



**ANNUAL REPORT**  
for the year ended 30 June 2008

It pays to belong™

CATH  LIC™  
Super



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# REPORT FROM CHAIR AND CEO

## INVESTMENT PERFORMANCE

Many of you will remember the negative returns in 2001-02, but for newer members the possibility of a negative return after so many positive years may have been difficult to contemplate. The nature of investment is now clear to us all, it can go up or down but experience tells us that there are more ups than downs and that if we are invested for the long term the outcome will be financially advantageous to us. Is it the 'down' we had to have? Maybe! We hope that fund managers and investors learn from recent experiences and that future practices within the investment industry are transparent and ethical.

The Board has put in place investment options and strategies which give members a wide choice within a framework of risk which is managed and appropriate to that investment choice. Catholic Super has a range of conservative, balanced and aggressive options which allows members to choose the most suitable portfolio for their needs and achieve the best possible investment return over the long term. Our highly competent and respected financial services team can assist with advice in this regard.

## RESPONSIBILITIES

The responsibilities of directors are increasingly significant and it is important that you are assured that the board is continually involved in professional development opportunities as well as supporting the Chief Executive Officer in his executive and operational leadership. The outcome of the recent review by the regulator, the Australian Prudential Regulation Authority (APRA), was very pleasing and members can be satisfied that Catholic Super is extremely well led and managed.

## BOARD MEMBERSHIP

During the past year board membership has changed. Fr Michael Morgan PP and Mr Dan Sexton (former Chair and CEO) have resigned after long terms as directors. It is appropriate to recognise the contribution of both ex-directors in this report.

Dan Sexton commenced with the Fund in 1983 and held all executive positions over that period. His leadership has enabled Catholic Super to grow into a well established, respected and progressive industry fund which is seen as a leader in investment returns and member services. Dan is well known and esteemed within the industry and will be missed not only for his investment acumen but for his sense of humour and fun.

Fr Mike has been with the fund for over seventeen years and as the only priest on the board has brought a unique experience which has been highly valued. Fr Mike was renowned for his ability to get to the crux of a matter at meetings and will be missed by directors for his insight and commitment to his role and to the fund generally.

In their stead we welcome Mr John Connors and Mr Brian Reed as newly elected directors to the board and wish them every success as they take on the responsibilities pursuant to their new roles. Ms Fran Renehan and Ms Marcia Clohesy have been re-appointed as directors. We congratulate them and wish them well for a second term on the board.

## HOW WE RATE

SuperRatings has ranked Catholic Super in the top ten super funds in Australia and we have achieved their highest rating of Platinum. The Catholic Super Pension also achieved a Platinum rating.

We congratulate the directors and staff for their contributions in a difficult environment and commend the 2008 Annual Report to you.

**Peter Bugden**  
Chair of Trustee Board

**Frank Pegan**  
Chief Executive Officer

# INVESTMENT PERFORMANCE

After four years of very strong economic and market performance and exceptionally strong super fund returns, the Australian economy and financial markets entered the 2008 financial year with a full head of steam, backed by the extraordinary growth of the Chinese economy and its almost insatiable demand for our mineral exports.

However, despite taking our economic lead from China, and despite a tripling of the coking coal price and a doubling of the prices of iron ore and steaming coal, our financial markets took their lead from the increasingly shell-shocked United States markets. As a consequence, our financial markets had their worst year for well over twenty years. Against such a weak market backdrop, our portfolios gave back a small amount of the gains of recent years, although our medium term returns still remain well above both our long term average and the averages of other similar funds.

The proximate cause of these poor short term returns was the practice that had emerged in the US of mortgage brokers selling loans to people that they knew could not pay them back, based on the premise that house prices always went up so there was no real risk to the lender. This was facilitated by the fact that in many states in the US borrowers can just walk away from their loan without the lender having any recourse to their other assets or income.

However, these euphemistically called sub-prime loans were just a symptom of a wider set of problems that had been brewing in the US. These include: interest rates being held too low for too long, a very laissez faire approach to regulation; very poor governance structures in US financial institutions, severe conflicts of interest on behalf of the ratings agencies and the emergence of a host of extremely complex financial instruments that pretended to turn very risky investments into AAA-rated certainties.

