

Annual Report 2010/2011



YES WE ARE AN
INDUSTRY SUPER FUND



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Important note:

This Report was prepared and issued by Professional Associations Superannuation Limited (PASL) (ABN 14 056 917 303, AFSL 222590), as Trustee of Professional Associations Superannuation Fund (PASF), the Fund (ABN 78 984 178 687). PASF comprises four divisions: RecruitmentSuper, Accountants Super, Australian Enterprise Super and SMARTpension.

This document is of a general nature only and does not take into account your personal or financial objectives, situation or needs. Any examples included herein are for illustration purposes only. They are not intended to be recommendations or preferred courses of action. Before making a decision about Professional Associations Superannuation Fund, consider your own needs carefully and obtain a copy of the relevant Product Disclosure Statement. You should consider obtaining professional financial advice about your particular circumstances before making any financial or investment decision.

You should also note that investment returns are not guaranteed. All investments carry risk. Furthermore, you should also be aware that past investment performance gives no indication of future returns.

PASL has engaged eo Pty Ltd (ABN 53 000 013 276 AFSL 232501) to provide general financial advice, marketing and sales services for PASL. Financial services provided by eo Pty Ltd are provided under eo Pty Ltd's Australian Financial Services Licence. Consultants are employed by eo Financial Services Pty Ltd (ABN 57 103 181 844) and are Authorised Representatives of eo Pty Ltd.

References to Member Services Consultants, Employer Consultants and Relationship Managers are references to Authorised Representatives of eo Pty Ltd.

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SECTION 1

Message from the Chairman & CEO

Strong foundations deliver positive performance and defence against market volatility.

Welcome to 2010/2011 Annual Report for Professional Associations Super Fund. This last financial year saw markets respond positively with Australia in a strong economic position, more so than the troubled Europe and US economies which continue to have impacts globally. The Fund saw growth and returned double digit investment performance figures for the second consecutive year across all divisions - RecruitmentSuper, Accountants Super, Australian Enterprise Super and SMARTpension. Each division has also been recognised with a Gold Rating by SuperRatings in 2011. This is yet another endorsement on top of the 5-star Canstar rating awarded to our RecruitmentSuper SelectSuper product in September 2010.

However, as seen recently, the markets are unpredictable with problems in the US and Europe causing a high level of short-term volatility in all markets early into this new financial year. Global events will invariably affect markets, as will local political and legislative changes, which is why the focus is to have a strong fund structure that maximises growth potential whilst mitigating short-term fluctuations. Our investment framework which we implemented in early 2009 is continuing to hold us in good stead. Your super is a long-term investment and the focus across the Fund is to deliver on the fundamentals exceptionally well and not be swayed by short-term or fringe activities.

Over the coming years, a number of legislative changes are likely to take effect through the Australian Government's Stronger Super initiatives. In responding to these changes, it is our commitment to provide you with a flexible, easy to understand and low-cost superannuation solution. Regardless of your life stage, whether it be your first job or when you are transitioning into your post-working life, we offer comprehensive products and services that cater for your specific needs.

We've also been working hard to give you more as a member. We have made improvements to the insurance arrangements for some members, and importantly, these are provided at no additional cost to you. For more information on these changes, please go to the Fund News section of the report.

To help you stay informed and maximise your membership, we've made a number of online improvements to help you understand your super and keep track of it easily. Our Member Online Services is available at any time to manage your account as are the numerous super calculators available through the websites. We would like to see all members achieve a comfortable retirement lifestyle and providing relevant information to you is always a priority whether it be online, over the phone or in person.

Our Member Services Consultants have again travelled all over Australia to help members get the most from their super by delivering one-on-one and workplace education sessions. They can help you understand the investment and insurance options available to you, as well as assist in completing forms, finding lost super and consolidating any other super funds you may have into the Fund.

On behalf of Professional Associations Super, we would like to acknowledge the contribution of our members, our staff, our service partners, our associations and employers, for their ongoing support during this financial year.

