under management
- Conducted more than 2400 workplace visits and 150 super seminars, with over 2440 attendees
- Answered over 109,000 calls from members and employers.

## Top ratings by the experts

The CareSuper industry fund has been awarded the highest ratings by independent organisations.

➔ Visit [caresuper.com.au](http://caresuper.com.au) for details of these awards.



**WINNER 2011**  
 INVESTMENT STEWARDSHIP  
 AWARD - SUPERANNUATION FUND  
 MELBOURNE FINANCIAL SERVICES SYMPOSIUM

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# Investing in the future

## Market summary and outlook

A number of the global economic themes that affected financial markets in the 2009/10 financial year, including the European sovereign debt crisis, the funding of the US deficit and doubt surrounding economic growth in China, continued into 2010/11.

Adding to these concerns were events such as the political upheaval in the Middle East and North Africa, natural disasters, political uncertainty in Australia and a record-breaking Australian dollar that acted as a brake on the local share market and reduced returns on foreign investments.

As such events dominated financial markets, negative economic data out of the US led to a very difficult June quarter producing negative returns across global markets. Furthermore, the uncertainty around government debt levels, particularly in Europe, and the inability of countries such as Greece, Spain, Portugal and Italy to balance their budgets, exacerbated negative sentiment.

## CareSuper's response to these market conditions

With international concerns remaining unresolved, volatility in markets may continue. Members invested in options

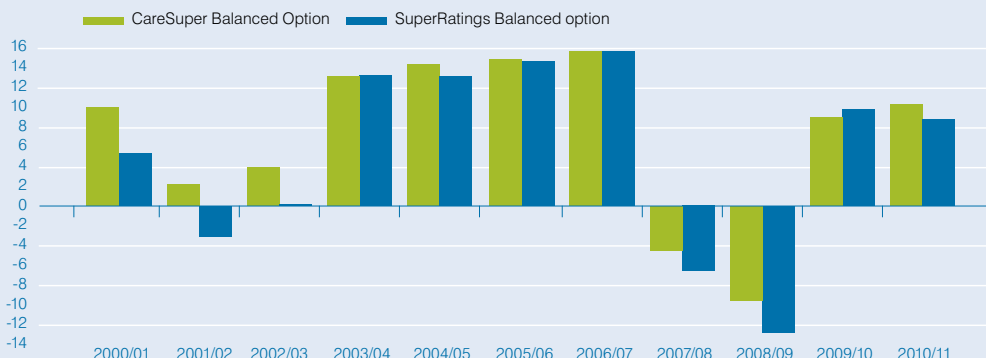
that are exposed to Australian and overseas shares are likely to experience volatility in their account balances over the short term. However we encourage members to maintain a long-term view to investing, and if necessary seek financial advice to ensure their investment strategy meets their objectives.

CareSuper continues to hold a quality bias in our Australian and overseas share portfolios – that is, companies that have strong cash flows and earnings streams with the ability to maintain healthy dividends. It is anticipated such companies will provide protection in weak financial markets, outperform when economic growth is slow and keep up with market performance should the economy surprise on the upside.

CareSuper recently undertook our annual strategic allocation review, which takes into account both market conditions and our investment objectives. This review resulted in slight changes to the asset allocations of our Managed options consistent with CareSuper's key objectives of protecting capital on the downside and achieving a return above inflation over a rolling 5-year period. For more information on the asset allocations for each investment option, refer to the Investments section of our website at [caresuper.com.au](http://caresuper.com.au).

## How does CareSuper compare?

Compare the annual returns of the CareSuper Balanced option over the last decade against the returns of the SuperRatings median Balanced option. CareSuper is ranked number two for the Balanced option returns over the 10-year period to 30 June 2011.

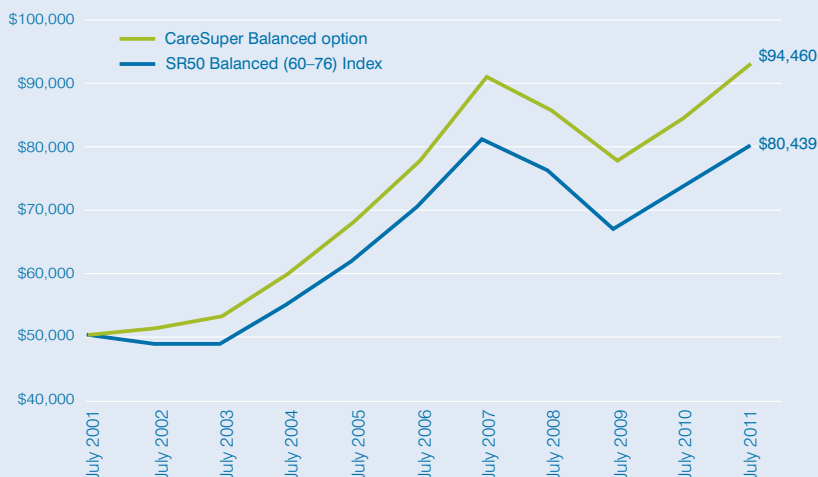


Past Performance is not necessarily an indication of future performance.

Source: SuperRatings Fund Crediting Rate Surveys 2001-2011 – SR50 Balanced (60-76) Index.

## How much is your super worth in 10 years?

This chart shows the benefits of investing for the long term. Consider \$50,000 invested in the CareSuper Balanced option at 1 July 2001, compared to that of the median Balanced fund (SuperRating's SR50 60–76 Balanced Survey). Ten years later, the CareSuper account is over \$14,000 better off.



Please note: Balance net of investment fees and taxes. Assumes starting account balance of \$50,000 at 1 July 2001, with no additional contributions. Crediting rates are applied at the end of each financial year.