Catholic Super had no investment in these securities, however no one was immune from the cascading crisis of confidence in the financial markets as things started to go wrong. While this was initially a problem of the fixed interest markets, it rapidly spread to the equity markets and particularly to highly leveraged sectors such as listed property and listed infrastructure.

With the global banking system also seeking to operate, debt finance was not available at almost any cost to many borrowers. This was particularly the case in the United States and Europe and had a marked adverse impact on direct property, direct infrastructure and private equity investments in those regions. However, this was generally not the case in Australia where direct property and infrastructure investments continued to record good positive returns.

Catholic Super's diversified portfolios had significant weightings in domestic property and infrastructure and this helped cushion the severe adverse impacts of the sub-prime crisis on the listed equity components of the portfolios.

Events since the end of the financial year have demonstrated the true depth of this financial crisis with the US Government having to spend hundreds of billions of taxpayer funds to try to rescue its banking and insurance industries. Ultimately these efforts will be successful, but there is still much to be done before that end is reached and the world will come out of this crisis with a very different financial sector.

Looking further ahead, the falls in asset prices over the past year, and for shares in particular, provide an opportunity to buy some very good quality assets at attractive prices and we have been seeking to top up portfolios when possible. At the same time, we are concerned that the prices of those assets that have not experienced declines to date are vulnerable to the new tighter credit environment. This is particularly so for unlisted property investments. While very illiquid, we have sought to lighten the Fund's holdings of these assets where possible.

There can be no doubt that we are now navigating through very uncertain times and that further negative shocks are likely. Nevertheless, those who are willing to look forward three to five years, particularly from the Australian perspective, should be able to see many opportunities.

Our economy is almost uniquely placed amongst those in the developed world as being directly linked to the massive long term growth occurring in China. Not only has this created enormous profit opportunities for our resources sector but it has also contributed enormously to Australia's outstanding budgetary position.

As a Fund we have invested considerable time in researching China and other emerging markets and we have significantly increased the Fund's investments in both listed and unlisted companies in these economies over the past year. While it is all too easy to focus on the short term turmoil around us and as disappointing as the losses of the past year have been, the long term outlook remains a very good one and our focus remains firmly on finding strong long term returns for members.

Your superannuation is a long-term investment, so it is generally more important to consider long-term performance over five years or more, rather than any one year.

The table below shows the performance of our investment options this year and over 3, 5 and 7 years where applicable.

The actual returns credited to your account balance will be influenced by the timing of payments into and out of your account, allowing for contributions, taxes, fees and switches between investment options.

Returns for Allocated Pension members may be different to those shown below due to alternative taxation requirements. Please refer to your annual Member Statement for details.

	2003-04	2004-05	2005-06	2006-07	2007-08	Average 3 year return per annum	Average 5 year return per annum	Average 7 year return per annum
<b>Managed choice options</b>								
Aggressive*	16.1%	16.3%	17.7%	25.0%	-12.2%	8.8%	11.7%	8.7%
Moderately Aggressive#	13.8%	15.0%	15.9%	22.6%	-9.4%	8.7%	11.0%	NA
Balanced	11.8%	14.3%	15.3%	21.0%	-6.4%	9.2%	10.8%	7.3%
Moderately Conservative#	10.2%	11.0%	11.3%	16.4%	-3.9%	7.5%	8.8%	NA
Conservative#	5.9%	9.3%	8.8%	12.2%	2.3%	7.6%	7.6%	NA
<b>Build your own options</b>								
Australian Shares#	22.0%	26.3%	22.6%	30.7%	-13.0%	11.6%	16.5%	NA
Overseas Shares#	14.3%	8.3%	12.9%	20.0%	-19.1%	3.0%	6.3%	NA
Property#	10.8%	13.4%	12.4%	16.2%	7.0%	11.7%	11.9%	NA
Diversified Fixed Interest#	3.3%	7.7%	3.0%	4.4%	0.3%	2.5%	3.7%	NA
Cash^	5.9%	5.2%	4.7%	5.4%	5.9%	5.3%	5.4%	5.0%
Inflation Rate (CPI)	2.5%	2.5%	4.0%	2.7%	4.5%	NA	NA	NA

\* Aggressive option was previously called Growth option

^ Cash option was previously called Cash Plus option

# Options commenced 1 May 2003

Past performance is not a reliable predictor of future performance, but longer-term historical data can be useful in assessing the relevance of current year returns to your retirement savings goals.