We look forward to another successful year and look to continuing to deliver successful and high-quality products, services and results to help your super grow into the future.



Ross Fisher
Chairman



Megan Bolton
CEO

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SECTION 2

A Quick Look at Professional Associations Super

We are a leading provider of super products and services in Australia. Our Fund is structured to cater to all your super needs throughout your working life and beyond. No matter what stage of your life you are currently in, we can help achieve your retirement savings and lifestyle goals.

We strive to satisfy your super requirements by being a low cost, flexible and easy to understand Fund.

We accommodate your needs by providing you with:

- > A wide range of investment options* catering to all risk/return profiles
- > Online tools and features designed to make your super transactions simple
- > Affordable, highly competitive insurance options to protect you and your family
- > Education and communication programs to keep you informed about your super
- > A flexible pension that meets your retirement income needs
- > Access to a team of dedicated Member and Employer Services Consultants who are there to assist you

Being a public offer fund means anyone can participate in the benefits of belonging to your industry fund. From the recruitment and accounting sectors to supporting small to medium enterprises, our expertise and specialist knowledge sets us apart from the rest.

Professional Associations Superannuation Limited is the Trustee of the Fund. The Trustee's sole purpose is to oversee the investments, administration and management of the Fund, so you are provided with the benefits to support your retirement.

* Investment option choice is not available to RecruitmentSuper's 'EasyChoice', 'EasySuper' and 'PreservedSuper' members. These members are invested in the Growth (default) option.



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SECTION 3

Fund Structure

The leading industry fund for the recruitment sector

A specialised industry fund for accounting professionals

An industry fund that supports small to medium enterprises

Working with you to plan a trouble free and easy retirement

A closer look at Professional Associations Super

- > We comprise four divisions, with over \$1.7 billion worth of funds under management and over 440,000 members
- > We are one of the largest industry super funds in Australia by membership
- > We operate only to benefit members
- > We're here for you all the way – take us with you when you change jobs
- > We accept members from all occupations, both employed and self-employed

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SECTION 4

Our Strategy

We focus on the following key fundamental factors over the medium-term:

Combining the continuation of organic growth initiatives and the pursuit of appropriate mergers to ensure the success of the Fund

Providing new and expanded product/service offerings for members to make super easy

Delivering on our investment objectives so members can achieve their retirement goals

Meeting the needs of members and employers and responding to the changes within the industry

OUR CORE VALUES

PROFESSIONAL

> A reliable partner you can trust

SECURE

> Know that your super is safe with us

STRONG

> Solid foundations dating back to 1992

EXPERIENCED

> A wealth of super industry experience & specialist knowledge

UNCOMPLICATED

> Straight-forward super solutions

OUR PARTNERS

To help us deliver on our commitment to provide our members with the best possible super solution, we work with some of the largest and most successful financial services organisations in Australia. We leverage their expertise to look after your super, ensuring it is secure and invested with a long-term focus.

AAS is one of Australia's leading superannuation and pension administration specialists, overseeing 4.5 million super accounts.

CommInsure is a leading life insurance specialist in Australia. With more than 135 years experience, it delivers innovative and valuable insurance solutions to members.

eo Financial Services provides a range of solutions including Secretariat and Governance, Member and Employer Services, Operations, Marketing and Communications, Investment Operations, Finance and Accounting.

Towers Watson is a leading global investment consulting firm. They partner with us to provide a range of services including planning, advice, strategy and governance.

J.P. Morgan is one of the largest providers of custodial services in Australia, providing us with accounting, custody and performance reporting functions.

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SECTION 5 Fund News

Websites and online services

Last year we revamped and improved our websites to help make understanding super simpler. We're continually looking at ways to improve the sites and provide you with even more ways to learn about your super and your options. We've now made consolidating your super funds faster and easier than ever before. The new Online Consolidation Form lets you automatically populate your super fund details, helps you search for your other fund details and provides you with a completed form for you to sign and mail back to us.