*it's the returns over the long term that really count...*

Investment returns (after fees and taxes) to 30 June 2011

Investment options	Annual returns					Compound average annual returns			
	2010/11 (%)	2009/10 (%)	2008/09 (%)	2007/08 (%)	2006/07 (%)	10 years (%)	7 years (%)	5 years (%)	3 years (%)
<b>Managed options</b>									
Capital Guaranteed	3.3	2.7	4.0	6.6	7.0	4.9	4.9	4.7	3.3
Capital Stable	7.7	9.1	-2.2	-0.7	9.1	5.9	6.1	4.5	4.7
Conservative Balanced	8.5	9.3	-4.3	-3.0	10.8	–	–	4.1	4.3
<b>Balanced</b>	<b>10.2</b>	<b>8.9</b>	<b>-9.5</b>	<b>-4.5</b>	<b>15.7</b>	<b>6.6</b>	<b>6.7</b>	<b>3.7</b>	<b>2.8</b>
Sustainable Balanced	9.1	9.3	-10.1	-7.2	12.6	–	5.6	2.3	2.4
Alternative Growth	10.9	9.6	-7.9	-5.4	14.0	–	–	3.9	3.8
Growth	10.1	10.2	-10.2	-9.3	16.3	5.7	6.6	2.8	2.9
<b>Asset Class options</b>									
Capital Secure	4.9	4.0	3.1	4.4	5.6	–	4.5	4.4	4.0
Fixed Interest	7.0	11.0	4.4	5.3	3.2	–	6.1	6.1	7.4
Direct Property	8.6	4.3	-11.8	8.9	12.6	–	6.8	4.1	0.0
Australian Shares	11.6	11.7	-14.2	-14.0	26.8	8.2	8.7	3.1	2.3
Overseas Shares	8.1	9.5	-8.8	-16.3	9.0	0.6	2.8	-0.3	2.6

Where a 7 or 10-year average is not reported, it's because the option has existed for less than 7 or 10 years. Interest is applied to your account at the end of the financial year, when you make an investment switch or make a full or partial withdrawal. Interest will appear in your annual statement. Past performance is not indicative of future performance. Returns have been rounded to one decimal place.

# Taking care of CareSuper



**CareSuper's Board of Directors.** Seated from left: Catherine Wood, Barry Watchorn, Michael O'Sullivan (Chairman), Angela Emslie. Standing from left: Gabriel Szondy, Sandy Grant (Deputy Chairman), Michael Want, Julie Lander (CEO), Sue-Anne Burnley and John Burge.

The CareSuper Board is responsible for ensuring CareSuper is managed in the best interests of members.

The Board brings to the table specialist skills and years of experience to ensure your Fund is professionally managed.

The CareSuper Board consists of equal numbers of Member and Employer representative Directors, and an Independent Director. Member and Employer Directors are nominated by relevant organisations in accordance with their particular nomination procedures.

The numbers in brackets represent the number of meetings attended out of the number of meetings the Director was eligible to attend. There were 11 meetings held during the 2010/11 financial year.

## Member Directors

**Michael O'Sullivan**<sup>\*</sup> (10/11 meetings)  
Director since 1996 and Chairman  
(appointed 30 March 2010).

**Sue-Anne Burnley** (7/11 meetings)  
Director since 2000.

**Michael Want** (10/11 meetings)  
Director since 1994.

**Catherine Wood**<sup>\*</sup> (10/11 meetings)  
Director since 2000.

## Employer Directors

**Barry Watchorn**<sup>\*</sup> (11/11 meetings)  
Director since 1998.

**John Burge**<sup>\*</sup> (10/11 meetings)  
Director since 2002.

**Angela Emslie** (10/11 meetings)  
Director since 2004.

**Sandy Grant** (11/11 meetings)  
Director since 2008 and Deputy Chairman  
(appointed 30 June 2010).

## Independent Director

**Gabriel Szondy**<sup>\*</sup> (8/11 meetings)  
Director since 2001.

## Associated directorships

**Sandy Grant** Director, ME Bank and IFS Pty Ltd.

The following Directors occupy positions on related bodies representing CareSuper's interests.

**John Burge** Director,  
Industry Superannuation Property Trust.

**Michael O'Sullivan** President, Australian Council  
of Super Investors (resigned 10 May 2011).

## Remuneration

Directors receive a fair remuneration for their responsibilities on the Board. This year one Director received fees in the range of \$50,000 to \$55,000 and eight Directors received fees between \$30,000 and \$45,000.

## The Trustee

The Trustee of CARE Super has taken out indemnity insurance to protect the Directors of the Trustee, and consequently the Fund, from the potential costs of legal action against them. The Trustee of CARE Super is CARE Super Pty Ltd ABN 91 006 670 060 and it is a holder of Australian Financial Services License number 235226. CARE Super Pty Ltd is a registered Superannuation Entity Licensee, Licence number L0000956.

## Related parties

CARE Super Pty Ltd is a shareholder of ME Bank and Industry Super Holdings (ISH) of which Industry Funds Management and Industry Fund Services are subsidiaries. CARE Super Pty Ltd holds investments with ME Bank and Industry Funds Management. All investments are made at arm's length and on commercial terms, after appropriate due diligence, and carry the recommendation of our independent asset consultant.

<sup>\*</sup> Member of Compliance, Audit and Risk Management Committee.

<sup>^</sup> Member of Benefit Payments Committee.

# Our independent experts

CareSuper works with a range of independent experts to assist with the key operations of your super fund.

## CareSuper's independent advisers during 2010/11 were:

**Administration:** Australian Administration Services Pty Ltd

**Asset Consultant:** JANA Investment Advisers Pty Ltd

**Auditor:** PricewaterhouseCoopers

**Credit Control Services:** Industry Funds Credit Control Pty Ltd

**Custodian:** NAB Asset Servicing

**Insurer:** CommInsure

**Legal Adviser:** IFS Legal

**Tax Adviser:** KPMG

**Compliance:** CARE Super is a regulated superannuation fund under the Superannuation Industry (Supervision) Act. The Trustee will lodge its annual return for 2011 as required by that Act and will continue to operate in accordance with all statutory requirements of superannuation, taxation and other relevant legislation.

## Our professional investment adviser

JANA Investment Advisers Pty Ltd (JANA) was established in 1987 as a specialist investment adviser to large institutional investors such as CareSuper. JANA provides extensive research and recommendations on investment markets and managers for the Fund. With JANA's assistance, the Trustee monitors and reviews the performance of each investment manager on a regular basis.