# INVESTMENT POLICY

The broad investment aim of the Trustee is to maximise the Fund's long term investment returns.

Each investment option has clearly defined investment objectives and strategies. These are explained in the tables on the following pages.

For full details, you may request a copy of Catholic Super's Investment Policy Statement by calling our Helpline 1300 550 273 or writing to us.

Catholic Super employs a number of professional investment managers to manage the assets of the Fund. With the assistance of the appointed investment consultant, the Trustee monitors and reviews the performance of each investment manager on a regular basis, adding or removing managers from time to time as appropriate.

In addition, all of the Fund's assets are held by a Custodian to ensure the security of your super.

No more than 10% of the Fund or of any investment option is expected to be invested in any one underlying asset or security.

During the financial year ended 30 June 2008, there were no individual investments, nor were there any combination of investments that the Trustee knew, or ought reasonably to have known, invested either directly or indirectly in any single enterprise or group of associated enterprises that have a total value of more than 5% of Catholic Super's total assets.

## USE OF DERIVATIVES

Derivatives are securities that derive their value from another security, eg. futures and options. The Trustee does not directly utilise derivative instruments and does not intend to do so.

External managers may utilise derivatives in managing the investments of the Fund. Catholic Super has a Derivatives Risk Statement that governs the use of derivatives. The Trustee ensures that the Derivatives Risk Statement each investment manager must provide is in line with Catholic Super's Derivatives Risk Statement. A copy of the Statement is available upon request.

# INVESTMENT OBJECTIVES AND STRATEGIES

The following two tables explain each of our investment options, their objectives, strategies and asset allocations.

## MANAGED CHOICE OPTIONS

	Aggressive		Moderately Aggressive		Balanced (Default)		Moderately Conservative		Conservative	
<b>Aim</b>	Achieve strong long-term investment returns, while tolerating a very high level of volatility in returns		Achieve attractive long term investment returns, while tolerating a high level of volatility in returns		Achieve reasonably attractive long term investment returns while accepting a reasonable level of investment risk		Limit investment risk while accepting that this is likely to result in lower investment returns over the long term		Minimise the risk of loss of capital while accepting that this is likely to result in lower investment returns over the long term	
<b>Risk</b>	High		High		Medium to high		Medium to low		Low	
<b>Return Objective</b>	CPI + 4.5%		CPI + 4.0%		CPI + 3.5%		CPI + 3.0%		CPI + 2.5%	
<b>Target Asset Allocation</b>	94% Growth 6% Income		77% Growth 23% Income		69% Growth 31% Income		42% Growth 58% Income		22% Growth 78% Income	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
<b>Growth</b>										
Australian Shares	49%	47%	39%	38%	34%	33%	25%	24%	13%	12%
Overseas Shares	37%	38%	30%	30%	25%	25%	16%	17%	8%	9%
Property (Growth)	1%	0%	2%	0%	3%	0%	4%	1%	4%	1%
Infrastructure	5%	5%	5%	5%	5%	6%	0%	0%	0%	0%
Private Equity	4%	4%	4%	4%	3%	5%	0%	0%	0%	0%
<b>Income</b>										
Diversified Fixed Interest	0%	0%	4%	4%	5%	5%	12%	16%	19%	22%
Cash	0%	0%	2%	2%	5%	7%	19%	20%	30%	32%
Property (Income)	4%	6%	8%	11%	12%	10%	16%	14%	16%	14%
Absolute Return	0%	0%	6%	6%	8%	9%	8%	8%	10%	10%

## BUILDYOUR OWN OPTIONS

	Australian Shares	Overseas Shares	Property	Diversified Fixed Interest	Cash
Aim	Maximise long term investment returns through a diversified portfolio of Australian shares	Maximise long term investment returns through a diversified portfolio of overseas shares	Earn moderately high returns via income and growth over the medium to long term	Earn moderate returns over the medium term mainly through income returns. In the short term returns can be negative from time to time.	Produce a return equal to or above the official cash rate
Risk	High	High	Medium	Medium	Low
Return Objective	CPI + 4.5%	CPI + 4.5%	CPI + 3.0%	CPI + 2.0%	Achieve capital stability
Target Asset Allocation	100% Growth assets	100% Growth assets	20% Growth assets 80% Income assets	100% Income assets	100% Income assets
Strategic Asset Allocation	100% Australian Shares	100% International Shares	20% Property - Growth 80% Property - Income	100% Diversified Fixed Interest	100% Cash

# CATHOLIC SUPER INVESTMENT MANAGEMENT FEES

Investment management fees and tax are deducted from the applicable unit price for your option(s) before being applied to your account.