You can also use our websites to:

- > Project your super balance at retirement, as well as calculate the benefits of salary sacrifice
- > Check your eligibility for the Government co-contribution
- > Download important forms quickly and easily
- > Book one-on-one appointments with a Member Services Consultant
- > Sign up for seminars and webinars to keep you informed

Member Online Services

Member Online Services provides you with a secure way to access your account and transact online, 24/7. You can use this to:

- > Check your account balance
- > Update your details
- > View and print statements, as well as opt-in to receive your Annual Statement online
- > Make investment switches (if applicable to your membership)

Employer Online Services

Employer Online Services provides employers with a fast and secure way for managing their super requirements, by removing the need for lengthy and time consuming paperwork. Employers can:

- > Securely make super contributions online when it's convenient
- > Add and remove employees
- > Update company and employee details
- > Track online super payments



We've now made consolidating your super funds faster and easier than ever before. In 5-10 minutes, you can use the new Online Consolidation Form to automatically populate all your super fund details and provide you with a completed form for you to sign and mail back to us.

www.recruitmentsuper.com.au/consolidate

www.accountants-super.com/consolidate

www.aesuper.com.au/consolidate

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Insurance changes that may affect you

We've been working hard making some changes to deliver even more to you as a member. From 14 November 2011, a number of improvements to insurance arrangements will take effect for eligible members. These will occur at no additional cost and include:

- > The Total and Permanent Disability (TPD) waiting period will decrease from 6 months to 3 months
- > Increasing the TPD expiry age from 65 to 70 for eligible members with unithised cover (limited TPD definition will apply after age 65)
- > Adding definitions of 'Activities of Daily Work'
- > Increasing the maximum interim accident cover from \$1 million to \$2 million

For further information and to see if these changes will affect you, please refer to the relevant Product Disclosure Statement (PDS) or contact us.

Award winning Super Fund

Professional Associations Super is one of Australia's largest super funds (by membership) with more than 440,000 members. Our dedication to providing members with low-cost super and high quality services has been recognised in 2011 by SuperRatings awarding each of our divisions a Gold Rating.

SuperRatings is an independent research organisation that rates funds in an effort to help members compare the overall value for money across super funds. Products are ranked according to criteria such as investments, insurance, fees and management.

For those members in our RecruitmentSuper SelectSuper product, this is a further endorsement on top of the 5-star rating awarded by Canstar Cannex in September 2010.

Change to Eligible Rollover Fund

From 14 November 2011, the nominated Eligible Rollover Fund (ERF) will change from Super Safeguard to AUSfund. Please refer to the relevant PDS for more information about when your account may be transferred.

New Member Representative Director elected

Late last year, Katherine Kaspar was elected as a Member Representative Director by the members of the Fund. Katherine has more than 10 years industry experience as a trust lawyer in the commercial sector and is a welcome addition to the Board.

SUPPORTING THE INDUSTRIES THAT SUPPORT YOU

As an industry fund, we're proud of our origins. Whether it's recruitment and employment services or the taxation, accounting, retail or small business sectors, we continue to provide ongoing and proactive support to the peak bodies and associations that operate in those industries. Some of our partners include:

The Recruitment and Consulting Services Association (RCSA) is a peak association that represents the interests of recruitment and on-hire companies across Australia & New Zealand. RecruitmentSuper is the RCSA's Principal Partner.

The Institute of Chartered Accountants in Australia is the professional body representing Chartered Accountants in Australia. They represent over 55,000 Chartered Accountants and 12,000 of Australia's best accounting graduates.

The Taxation Institute of Australia is Australia's premier professional tax body. Members include a comprehensive cross section of leading tax accountants, lawyers, tax agents, managers and academics.

United Retail Federation is a peak national industry body in Australia representing the small business and retail sectors. Members are independent small business operators, who collectively represent one of the largest overall employment segments in the country.

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Across our divisions, we produced a solid return over the financial year with each Growth option delivering double digit returns.