## CareSuper's investment managers during 2010/11 were:



Australian Equities	452 Capital* Acadian Asset Management (Australia)* AMP Capital Investors (Sustainable Shares)	Industry Funds Management Pty Ltd Paradise Investment Management Perennial Value Management Limited**	Renaissance Asset Management Schroder Investment Management Australia Limited** Solaris Investment Management Ltd
Overseas Shares	Acadian Asset Management* Baillie Gifford Overseas Ltd Colonial First State Investments Limited Capital International	Dexia Asset Management (Sustainable Shares) MFS Investment Management Orbis Investment Advisory Pty Ltd	Pzena Investment Management T Rowe Price Global Investment Services Limited Wellington International Management Company
Direct Property	Charter Hall Group	Dexus Property Group	Industry Super Property Trust (ISPT)
Growth Alternatives	AMP Capital Investors Gresham Partners Limited** Hastings Funds Management Holowesko Partners Ltd Industry Funds Management Pty Ltd	LGT Capital Partners Ltd Macquarie Investment Management Limited ME Bank Mesirow/Warakirri Asset Management*	Partners Group Management Putnam Investments L.L.C RARE Infrastructure Limited Stone Tower Capital L.L.C Wilshire Australia Pty Ltd
Fixed Interest	Brandywine Global Investment Management LLC Bridgewater Associates* Industry Funds Management Pty Ltd	ME Bank Perennial Investment Partners Limited ** Principal Global Investors (Australia) Limited	Vanguard Investments Australia Ltd
Cash and Capital Guaranteed*	AMP Capital Investors		
Defensive Alternatives	Fauchier Partners	Aurora Investment Management	

\* Terminated during the year. \*\* Appointed during the year.

\* CareSuper may from time to time be invested in deposits with Australian authorised deposit-taking institutions.

During the year State Street Global Advisors Australia Ltd was appointed to replace Vanguard Investments Australia Ltd as CareSuper's asset allocation and currency hedging manager.

# Your range of investment options as at 30 June 2011

Managed options	Capital Guaranteed*	Capital Stable																				
Investment objectives	<ul style="list-style-type: none"><li>To achieve returns after fees that exceed the inflation rate (as measured by the Consumer Price Index [CPI]) by at least 1% per year over rolling 5-year periods</li><li>Over shorter periods, ensure as far as possible that the amounts credited to members each year are competitive with those credited by comparable capital secure options in other superannuation funds</li><li>To achieve positive returns after fees in all financial years</li></ul>	<ul style="list-style-type: none"><li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 2% per year over rolling 5-year periods</li><li>Over shorter periods, ensure as far as possible that the amounts credited to members each year are competitive with those credited by comparable capital stable options in other superannuation funds</li><li>To achieve positive returns after fees in at least 18 out of 20 financial years</li></ul>																				
Risk profile	Very low risk	Low risk																				
Investment strategy and asset allocation	<div></div> <div><div>Benchmark at 30/06/11 %</div><table><tbody><tr><td>● Shares</td><td>40</td></tr><tr><td>● Property</td><td>20</td></tr><tr><td>● Fixed interest &amp; cash</td><td>40</td></tr></tbody></table></div>	● Shares	40	● Property	20	● Fixed interest & cash	40	<div></div> <div><div>Benchmark at 30/06/11 %</div><table><tbody><tr><td>● Australian shares</td><td>12</td></tr><tr><td>● Overseas shares</td><td>10</td></tr><tr><td>● Property</td><td>6</td></tr><tr><td>● Growth alternatives</td><td>7</td></tr><tr><td>● Defensive alternatives</td><td>5</td></tr><tr><td>● Fixed interest</td><td>30</td></tr><tr><td>● Cash</td><td>30</td></tr></tbody></table></div>	● Australian shares	12	● Overseas shares	10	● Property	6	● Growth alternatives	7	● Defensive alternatives	5	● Fixed interest	30	● Cash	30
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Returns history Compound average returns p.a. for period to 30 June 2011.	<table><tbody><tr><td>3-year</td><td>3.3% p.a.</td></tr><tr><td>5-year</td><td>4.7% p.a.</td></tr><tr><td>10-year</td><td>4.9% p.a.</td></tr></tbody></table> <p>These returns are calculated <b>after</b> investment fees and taxes.</p>	3-year	3.3% p.a.	5-year	4.7% p.a.	10-year	4.9% p.a.	<table><tbody><tr><td>3-year</td><td>4.7% p.a.</td></tr><tr><td>5-year</td><td>4.5% p.a.</td></tr><tr><td>10-year</td><td>5.9% p.a.</td></tr></tbody></table> <p>These returns are calculated <b>after</b> investment fees and taxes.</p>	3-year	4.7% p.a.	5-year	4.5% p.a.	10-year	5.9% p.a.								
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The benchmarks for the Managed investment options have changed from 1 August 2011. These are available at [caresuper.com.au](http://caresuper.com.au).

Note: past performance is not necessarily an indication of future performance. Returns have been rounded to one decimal place.

\* Under the Capital Guaranteed fee structure, the manager providing the guarantee, AMP, charged 1.45% for the year ending June 2011. It is the Trustee's intention that this option will be invested in the AMP Capital Guaranteed Superannuation Fund within the AMP Statutory Fund No. 1 managed by AMP Life Limited (AMP). For liquidity purposes, the Trustee holds 1% of the allocation in cash.





You can choose one or any combination of CareSuper's Managed and Asset Class investment options. The seven Managed options, detailed below, have a mix of investments predetermined by CareSuper.

Conservative Balanced	Balanced (default)	Sustainable Balanced																																																								
<ul style="list-style-type: none"><li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 2.5% per year over rolling 5-year periods</li><li>Over shorter periods, ensure as far as possible that the amounts credited to members each year are competitive with those credited by comparable options in other superannuation funds</li><li>To achieve positive returns after fees in at least 17 out of 20 financial years</li></ul>	<ul style="list-style-type: none"><li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 3% per year over rolling 5-year periods</li><li>Over shorter periods, ensure as far as possible that the amounts credited to members each year are competitive with those credited by comparable balanced options in other super funds</li><li>To achieve positive returns after fees in at least 16 out of 20 financial years</li></ul>	<ul style="list-style-type: none"><li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 3% per year over rolling 5-year periods</li><li>Within the Australian and Overseas Shares asset classes, to favour industries and companies that are expected to achieve sound investment returns, maintain good social and/or environmental records and have a sustainable future</li><li>To achieve positive returns after fees in at least 16 out of 20 financial years</li></ul>																																																								
Low to moderate risk	Moderate risk	Moderate risk																																																								
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# Your range of investment options (cont.)