The investment management fee is based on the investment managers in place, their fee structure and the asset allocation for a particular financial year. It also covers the cost of custodian fees and investment advice.

The table below shows the annual investment management fees for the financial year ended 30 June 2008 in percentage terms as well as a dollar cost for every \$10,000 invested.

	Base Management Expense Ratio (MER)	Performance Fees	Total Fee	Base Management Expense Ratio (MER)	Performance Fees	Total Fee
<b>Managed choice options</b>						
Aggressive	0.78%	0.19%	0.97%	\$78	\$19	\$97
Moderately Aggressive	0.76%	0.19%	0.95%	\$76	\$19	\$95
Balanced	0.75%	0.22%	0.97%	\$75	\$22	\$97
Moderately Conservative	0.59%	0.13%	0.72%	\$59	\$13	\$72
Conservative	0.49%	0.10%	0.59%	\$49	\$10	\$59
<b>Build Your Own Option</b>						
Australian Shares	0.74%	0.23%	0.97%	\$74	\$23	\$97
Overseas Shares	0.74%	0.00%	0.74%	\$74	\$0	\$74
Property	0.72%	0.41%	1.13%	\$72	\$41	\$113
Diversified Fixed Interest	0.31%	0.00%	0.31%	\$31	\$0	\$31
Cash	0.16%	0.00%	0.16%	\$16	\$0	\$16

\* Performance fees: Some of the investment managers charge performance-based fees when they exceed agreed return targets. These fees will be incurred by those options which have an exposure to Australian shares, overseas shares, diversified fixed interest, absolute return, infrastructure and property.

# HOW RETURNS ARE ALLOCATED

## UNIT PRICES

Catholic Super uses a 'unitised' system which was introduced on 1 July 2003. This means that each member is assigned a number of units corresponding to the value of their account.

The value of those units, called 'unit price', is updated weekly. The unit price goes up or down depending on the investment performance of each investment option.

As contributions are added to a member's account, units are purchased at the latest unit price. When a member leaves the Fund or withdraws money, units are redeemed (sold) at the latest unit price.

Unit prices for each investment option are derived by dividing the market value of the Fund's assets comprising each investment option by the number of units on issue for the investment option, after allowing for non-member specific fees and taxes. Such fees include investment manager fees and custodian fees.

To work out your account balance, you simply multiply the number of units you have by the latest unit price.

At the end of each financial year, Catholic Super takes the final unit prices and translate this into an annual return. A member's statement shows the unit prices that apply to their chosen investment options, and also the returns earned over the financial year as a percentage.

Each member's return is influenced by the timing of contributions received, any withdrawals made and any switches between investment options that may taken place during the last financial year.

## FUND RESERVES

Annual returns for each option are set closely in line with the actual investment return achieved on that option for the period concerned. However, a small reserve (generally less than 1% of assets) is maintained. The primary purpose of the reserve is to meet any operational or associated expenses incurred by the Fund or Trustee which are not met by the weekly administration fee deducted from members' accounts.

Such expenses might include extra-ordinary items that could not reasonably have been foreseen when the annual budget was prepared and for the implementation of new products and services without the need for recovering such costs from members' accounts.

The reserve will also be used to cover operational risk over and above projected normal liquidity requirements, to meet unexpected contingencies, or other required capital expenditure. The reserve may only be allocated with the authority of the Trustee.

The level of the reserve will be set at an amount as may be determined by the Trustee from time to time. The reserve is invested using an enhanced cash strategy.

Reserve movements over the last three years are shown below:

Year	Reserve amount at 30 June
2007-2008	\$40,398,104
2006-2007	\$8,066,713
2005-2006	\$13,026,827

# WHERE YOUR MONEY WAS INVESTED

To help invest your super, we use professional investment managers and regularly monitor their performance. The following is a list of the investment managers we employed in each asset sector as at 30 June 2008.