Financial markets were the key performance drivers despite concerns over a weakening economic outlook. We benefitted from our exposure to the Australian dollar which performed strongly throughout the financial year.

As the impact of the financial crisis evolves, it remains essential that we provide our members with a diversified super solution, especially in an uncertain economic climate. In addition to seeking robust returns, risk management plays a fundamental role in our investment strategy and we continue to make investment decisions based on both risk and return considerations.

Economic Environment

The past financial year demonstrated the fragility of the global economy. The European debt crisis spread beyond Greece, impacting nearby countries such as Portugal and Ireland. By year-end, all three countries required financial assistance from the European Union and International Monetary Fund. The US economy remained fragile with unemployment above 9 per cent and economic growth sluggish. Emerging economies, such as those in Asia and Latin America, provided a degree of respite with economic growth remaining robust. However, the presence of high inflation and its impact on the region weighed heavily on investors' minds.

The Australian economy continued to navigate its way through the uncertain global economic environment, with the second half of the financial year proving more difficult to manoeuvre. Consumers were focused more on saving than spending as inflation and high interest rates began impacting sentiment. In responding to this, the Reserve Bank of Australia (RBA) remained committed to striking a balance between maintaining economic growth and controlling inflation, holding interest rates steady at 4.75% from November 2010. China continued to be the main driver for the local economy with resource companies benefitting from its robust economic growth and its strong demand for raw materials.

Australian Share Market

The Australian equity sector performed positively through 2010/2011, advancing 12 per cent by the end of June. The financial year brought with it a significant degree of market volatility as investors reacted strongly to a mixture of positive and negative news. Soft economic data from weak consumer spending to one-off natural disasters, such as the Queensland floods, was tempered by low unemployment and steady interest rates. Investor sentiment was buoyed by the optimism surrounding China's growth prospects and its demand for Australian resources. Conversely, the ongoing debt issues in Greece and its potential impact across Europe, coupled with the US economy's lacklustre growth forecasts played on the minds of investors.

The Australian equities allocation contributed strongly to the Growth option's overall performance.



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SECTION 6

The Year in Review (continued)

Global Share Market

Global equity markets advanced significantly over the financial year. An environment of record low interest rates and continued stimulus spending helped create a buffer against the continued uncertainty surrounding Europe's debt issues and the slowing US economy. Despite inflation concerns and rising oil prices, emerging markets bolstered investor sentiment with growth prospects remaining positive across the region. The corporate outlook remained solid with balance sheets looking more attractive as companies reduced debts in the wake of the financial crisis.

The international equities allocation was a significant contributor to the performance of the Growth option. Its sizable exposure to the Australian dollar, through the hedged component of the asset class, added most value with the currency appreciating considerably over the financial year. For this same reason, our unhedged allocation to both the developed markets and emerging markets provided us with only marginal value.

Property

Global Real Estate Investment Trust (REIT) markets surged over the financial year, up 29 per cent, led by the US, UK and Canada. This performance was largely based on investors seeking a return above that of cash and also as a way of mitigating the potential for inflation. By comparison, the Australian REIT market's capital return was poor, due to weakening economic conditions, particularly in the retail sector. Australian high quality unlisted direct property produced a solid return for 12 months.

Property was a significant contributor to Growth option performance over the year with global REIT's adding considerable value. Domestic direct unlisted property produced a modest return, in keeping with the softening of the local economy over the latter part of the year.

Bonds & Cash

As concerns intensified over European sovereign debt and the growth prospects of the US economy, the financial year saw investors looking towards bonds as a safe haven. A number of central governments went through a process of printing money in order to buy government debt; which impacted positively on the sector. Cash yields have remained solid throughout the year spurred on by the RBA's consistent position in setting interest rates.

The bond allocation has performed consistently well across Australian and international sectors. Most value for the Growth option was derived from our strong exposure to international bonds based on the sector's solid performance and our sizable allocation to it.

Commentary regarding market impacts on the Fund and each asset class is specific to the Growth option. 97 per cent of member's super is invested in this option.