Managed options (cont)	Alternative Growth	Growth																								
Investment objectives	<ul style="list-style-type: none"><li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 4% per year over rolling 5-year periods</li><li>Over the long term, to produce a less volatile return profile than the Growth option by investing a significant component of the portfolio in alternative investments</li><li>To achieve positive returns after fees in at least 17 out of 20 financial years</li></ul>	<ul style="list-style-type: none"><li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 4% per year over rolling 5-year periods</li><li>Over shorter periods, ensure as far as possible that the amounts credited to members each year are competitive with that credited by comparable growth options in other superannuation funds</li><li>To achieve positive returns after fees in at least 16 out of 20 financial years</li></ul>																								
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Growth alternatives	32																									
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Cash	1																									
Australian shares	35																									
Overseas shares	30																									
Property	12																									
Growth alternatives	13																									
Defensive alternatives	9																									
Cash	1																									
Returns history	3-year3.8% p.a. 5-year3.9% p.a. 10-yearNA These returns are calculated <b>after</b> investment fees and taxes.	3-year2.9% p.a. 5-year2.8% p.a. 10-year5.7% p.a. These returns are calculated <b>after</b> investment fees and taxes.																								
Compound average returns p.a. for period to 30 June 2010.																										

Note: past performance is not necessarily an indication of future performance. Returns have been rounded to one decimal place.

## did you know?

You can access financial advice about selecting an investment strategy that suits your objectives, at no cost, by calling the CareSuperLine on **1300 360 149**.

# Your Asset Class options

Diversification is a good way to reduce risk. You can choose any one or a combination of the Asset Class options below or integrate with Managed options. Refer to the **CareSuper Investment Guide** available at [caresuper.com.au](http://caresuper.com.au) for descriptions of each investment option.

Asset Class options	Capital Secure	Fixed Interest	Direct Property
<b>Investment objectives</b>	<ul style="list-style-type: none"> <li>To achieve returns after fees at least in line with the inflation rate (as measured by the CPI) over rolling 5-year periods</li> <li>Over shorter periods, to outperform the return of the Australian cash market (as measured by the UBS Bank Bill Index)</li> <li>To achieve positive returns after fees in all financial years</li> </ul>	<ul style="list-style-type: none"> <li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 2% per year over rolling 5-year periods</li> <li>Over shorter periods, to outperform the return of a mix of the Australian and overseas bond markets (as measured by a benchmark consisting of the UBS Composite Bond Index, UBS Government Inflation Index and Lehman Global Aggregate Index [hedged])</li> <li>To achieve positive returns after fees in at least 17 out of 20 financial years</li> </ul>	<ul style="list-style-type: none"> <li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 4% per year over rolling 5-year periods</li> <li>Over shorter periods, to outperform the return of the Australian direct property market (as measured by the Mercer Australian Unlisted Property Index [pre-tax])</li> <li>To achieve positive returns after fees in at least 17 out of 20 financial years</li> </ul>
<b>Risk profile</b>	Very low risk	Low risk	Moderate risk
<b>Returns history</b>	3-year 4.0% p.a. 5-year 4.4% p.a. 10-year NA	3-year 7.4% p.a. 5-year 6.1% p.a. 10-year NA	3-year 0.0% p.a. 5-year 4.1% p.a. 10-year NA

Asset Class options (cont)	Overseas Shares	Australian Shares
<b>Investment objectives</b>	<ul style="list-style-type: none"> <li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 5% per year over rolling 5-year periods</li> <li>Over shorter periods, to outperform the return of the overseas share market (as measured by the MSCI World ex-Australia Index in \$A)</li> <li>To achieve positive returns after fees in at least 14 out of 20 financial years</li> </ul>	<ul style="list-style-type: none"> <li>To achieve returns after fees that exceed the inflation rate (as measured by the CPI) by at least 5% per year over rolling 5-year periods</li> <li>Over shorter periods, to outperform the return of the Australian share market (as measured by the S&amp;P/ASX 300 Accumulation Index)</li> <li>To achieve positive returns after fees in at least 14 out of 20 financial years</li> </ul>
<b>Risk profile</b>	High risk	High risk
<b>Returns history</b>	3-year 2.6% p.a. 5-year -0.3% p.a. 10-year 0.6% p.a.	3-year 2.3% p.a. 5-year 3.1% p.a. 10-year 8.2% p.a.

## Please note:

CareSuper's Asset Class options (with the exception of Capital Secure) hold 1% of assets in cash.

The returns are calculated after investment fees and taxes.

The risk profile in this section represents an assessment of the possibility of your investment losing value, including possible loss of your original capital.

Past performance is not necessarily an indication of future performance.

## ASX 200 option

The ASX 200 option enables members to invest up to 50% of their existing super account balance in their choice of companies in the S&P/ASX 200 Index, utilising the services of Macquarie Equities Limited, one of Australia's leading stockbroking companies. As with any share investment, your account will be credited with relevant dividends, distributions and franking credits as well as the effects of capital movement (which can be positive or negative). It's important to remember that share trading is a high-risk investment option. We recommend seeking professional financial advice before changing your investments. For more information visit [caresuper.com.au](http://caresuper.com.au)

# Managing your investment

## CareSuper's investment policy

It is the responsibility of the Board to develop the investment policy, and ensure the Trustee adheres to its principles, philosophy and guidelines.

CareSuper's assets are managed according to the investment strategy for each investment option that has stated asset allocation benchmarks or, in the case of the Balanced and Sustainable Balanced options, an asset allocation range. The Trustee has developed an investment strategy after taking into consideration the Fund's overall circumstances, reviewing membership demographics, current market conditions and all applicable legislation. An appropriately licensed asset consultant has been appointed to provide these services to the Trustee.

The Trustee has given consideration to the following investment objectives in establishing an investment strategy:

- Produce real capital growth over time
- Provide a degree of downside protection
- Produce a relatively less volatile return
- Provide competitive returns
- Provide excellent 'return for risk'
- Manage liquidity
- Social responsibility
- Tax-effectiveness, and
- Be cost-conscious.

The Trustee's philosophy is to actively manage investments for the long term with an aim of producing competitive returns while minimising risk when markets are volatile.

The Trustee selects and appoints professional investment managers to invest members' assets consistent with the investment options (refer to pages 7 to 11 of this Annual Report).

Within most asset classes, the Trustee has diversified the management of investments between several investment managers (and varying investment styles) with the aim of moderating the volatility in the overall return of the asset class. The Trustee does not manage any investments internally other than the cash flow required for day to day operations. Professional investment consultants help select investment managers whose investment objectives are consistent with those of the Fund. Constraints applied to the managers are consistent with the objectives and philosophy of the Trustee.

## Managing benchmark risk

The investment strategy for each Managed option includes benchmark allocations to different asset classes. These allocations represent those which, based on historical analysis, will most likely achieve the investment objectives of each particular option. As the value of assets in each option will vary depending on changes in the market, each portfolio may require adjustment to ensure the allocation to each asset class remains consistent with its benchmark. This rebalancing is conducted weekly for each investment option with the exception of the Balanced and the Sustainable Balanced options. In both these cases, the asset allocation is reviewed monthly and adjusted by the Trustee within pre-determined ranges according to current market and economic conditions.