## ASSET CLASS INVESTMENT MANAGERS

ASSET CLASS	INVESTMENT MANAGERS
Australian Shares	Barclays Global Investors
	LI Capital
	Cooper Investors
	Renaissance Asset Management
	Orbis Investment Advisory
	Acorn Capital
	Paradise Investment Management
Overseas Shares	Barclays Global Investors
	Orbis Investment Advisory
	Alliance Capital Management
	Marathon Asset Management
	Lazard Asset Management
	LSV Asset Management
	William Blair & Company
	MFS Asset Management
Direct Property	AMP Capital Investors
	Lend Lease Real Estate Investment
	Colonial First State Property – Industrial Sector 2
	Goodman Australia Industrial Trust
	GPT Wholesale Office Fund
	Industry Superannuation Property Trust
	South East Asia Property Company
	ICA Property Group
	Fiduciary International Real Estate

Listed Property	AMP Capital Investors
Diversified Fixed Interest	Credit Suisse Asset Management
	Members Equity – Super Loans Trust
Cash	Macquarie Funds Management
Infrastructure	ANZ Infrastructure Services
	Industry Funds Management
	Campus Living Villages
	Macquarie Global Infrastructure Fund 111
	Principle Healthcare Trust
Absolute Return	Quellos Capital Management
	Warakirri Asset Management (Mesirow Advanced Strategies)
	Hastings Funds Management
Private Equity	AMP Capital Investors
	Macquarie Direct Investments
	Archer Private Equity Pty Limited
	Pantheon Ventures Limited
	Siguler Guff
	HarbourVest Partners Limited
Currency	State Street Global Advisors

# NEW IMPROVED INSURANCE COVER

Catholic Super in partnership with TOWER Australia (ABN 70 050 109 450) is pleased to bring members greatly improved insurance cover from 15 November 2008.

This chart compares our existing automatic Basic cover (which applies until 15 November 2008) and the improved Basic cover which will apply from that date.

Benefit	Existing Basic Cover	New Basic Cover (from 15/11/08)
Death and Total & Permanent Disability (TPD)	2 units of cover	2 units of cover 43% higher Death and TPD benefit for unchanged cost
Income Protection	5 units with a 90 day waiting period and a 2 year benefit payment period	85% of salary, up to 17 units of IP cover with a 60 day waiting period and 5 year benefit payment period If members do not advise salary they will automatically be allocated 5 units

TPD and Income Protection cover will be available to all employees including temporary and casual staff who often find it difficult to obtain insurance. Previously this cover was limited to permanent employees.

Current members who have default insurance with Catholic Super will be automatically upgraded to the new benefits. Current members without insurance cover will have an opportunity to take up the new arrangements. New members will be covered by the new arrangements.

## IMPROVEMENTS TO INCOME PROTECTION (IP) COVER

All employer sponsored members, permanent and casual, as well as members of Catholic Super's Personal Plan who are in employment, will be eligible for IP cover.

The default cover is up to 17 units. (1 unit = \$585 benefit per month.) The default waiting period has decreased from 90 days to 60 days and the benefit payment period has increased to 5 years. These changes do lead to an increase in costs which varies according to the member's age. Current members who have IP cover will automatically be moved to this default IP arrangement at 1 December 2008.

As well as the new default IP benefit, Catholic Super will offer a further 3 IP options with varying waiting periods and benefit payment periods. These give members a wider range of IP options within their super fund.

- 30 day waiting period with a 5 year benefit payment period
- 30 day waiting period with a benefit payment period up to age 65
- 60 day waiting period with a benefit payment period up to age 65

Our partnership with Tower Australia enables us to implement a range of additional improvements details of which can be found on our website [www.csf.com.au](http://www.csf.com.au)