If you want to stay up to date with what's happening in the market visit your website and view the monthly market commentary.

www.recruitmentsuper.com.au

www.accountants-super.com

www.aesuper.com.au

www.smartpension.com.au

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Divisional Investment Performance

One of the most important functions of any super fund is its ability to generate solid investment returns that will help you achieve your retirement savings and lifestyle goals.

Your super is a long-term investment, so when comparing investment results, it's a good idea to consider returns over the long-term, as investment markets can fluctuate in the short-term.

Your actual earnings will be influenced by the timing of payments into and out of your account, allowing for contributions, taxes, fees and switches between investment options. These earnings may be different from the declared performance of each investment option. Therefore, you are encouraged to read your Annual Member Statement in conjunction with this Annual Report when considering the performance of your super.

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

Crediting Rates

For members of Australian Enterprise Super and the EasyChoice, EasySuper and PreservedSuper categories of RecruitmentSuper, crediting rates are used to distribute earnings to members.

Annual crediting rates are determined by the Trustee at the end of each financial year, having regard to underlying investment performance, fees including investment related costs, member benefit protection costs, taxation allowances and reserve requirements.

Where benefit payments (including investment switches) occur throughout the financial year, interim crediting rates are used to apply earnings.

Unit Prices

For members of Accountants Super, SMARTpension and the SelectSuper and SelectPlus categories of RecruitmentSuper, unit prices are used to distribute earnings to members.

Investment earnings are reflected in changes to unit prices. Unit prices are calculated having regard to the value of the underlying assets and allowing for any applicable tax, fees including investment related costs, member benefit protection costs and reserve requirements. Adjustments may be made to unit prices from time to time to take into account movements in the underlying assets and tax allowances. Unit prices are declared on a weekly basis and at the end of the financial year.

Unit prices are applied to transactions as follows:

- > **Contributions/Transfers Received** – the unit price effective on the date that monies are received by the Fund
- > **Investment Switches** – the unit price effective on the date that a switch request is received by the Fund (including online requests)
- > **Benefit Payments (both full and partial)** – the unit price effective on the date that a benefit payment is processed by the Fund

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RecruitmentSuper

The table below shows the declared crediting rates over the last five financial years:

RECRUITMENTSUPER EASYCHOICE/EASYSUPER/ PRESERVEDSUPER	AS AT 30 JUNE					COMPOUND AVERAGE	
	2011	2010	2009	2008	2007	5 Yrs p.a.	
Growth (default)	12.1%	11.0%	-13.9%	-5.2%	15.1%	3.2%	

Past performance is not necessarily indicative of future performance. The returns are after tax and investment management fees. Other fees may apply, refer to the Product Disclosure Statement.

The table below shows the investment earning rates of each investment option over the last five financial years:

RECRUITMENTSUPER SELECTPLUS/ SELECTSUPER	AS AT 30 JUNE					COMPOUND AVERAGE	
	2011	2010	2009	2008	2007	Since inception p.a.	5 Yrs p.a.
Aggressive	12.2%	11.1%	3.3% [^]	-	-	11.0% ¹	-
Growth (default)	11.1%	10.6%	-14.3%	-5.3%	14.2%	-	2.6%
Moderate	9.6%	10.0%	4.4% [^]	-	-	10.2% ²	-
Stable	7.5%	8.9%	-2.2%	1.5%	8.1%	-	4.7%
Australian Shares	11.2%	14.0%	16.0% [^]	-	-	17.8% ²	-
Overseas Shares	14.6%	11.9%	7.7% [^]	-	-	15.6% ³	-
Property	12.8%	4.8%	-4.7% [^]	-	-	5.2% ²	-
Bonds	7.2%	10.5%	2.4% [^]	-	-	8.5% ²	-
Cash	3.4%	3.5%	1.8%	4.0%	5.6%	-	3.6%

Past performance is not necessarily indicative of future performance. The returns are after tax and investment management fees. Other fees may apply, refer to the Product Disclosure Statement.