## Managing currency risk

As a matter of policy, the Trustee eliminates currency exposure in international investments, except overseas shares, where exposure to currency movements is held within a pre-set range. The Trustee reserves the right to alter the Fund's currency exposure if this is considered in the interests of CareSuper members.



## Rebalancing

With the exception of the Balanced and the Sustainable Balanced options, each investment option is rebalanced back to its benchmark asset allocation on a weekly basis. The Trustee reserves the right to alter the actual asset allocation of both the Balanced and Sustainable Balanced options if it believes it is appropriate for reasons of risk management or performance enhancement. If the Trustee does alter the actual asset allocation, it will remain within the specified ranges.

## Use of derivatives

Investment managers may use futures, options and other derivative instruments to enhance returns or manage risk. However, these instruments may not be used to leverage the portfolio or to cause the overall exposure to any asset class or combination of classes to breach the long-term strategic ranges. Each year, the Trustee seeks a statement from each investment manager on the use of derivatives within its portfolio.

## Voting

Voting is a tool that shareholders, as owners of a company, can use to exert influence or send a signal to the board of a company. CareSuper considers voting best practice and exercises its voting rights on behalf of members throughout the year.

## Investments exceeding 5% of assets

At 30 June 2011, the following investment houses managed more than 5% of the Fund's assets: AMP Capital Investors 8.9%; Industry Funds Management 12.7%; Paradice Investment Management 5.7%; Perennial Investment Management 5.8%; Schroder Investment Management Australia 5.7%.

## Applying investment returns

Returns are applied to members' accounts at the end of each financial year. For members who have been with CareSuper for the entire year and have not switched investment options, returns are applied for the full year. For members who joined CareSuper during the year or who have made an investment option switch, returns will be applied for the period since the first contribution was made to new accounts or since the most recent switch was implemented.

**Please note:** returns for any previous investment choice held during the financial year will be applied at the time of the switch using interim rates. Returns are declared each month and have been adjusted for tax, investment management fees and other costs and any applicable tax credits for each investment option. The returns for each month can be found at [caresuper.com.au](http://caresuper.com.au). Returns are calculated on a daily pro-rata basis by applying the final monthly rates for the option(s) where the account was invested to the daily account balance, including contributions and fees.

## Sustainable investing

The Trustee is committed to the principles of sustainable investing and has integrated the consideration of environmental, social and corporate governance (ESG) issues into its investment decision-making and ownership practices with the aim of improving long-term returns to members.

The Trustee is a signatory to the United Nation's Principles for Responsible Investment (UNPRI), a founding member of the Australian Council of Superannuation Investors (ACSI), a member of ESG Research Australia and supports the Carbon Disclosure Project (CDP).



## did you know?

CareSuper's Investment Policy Statement and Responsible Investment Policy are available at [caresuper.com.au](http://caresuper.com.au)

# Fees and other costs

CareSuper is a profit-for-members fund. It shares your vision of maximising your retirement savings, and does not pay dividends to shareholders.

Every type of fee that may be charged by CareSuper is described in this section. They include:

- Fees paid from your CareSuper account
- Fees paid from the assets of CareSuper as a whole or from a particular investment option.

## Understanding fees and costs

Investment expenses cover the cost of investing the Fund's assets and include base and performance fees paid to investment managers, asset consulting fees, bank fees and custody costs.

Performance fees are payments made to those investment managers whose fee is partly linked to their performance. They are paid when the manager's portfolio performs above an agreed benchmark. CareSuper has a number of managers whose fee is partly aligned to their performance, predominantly in the Australian shares and alternative asset classes.

These expenses, known as indirect cost ratio (ICR), are deducted from investment returns before the after-tax crediting rates for each option are declared. The amount paid annually for each investment option is calculated at 30 June and takes into account the expenses that have accrued and/or been paid over the year ending on 30 June.

These investment expenses change from time to time because of changes in managers, performance and/or other fees. Revisions to the ICR for an investment option will be available at [caresuper.com.au](http://caresuper.com.au)

## Low balance protection

Where a member's account balance falls below \$1000, CareSuper endeavours to ensure that

the balance is not eroded by fees. We do this by reducing the fees we charge on low account balances so that the fees do not exceed the positive returns credited to your account. When investment returns are insufficient to cover the administration costs, CareSuper recovers these costs by charging an amount equal to the investment return plus a fee of up to \$10 per year.

During 2010/11 the cost of this member benefit protection to CareSuper was approximately 0.016% of total fund assets.

## Insurance premiums

The premiums for income protection insurance have been reduced, effective 1 April 2011. For further information visit [caresuper.com.au](http://caresuper.com.au)

Unit-based insurance premiums, if applicable, are calculated weekly and deducted monthly from your account. Each unit of death and TPD cover costs \$1.50 per week, death-only cover is \$0.83 and TPD-only cover \$0.67 per unit per week. CareSuper members automatically receive 4 units of death and TPD cover (or 1 unit of death and 4 units of TPD if they are under 30). Your employer may have negotiated higher default levels for your workplace. On joining, you can choose from the New Member Options if eligible.

For fixed cover or income protection, premiums are calculated according to your age. Insurance premiums are deducted directly from your CareSuper account before tax.

## Contributions tax

Contributions tax is deducted from employer contributions and salary sacrifice after the deduction of some fees and insurance premiums and prior to the calculation and allocation of returns.