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2008

	30-Jun-08	30-Jun-07
	\$	\$
<b>ASSETS</b>		
<b>Cash and Cash Equivalents</b>		
Cash at Bank	41,398,406	66,085,607
Cash Investments	258,397,752	205,431,572
<b>Trade and Other Receivables</b>		
Contributions Receivable	8,340,449	7,961,202
Sundry Debtors	-	3,044
GST Receivable	268,704	304,899
<b>Investments</b>		
Australian Shares	892,376,235	954,117,983
International Shares	630,969,774	705,051,646
Property	346,930,547	338,058,621
Diversified Fixed Interest	78,493,336	90,720,003
Private Equity	99,630,878	89,735,319
Absolute Return	223,685,989	213,889,517
Infrastructure	190,410,108	150,705,965
<b>Other Assets</b>		
Fixed Assets	640,700	482,886
<b>TOTAL ASSETS</b>	<b>2,771,542,877</b>	<b>2,822,548,264</b>
<b>LIABILITIES</b>		
<b>Trade and Other Payables</b>		
Benefits Payable	557,235	578,943
Accounts Payable	993,514	1,093,640
Sundry Creditors	71,170	-
Superannuation Contributions Surcharge Payable	68,409	139,069
<b>Provisions</b>		
Provision for Employee Benefits	143,626	190,991
<b>Tax Liabilities</b>		
Current Tax Liability	11,366,036	13,882,218
Deferred Tax Liability	7,513,298	59,961,095
<b>TOTAL LIABILITIES</b>	<b>20,713,288</b>	<b>75,845,956</b>
<b>NET ASSETS AVAILABLE TO PAY BENEFITS</b>	<b>2,750,829,589</b>	<b>2,746,702,308</b>
Represented by:		
<b>LIABILITY FOR ACCRUED BENEFITS</b>		
Allocated to members' accounts	2,710,431,485	2,738,635,595
Not yet allocated	40,398,104	8,066,713
	<b>2,750,829,589</b>	<b>2,746,702,308</b>

## OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	30-Jun-08	30-Jun-07
	\$	\$
<b>INVESTMENT REVENUE</b>		
Interest	6,734,062	5,211,783
Distributions	217,734,621	182,320,332
Other Investment Income	123,380	469,037
Changes in Net Market Value	(402,316,756)	338,631,810
	<b>(177,724,693)</b>	<b>526,632,962</b>
<b>CONTRIBUTIONS REVENUE</b>		
Employer Contributions	179,573,308	157,476,319
Member Contributions	72,662,097	70,335,190
Transfers In	107,084,787	50,947,960
Government Co-Contributions	4,414,398	7,122,159
	<b>363,734,591</b>	<b>285,881,628</b>
<b>OTHER REVENUE</b>		
Proceeds from Group Life Policies	1,625,000	1,529,804
Other Income	166,483	20,915
<b>TOTAL REVENUE</b>	<b>187,801,380</b>	<b>814,065,309</b>
<b>INVESTMENT EXPENSES</b>		
Direct Investment Expenses	15,096,433	15,712,598
Group Life Insurance Expenses	7,095,355	6,703,061
<b>GENERAL ADMINISTRATION EXPENSES</b>		
Administrator Expenses	2,357,739	1,983,726
Audit Fees	83,615	68,961
Operating Expenses	5,132,188	4,604,501
Anti-Detriment Payments	39,450	58,818
Superannuation Contribution Surcharge	(33,419)	369,236
<b>TOTAL EXPENSES</b>	<b>29,771,361</b>	<b>29,500,901</b>
<b>BENEFITS ACCRUED BEFORE INCOME TAX</b>	<b>158,030,019</b>	<b>784,564,408</b>
<b>INCOME TAX (BENEFIT)/EXPENSE</b>	<b>(4,226,834)</b>	<b>68,116,012</b>
<b>BENEFITS ACCRUED AFTER INCOME TAX</b>	<b>162,256,853</b>	<b>716,448,396</b>

The abridged Financial Statement for the Fund is based on audited accounts. The Fund's complete audited accounts are available for inspection by members on request.

# WHO LOOKS AFTER YOUR SUPER?

## BOARD OF DIRECTORS

Catholic Super is governed by CSF Pty Limited ABN 30 006 169 286 as Trustee of the Catholic Superannuation Fund ABN 50 237 896 957. Trustee Directors are ultimately responsible for administering the Fund in accordance with the law and the Fund's Trust Deed.

The Board has ten Directors. Each Director is elected by the members and employers of Catholic Super, five to represent members and five to represent employers. This ensures that all decisions are based on a balance of views.

The Catholic Super Board meets at least eleven times a year and the term of office of each Director is six years. Elections are decided on a first-past-the-post basis. The nominee who receives the most votes is elected.

The current Directors (as at 31 October 2008) are:

## MEMBER ELECTED DIRECTORS

<b>John Mildren (Deputy Chair)</b>	Project Manager, Victorian Institute of Teachers
<b>Debra James</b>	General Secretary, Victorian Independent Education Union
<b>Joe Sirianni</b>	Teacher, Holy Eucharist School, St Albans South
<b>Fran Renehan</b>	Teacher, Lavalla Catholic College, Traralgon
<b>John Connors</b>	Principal, St Anne's School, Kew East

## EMPLOYER ELECTED DIRECTORS

<b>Peter Bugden (Chair)</b>	Part-time Executive Manager, Catholic Super
<b>Frank Pegan</b>	Chief Executive Officer, Catholic Super
<b>Rosemary Scarlett</b>	Business Manager, Marymede Catholic College, South Morang
<b>Marcia Clohesy</b>	Team Leader, Human Resources, Catholic Education Office Melbourne
<b>Brian Reed</b>	Deputy Principal, Sacred Heart College, Kyneton



*From left: Deb James, Peter Bugden, Brian Reed, Joe Sirianni, John Mildren, Marcia Clohesy, Rosemary Scarlett, Fran Renehan, Frank Pegan, John Connors (insert)*

## CHANGES TO THE BOARD

Daniel Sexton and Father Michael Morgan resigned their positions. Both of them represented Employers. Marcia Clohesy resigned as a Director representing Members and successfully stood for one of the vacant Employer Representative positions. Brian Reed was the successful candidate for the remaining Employer Representative position and John Connors was elected to the Member Representative position vacated by Marcia Clohesy.

## OTHER PEOPLE WHO HELP US MANAGE CATHOLIC SUPER

The Trustee employs various professional advisers and service providers to assist in the management of the Fund. The Trustee is not associated with any of these organisations.

<b>Administration Manager:</b>	Australian Administration Services
<b>Master Custodian:</b>	National Custodian Services
<b>Investment Managers:</b>	Refer to 'Where your money was invested' on page 11
<b>Bank:</b>	Westpac Banking Corporation
<b>Investment Consultant:</b>	Mercer
<b>Auditor:</b>	Grant Thornton (formerly William Buck)
<b>Solicitors:</b>	IFS Legal
<b>Tax Advisors:</b>	BDO

## TRUSTEE LIABILITY INSURANCE

The Fund's Trust Deed provides for the Trustee Directors to be indemnified from the assets of the Fund in the event that legal action is taken against them. To protect the Fund assets, Liability Insurance has been arranged to compensate for any losses that may occur as a result of a claim against the Trustee, the Fund, or the Directors personally.

## OTHER THINGS YOU NEED TO KNOW



### YOU CAN GET 'LOST' SUPER BACK!

If you lose track of your superannuation account from a former employer, don't give up on it! The first step is to get in touch with your former employer and superannuation fund. If they no longer hold your super account, they may have transferred it to an eligible rollover fund (ERF) and should be able to provide you with details.

The Australian Tax Office also maintains a Lost Member Register with billions of dollars in 'lost' super fund accounts. You can check whether the ATO has you on the register by calling their SuperSeeker service on 13 28 65, or you can check online at [www.ato.gov.au/super](http://www.ato.gov.au/super) and search for SuperSeeker. This is a free service.

### MEMBER BENEFIT PROTECTION (MBP)

Under MBP legislation, for accounts of less than \$1,000, the member fee in any one year must not exceed the investment returns earned by the account in that same year, subject to a minimum fee of \$10 which may be applied in years of low investment returns.

### ELIGIBLE ROLLOVER FUND

If your super account balance falls below \$1,000 and you no longer work for a Catholic Super participating employer, then you may:

- Ask your new employer to send your contributions to your Catholic Super account
- Make a contribution or roll over benefits from other super funds to Catholic Super, in order to maintain a balance of more than \$1,000
- Roll your benefit out of Catholic Super into another fund.