Type of fee or cost	Amount	How and when paid																																																				
Fees when members' money moves into or out of the fund																																																						
<b>Establishment fees</b> The fee to open your account	\$0	Not applicable																																																				
<b>Contribution fees</b> The fee on each amount contributed – either by you or your employer	\$0	Not applicable																																																				
<b>Withdrawal fee</b> The fee on each amount taken out of your account	\$0	Not applicable																																																				
<b>Termination fee</b> The fee to close the account	\$0	Not applicable																																																				
Management costs																																																						
Fees deducted from members' accounts																																																						
<b>Account-keeping fee</b>	\$1.50 per week	The fee is calculated weekly and deducted monthly.																																																				
<b>Administration fee</b> The fees and costs for administering your account	0.2% per year, capped at \$500	Calculated on your account balance. The fee is calculated weekly and deducted monthly.																																																				
Expenses indirectly deducted																																																						
<b>ICR or investment fee</b> The cost of investment for each option. Indirect cost ratio (ICR) or investment fees are the annual percentage fees for managing investments. The fees differ from year to year as some of the investment managers are paid partly on a performance fee basis. The performance fee is paid when the investment managers exceed their agreed performance targets. The figures shown are based on estimate calculations for the 2010/11 financial year. This information may change from time to time. Call the CareSuperLine to get the latest version at no cost, or download it from <a href="http://caresuper.com.au">caresuper.com.au</a>	The ICR varies according to the chosen investment options. <table><thead><tr><th></th><th>Base ICR</th><th>Performance ICR</th><th>Total ICR</th></tr></thead><tbody><tr><td>Capital Guaranteed</td><td>1.48%</td><td>0.00%</td><td>1.48%</td></tr><tr><td>Capital Stable</td><td>0.53%</td><td>0.18%</td><td>0.71%</td></tr><tr><td>Conservative Balanced</td><td>0.60%</td><td>0.21%</td><td>0.81%</td></tr><tr><td><b>Balanced (default)</b></td><td><b>0.79%</b></td><td><b>0.29%</b></td><td><b>1.08%</b></td></tr><tr><td>Sustainable Balanced</td><td>0.94%</td><td>0.30%</td><td>1.24%</td></tr><tr><td>Alternative Growth</td><td>1.07%</td><td>0.64%</td><td>1.71%</td></tr><tr><td>Growth</td><td>0.90%</td><td>0.33%</td><td>1.23%</td></tr><tr><td>Capital Secure</td><td>0.13%</td><td>0.00%</td><td>0.13%</td></tr><tr><td>Fixed Interest</td><td>0.34%</td><td>0.00%</td><td>0.34%</td></tr><tr><td>Direct Property</td><td>0.66%</td><td>0.00%</td><td>0.66%</td></tr><tr><td>Australian Shares</td><td>0.41%</td><td>0.02%</td><td>0.43%</td></tr><tr><td>Overseas Shares</td><td>0.72%</td><td>-0.09%*</td><td>0.63%</td></tr></tbody></table>		Base ICR	Performance ICR	Total ICR	Capital Guaranteed	1.48%	0.00%	1.48%	Capital Stable	0.53%	0.18%	0.71%	Conservative Balanced	0.60%	0.21%	0.81%	<b>Balanced (default)</b>	<b>0.79%</b>	<b>0.29%</b>	<b>1.08%</b>	Sustainable Balanced	0.94%	0.30%	1.24%	Alternative Growth	1.07%	0.64%	1.71%	Growth	0.90%	0.33%	1.23%	Capital Secure	0.13%	0.00%	0.13%	Fixed Interest	0.34%	0.00%	0.34%	Direct Property	0.66%	0.00%	0.66%	Australian Shares	0.41%	0.02%	0.43%	Overseas Shares	0.72%	-0.09%*	0.63%	The fee is withdrawn from the investment option before returns are declared. Investment expenses cover the cost of investing the fund's assets and include base and performance fees paid to investment managers, asset consulting fees, bank fees and custodian costs. Returns are allocated to your account annually, or when switching investments or making a claim. There is no switching fee. The ICR will show as 'other management costs' on your statement.
	Base ICR	Performance ICR	Total ICR																																																			
Capital Guaranteed	1.48%	0.00%	1.48%																																																			
Capital Stable	0.53%	0.18%	0.71%																																																			
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Overseas Shares	0.72%	-0.09%*	0.63%																																																			
ASX 200 option fees																																																						
CareSuper administration fee	\$52 per year	The fee is withdrawn from the account on registration and after each 12 months you continue to invest in the option.																																																				
Macquarie Equities Limited brokerage fee	<table><thead><tr><th>Trade amount</th><th>Brokerage fee (exc GST)</th></tr></thead><tbody><tr><td>\$0–\$4,167</td><td>\$12.50</td></tr><tr><td>\$4,168–\$10,000</td><td>0.30%</td></tr><tr><td>\$10,001–\$30,000</td><td>0.20%</td></tr><tr><td>\$30,001–\$50,000</td><td>0.18%</td></tr><tr><td>\$50,001–\$100,000</td><td>0.15%</td></tr><tr><td>\$100,001–\$10,000,000</td><td>0.10%</td></tr></tbody></table>	Trade amount	Brokerage fee (exc GST)	\$0–\$4,167	\$12.50	\$4,168–\$10,000	0.30%	\$10,001–\$30,000	0.20%	\$30,001–\$50,000	0.18%	\$50,001–\$100,000	0.15%	\$100,001–\$10,000,000	0.10%	The fee is withdrawn from the account when the transaction is complete.																																						
Trade amount	Brokerage fee (exc GST)																																																					
\$0–\$4,167	\$12.50																																																					
\$4,168–\$10,000	0.30%																																																					
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\$100,001–\$10,000,000	0.10%																																																					
Service fees																																																						
<b>Investment switching fee</b> The fee for changing investment options	\$0	Not applicable																																																				
<b>Family law fee</b> The fee for family law requests and changes	\$0	Not applicable																																																				
<b>UK Pension Transfer Administration fee</b> The fee for members who transfer their UK Pension Scheme to CareSuper, a Qualifying Recognised Overseas Pension Scheme (QROPS).	\$100	Once-off fee if applicable.																																																				

\* Negative performance fees may apply due to a fund manager under-performing the benchmark.

# Super update

CareSuper is keeping you informed of a number of changes developing related to super.

The following changes have been passed by Parliament and are now law:

## ➔ Co-contribution rate to stay at 100%

The government will maintain the:

- Super co-contribution matching rate at 100%
- Maximum super co-contribution payable at \$1000.

The income thresholds for 2011/12 and 2012/13 will also remain at \$31,920 for the lower and \$61,920 for the higher income thresholds.

## ➔ Pension minimum drawdown relief reduced

The government has proposed that the pension drawdown relief for 2011/12 be reduced.

Minimum payment amounts for account-based, allocated and market linked pensions will be reduced by 25% for 2011/12 and return to normal in 2012/13.

## ➔ Use of tax file numbers in super

From 1 July 2011 super fund trustees and retirement savings account providers will be able to use members' tax file numbers (TFNs) as a tool to link contributions and rollovers with member accounts and to locate member accounts. From 2012 it is proposed that TFNs may also be used to help consolidate super accounts in the same fund, or across funds.

## ➔ Flood levy

Super funds are required to withhold flood levy amounts from the taxable component of some super lump sum withdrawals, if the total value is over \$50,000, and pension payments if the payee is not exempt from the levy. The flood levy applies to the 2011/12 financial year only. For more information go to [treasury.gov.au/floodrebuild](http://treasury.gov.au/floodrebuild).

The following proposed changes have not yet been and may not be passed by Parliament:

## ➔ Changes to contributions caps

### Refund of excess concessional contributions

It is proposed that individuals who exceed the concessional contributions cap by \$10,000 or less may be able to request that the excess contributions be withdrawn from their super account and refunded to them. This would be allowed on a one-off basis only.

### Increasing the concessional contributions cap

From 1 July 2012 the government may maintain the concessional contribution caps of \$50,000 for those individuals aged 50 and over with super balances less than \$500,000.

## ➔ Changes to the super guarantee

The government has proposed that the super guarantee (SG) will gradually increase from 9% to 12% from 2013 to 2019. In addition, it is intended that the SG age limit will be raised from 70 to 75 in 2013.

## ➔ Government contributions for low-income earners

The government has proposed a new super contribution tax rebate of up to \$500 per year for low-income earners from 2012/13. The rebate will apply to concessional contributions (employer contributions) made by or for individuals who earn up to \$37,000.

## ➔ Contributions on payslips

In the 2011/12 budget the government announced that employees will receive information about their super payments on their payslips. Employees will also be notified each quarter if their regular super payments cease. If this measure becomes law, it will be introduced from 1 July 2012.





## Investment strategy – reserves

CareSuper does not maintain an investment fluctuation reserve, but does maintain a series of reserves designed to take into account and provide for known and potential fund commitments and contingencies. Funds are held in and dispersed from separate reserve sub-accounts as follows:

- Administration reserve
- Group life reserve, and
- Operational reserve.

Investment earnings are held in the operational reserve during each financial year. This reserve ensures that, as far as possible, funds are available to provide for any operational necessity or other unforeseen events that would require members to be compensated beyond the normal declaration of the annual crediting rates, or to meet additional and unanticipated tax obligations. In the event of a crediting rate error occurring, CareSuper aims to correct the financial position of current and former members by an amount that would bring their account balances to a position as if no error had occurred.

In estimating any amount of compensation CareSuper will, where available, use actual values, however if these are not available estimates of the amount of compensation will be used.

CareSuper's operational reserve over the last 3 years:		% of total fund assets
2010/11	\$35,083,425	0.76%
2009/10	\$25,873,774	0.65%
2008/09	\$20,018,094	0.58%

## On the radar Stronger super

SuperStream, a variety of measures to simplify the processing of super transactions, and MySuper, the proposed simple, low-cost default super product, are key elements of the Stronger super package. Currently, extensive consultation is underway ahead of many of these provisions being finalised. For updates refer to [ato.gov.au](http://ato.gov.au) and keep an eye on our website at [caresuper.com.au](http://caresuper.com.au)

## Keeping your super safe

CareSuper works hard to keep your super safe from illegal access. We have anti-fraud measures in place and work with the Australian Taxation Office (ATO) to help identify attempted unlawful activity.

Both the ATO and ASIC have identified significant increases in super fraud and early release schemes, particularly in the self-managed super fund (SMSF) sector. Because of this, the ATO has tightened the SMSF registration process. CareSuper has also developed new protocols around transferring to SMSFs in line with industry practice.

**At CareSuper we protect your super by:**

- Never seeking your personal details by email or SMS
- Removing your date of birth and TFN from documentation
- Using envelopes without logos or advertising to mail annual statements
- Correctly identifying you before giving information
- Sharing information, within the Privacy protocols, about suspicious activity with the ATO, ASIC and Police
- Sticking to proven security protocols
- Modifying our anti-fraud process, as new threats emerge.

**You can help ensure your super is secure by:**

- Shredding mail before it is thrown out
- Not disclosing your personal details, such as date of birth or home address, on social networking sites
- Keeping computer security software up-to-date
- Never opening email attachments from unknown sources.

For more information on any of these updates refer to [ato.gov.au](http://ato.gov.au)

# Getting help

## Enquiries and complaints

The Trustee has established procedures to deal fairly with enquiries and complaints from members, employers and beneficiaries.

Complaints can be received in a variety of ways – by telephone, email or letter. If you make an enquiry or complaint by telephone we will endeavour to answer it immediately. In some cases we may ask you to submit your complaint in writing so it can be investigated further, and we will provide you with a written response.

The procedures to follow, time limits and other details are included in the **Making enquiries & complaints** brochure available at [caresuper.com.au](http://caresuper.com.au).

All complaints will be handled in a courteous and confidential manner.

Members, employers and beneficiaries with enquiries or complaints should contact us in one of the following ways:

Call the CareSuperLine on **1300 360 149** between 8am and 8pm Monday to Friday EST.

Email: [admin@caresuper.com.au](mailto:admin@caresuper.com.au)

Write to this address:

The Enquiries and Complaints Manager  
CareSuper  
Locked Bag 5087  
Parramatta NSW 2124

## Make sure we can find you

If you have changed your address or if you are about to, don't forget to let CareSuper know. This way, you'll be sure to receive your important superannuation statements and other valuable information.

Call the CareSuperLine or log on to [caresuper.com.au](http://caresuper.com.au) to advise your new details.

## CareSuper's eligible rollover fund

If your super account balance falls below \$500 and you no longer work for a participating employer, then you may:

- Roll over benefits from other super funds to CareSuper, in order to maintain a balance of more than \$500
- Make a personal contribution, or
- Roll your benefit out of CareSuper into another complying fund.

If none of these events occur within 28 days of CareSuper becoming aware that you have ceased work with your CareSuper participating employer and your account balance is less than \$500, any insurance cover you have will cease, and your super account balance will be transferred to:

### AUSfund

PO Box 2468

Kent Town SA 5071

Phone: 1300 361 798

Fax: 1300 366 233

International Tel: +61 8 8205 4953

International Fax: +61 8 8205 4990

Email: [admin@ausfund.net.au](mailto:admin@ausfund.net.au)

Internet: [www.ausfund.net.au](http://www.ausfund.net.au)

If your account is transferred to AUSfund you will cease to be a member of CareSuper.

We encourage you to obtain a Product Disclosure Statement (PDS) from AUSfund to understand their fee structure and how they will manage your account balance.

## Temporary residents' benefits transferred to the ATO

CareSuper is required to pay the super of former temporary residents to the ATO, if it's been more than six months since the former temporary resident employee departed Australia, and their visa has expired or been 'cancelled'. Visit the [ato.gov.au](http://ato.gov.au) for more information.