If none of these events occurs within 6 months of the most recent contribution being paid into Catholic Super on your behalf, or you become a 'lost' member and your account balance is less than \$9,500, any insurance cover you have will stop, and your super account balance will be transferred to:

**AUSfund**  
**Australia's Unclaimed Super Fund**  
**PO Box 2468**  
**Kent Town SA 5071**  
**Phone: 1300 361 798**  
**Fax: 1300 366 233**  
**International phone: +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)**

These transfers are processed by Catholic Super on a quarterly basis. If your account is transferred to AUSfund you will cease to be a member of Catholic Super.

AUSfund has a low fee structure designed to protect members with small balances. All members' balances are member protected, which means that administration charges will generally not be more than interest earned. Most members will continue to accumulate interest in AUSfund. AUSfund does not offer insurance cover.

We encourage you to obtain a Product Disclosure Statement (PDS) from AUSfund.

### COMPLAINT AND DISPUTE RESOLUTION

Catholic Super maintains internal procedures for the handling of member enquiries or complaints within 90 days. Responses to most enquiries can be dealt with over the phone immediately. If not, you may be asked to put your enquiry in writing.

If you have an issue to raise:

- you should lodge your complaint in writing with Catholic Super, referring it to Mr Joe Farrugia (Manager)
- you will receive a reply within 90 days of the matter being lodged.

- if you wish to appeal the Manager's decision, the matter will be brought before Catholic Super's Trustee Board.
- all enquiries and complaints dealt with by the Manager are reported at the next full meeting of the Trustee Board.

If you are not satisfied with Catholic Super's handling of your complaint, you may contact the Superannuation Complaints Tribunal. The Tribunal is an independent body set up by the Federal Government to assist members or beneficiaries to resolve certain types of complaints with Fund Trustees.

The Tribunal may be able to assist you to resolve your complaint. If it accepts the complaint, it will attempt to resolve the matter through conciliation, which involves assisting the member and the Fund to come to a mutual agreement. If conciliation is unsuccessful, the complaint is referred to the Tribunal for a determination.

If you wish to find out whether the Tribunal can handle your complaint and the type of information you would have to provide, please phone one of the following numbers for the cost of a local call anywhere in Australia.

The Superannuation Complaints Tribunal  
([www.sct.gov.au](http://www.sct.gov.au))  
1300 780 808

The Australian Prudential Regulation Authority (APRA)  
([www.apra.gov.au](http://www.apra.gov.au))  
1300 131 060

## PROTECTING YOUR PRIVACY

Catholic Super protects the privacy of your personal information. Any personal information collected by Catholic Super is used for the sole purpose of maintaining, managing and administering your account.

In some cases, we may need to provide your information to external service providers. For instance our Insurer requires personal information in order to assess insurance applications and claims. In all cases, your information is protected by Catholic Super's privacy policy and privacy legislation.

## KEEPING IN TOUCH

On joining Catholic Super, all members are given access to the most recent Annual Report. Every year an annual member statement and Annual Report are issued, together with regular newsletters throughout the year. We encourage members and employers to access information electronically where possible.

You can also obtain additional information on written request, including copies of the Trust Deed, the Product Disclosure Statement, the Auditor's Report and audited accounts of the Fund, the Privacy Policy and the Investment Objectives and Policy.

To help us keep in touch, please notify us of any changes to your personal details.

## COMPLIANCE

For the period 1 July 2007 to 30 June 2008, and all previous reporting periods, the Trustee is of the opinion that the fund complied with all conditions for the operation of superannuation funds required by legislation, and that the Australian Prudential Regulation Authority (APRA) would be satisfied with the Fund's compliance for those years.

## THE TRUST DEED

The Fund is governed by a Trust Deed dated 11 January 1971 together with subsequent amendments. The Trust Deed contains rules about matters such as who can join the fund, how contributions are received and how benefits are paid. The Trust Deed has been amended to incorporate changes made over the last twelve months. A copy is available upon request by calling 1300 550 273.

## CONTACT DETAILS

Level 1, 333 Collins Street  
Melbourne VIC 3000

GPO Box 2163  
Melbourne VIC 3001

**W.** [www.csf.com.au](http://www.csf.com.au)

**E.** [info@csf.com.au](mailto:info@csf.com.au)

**P.** 1300 550 273

**F.** 03 9648 4720

**Call 1300 550 273 or join online [www.csf.com.au](http://www.csf.com.au)  
Level 1, 333 Collins Street Melbourne VIC 3000**