The Trustee relies on relief from ASIC in that we are not obliged to notify or give an exit statement to a non-resident in the above circumstances. Information is available on request.

# CareSuper's financial statements

CareSuper has an obligation to members to disclose the financial position of your Fund.

In order to maintain a healthy Fund, CareSuper's Trustees keep a close watch on the Fund's investment performance and spending. The result is a financially fit Fund.

This financial summary is based on unaudited accounts and shows CareSuper's main financial transactions for the year ended 30 June 2011 and corresponding final audited figures to 30 June 2010. A copy of the audited accounts is available at [caresuper.com.au](http://caresuper.com.au) or by calling the CareSuperLine on 1300 360 149 (from October 2011). Refer to back cover for our contact details.

Operating Statement for the year ended 30 June 2011	2010/11 \$	2009/10 \$
<b>Investment revenue</b>		
Interest	16,148,134	11,732,990
Distributions	186,849,984	106,563,093
Other investment income	5,199,675	4,933,519
Changes in net market value	244,018,590	227,280,619
	<b>452,216,383</b>	<b>350,510,221</b>
<b>Contributions revenue</b>		
Employer contributions	379,944,292	357,198,835
Member contributions	53,222,677	57,867,102
Transfers in	178,491,173	155,690,286
	<b>611,658,142</b>	<b>570,756,223</b>
<b>Other revenue</b>		
Proceeds from group life policies	36,483,290	16,874,415
Other income	216,565	44,942
<b>Total revenue</b>	<b>1,100,574,380</b>	<b>938,185,801</b>
<b>Investment expenses</b>		
Direct investment expenses	16,141,973	9,469,326
Group life insurance expenses	40,301,094	26,552,861
<b>General administration expenses</b>		
Administrator expenses	8,032,693	7,860,254
Auditor's remuneration	155,711	93,597
Operating expenses	13,498,163	11,902,022
APRA levy	333,525	303,208
Financial Assistance Levy (FA Levy)*	536,318	0
Anti-detriment payments	422,406	335,890
Superannuation contribution surcharge	(6,001)	9,503
<b>Total expenses</b>	<b>79,415,882</b>	<b>56,526,661</b>
<b>Benefits accrued before income tax</b>	<b>1,021,158,498</b>	<b>881,659,140</b>
<b>Income tax expense/(benefit)</b>	<b>82,484,658</b>	<b>82,844,341</b>
<b>Benefits accrued after income tax</b>	<b>938,673,840</b>	<b>798,814,799</b>

Statement of Financial Position as at 30 June 2011	2011 \$	2010 \$
<b>Assets</b>		
<b>Cash and cash equivalents</b>		
Cash at bank	8,021,641	1,263,065
Cash & floating rate instruments	417,988,464	257,609,555
<b>Trade and other receivables</b>		
Contributions receivable	25,854,781	24,888,469
<b>Investments</b>		
<b>Financial assets</b>		
Australian equities	1,272,775,772	1,043,359,289
International equities	993,317,357	811,013,821
Other investments	884,860,726	782,268,783
Fixed interest securities	472,124,458	584,442,959
Property trusts	522,386,263	438,545,297
<b>Other assets</b>		
Fixed assets	484,254	477,861
Sundry debtors	562,483	(46,519)
<b>Tax assets</b>		
Deferred tax assets	21,052,874	33,472,027
<b>Total assets</b>	<b>4,619,429,073</b>	<b>3,977,294,607</b>
<b>Liabilities</b>		
<b>Trade and other payables</b>		
Group life insurance premium payable	2,948,094	3,232,109
Provision for employee benefits	606,436	468,670
Benefits payable	11,964,752	7,470,582
Accounts payable	828,705	761,626
APRA payable	330,870	266,564
FA Levy payable*	536,318	0
Sundry creditors	9,513	56,478
GST payable	108,939	124,782
<b>Tax liabilities</b>		
Superannuation contribution surcharge	41,681	26,305
Current tax liabilities	42,788,153	7,195,885
Deferred tax liabilities	5,819,213	6,454,625
<b>Total liabilities</b>	<b>65,982,674</b>	<b>26,057,626</b>
<b>Net assets available to pay benefits</b>	<b>4,553,446,399</b>	<b>3,951,236,981</b>
<b>Represented by:</b>		
<b>Liability for accrued benefits</b>		
Allocated to members' accounts	4,518,262,974	3,925,263,207
Administration, group life and operational reserve	35,083,425	25,873,774
Regulatory reserve	100,000	100,000
	<b>4,553,446,399</b>	<b>3,951,236,981</b>

\*The FA Levy is required by the Australian Prudential Regulation Authority (APRA) to recoup compensation paid to victims of the Trio Capital Ltd collapse and has been accounted for in the 2010/11 year. The amount of the levy paid by the Fund is determined by total assets held.

## contact us

For more information about your super, you can reach us in the following ways:

**call** CareSuperLine 1300 360 149  
Monday to Friday 8am to 8pm EST

**visit** [caresuper.com.au](http://caresuper.com.au)

**email** [admin@caresuper.com.au](mailto:admin@caresuper.com.au)

**write** CareSuper  
Locked Bag 5087  
Paramatta NSW 2124

### Keep your details up to date

If you have changed any of your personal details, such as your name, address or any of your contact numbers, or you are about to, then don't forget to let us know by phone, email or MemberOnline. Remember if we can't contact you, you may lose track of your super savings. Contact us in any way to let us know.

CARE Super Pty Ltd (Trustee) ABN 91 006 670 060 AFSL 235226 RSE L0000956 CARE Super (Fund) ABN 98 172 275 725

Disclaimer: This Annual Report is issued by the Trustee of CARE Super, CARE Super Pty Ltd ABN 91 006 670 060, the holder of Australian Financial Services Licence 235226. The information contained in this Annual Report is about CARE Super and is not intended as financial advice. It does not take into account specific needs, so members should look at their own personal position, objectives and requirements before taking any action. Past performance is not necessarily an indicator of future performance. This Annual Report to Members is a regulated document that summarises the fund's performance over the past year. The Trust Deed is the legal document governing your superannuation benefit. Other information about CARE Super: a copy of the Trust Deed, Investment Policy Statement, the Fund's audited accounts are available upon request. You should also obtain and read the Product Disclosure Statement before making any investment decision. If you would like to see these documents, please call the CareSuperLine on 1300 360 149.