[^]These options opened for investment on 12 January 2009. The first investment into the Aggressive option was received on 1 February 2009, the first investment into the Moderate, Australian Shares, Property and Bonds options were received on 20 February 2009 and the first investment into the Overseas Shares option was received on 10 April 2009. As these options commenced part way through the year, these 2009 returns are not annualised.

¹ Since inception return was calculated over 29 months from 1 February 2009 to 30 June 2011 and is annualised.

² Since inception returns were calculated over 28.3 months from 20 February 2009 to 30 June 2011 and are annualised.

³ Since inception return was calculated over 26.7 months from 10 April 2009 to 30 June 2011 and is annualised.

Want to learn more about your investments? Go to the Investment Centre on our website and learn about:

- > Investment basics
- > Investment performance
- > Monthly market updates
- > Investment options
- > Crediting rates
- > Unit prices
- > Investment managers

www.recruitmentsuper.com.au



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Accountants Super

The table below shows the investment earning rates of each investment option over the last five financial years:

ACCOUNTANTS SUPER	AS AT 30 JUNE					COMPOUND AVERAGE	
	2011	2010	2009	2008	2007	Since inception p.a.	5 Yrs p.a.
Aggressive	11.9%	11.1%	-14.3%	-11.9%	19.4%	-	2.3%
Growth (default)	11.0%	10.8%	-9.3%	-8.9%	15.4%	-	3.2%
Moderate	9.4%	9.9%	4.6% [^]	-	-	10.2% ¹	-
Stable	7.5%	8.7%	1.8%	-1.0%	8.7%	-	5.1%
Australian Shares	12.0%	13.9%	-17.7%	-10.8%	28.3%	-	3.7%
Overseas Shares	13.9%	11.8%	-10.7%	-14.4%	11.0%	-	1.6%
Property	21.6%	4.1%	-27.6%	-31.7%	24.9%	-	-4.8%
Bonds	4.3%	10.7%	12.3%	4.5%	3.5%	-	7.0%
Cash	3.7%	3.4%	4.3%	5.5%	5.3%	-	4.4%

Past performance is not necessarily indicative of future performance. The returns are after tax and investment management fees. Other fees may apply, refer to the Product Disclosure Statement.

[^]Moderate option opened for investment 12 January 2009. The first investment into this option was received 20 February 2009. As this option commenced part way through the year, this 2009 return is not annualised.

¹ Since inception return was calculated over 28.3 months from 20 February 2009 to 30 June 2011 and is annualised.

Want to learn more about your investments? Go to the Investment Centre on our website and learn about:

- > Investment basics
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- > Monthly market updates
- > Investment options
- > Unit prices
- > Investment managers

www.accountants-super.com



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Australian Enterprise Super

The table below shows the declared crediting rates over the last five financial years:

AUSTRALIAN ENTERPRISE SUPER	AS AT 30 JUNE					COMPOUND AVERAGE	
	2011	2010	2009	2008	2007	Since inception p.a.	5 Yrs p.a.
Aggressive	11.7%	11.2%	-13.6%	-14.8%	15.3%	-	1.1%
Growth (default)	11.0%	11.0%	-11.9%	-12.0%	13.6%	-	1.7%
Moderate	9.3%	10.0%	9.0%^	-	-	11.0% ²	-
Stable	8.5%	8.8%	-4.4%	-4.1%	7.7%	-	3.1%
Australian Shares	11.0%	14.0%	45.5%^	-	-	19.8% ¹	-
Overseas Shares	14.1%	11.9%	31.1%^	-	-	17.8% ¹	-
Property	12.4%	4.8%	-15.0%^	-	-	4.8% ²	-
Bonds	7.2%	10.4%	0.3%^	-	-	8.9% ³	-
Cash	3.5%	3.5%	2.9%	5.9%	4.7%	-	4.1%

Past performance is not necessarily indicative of future performance. The returns are after tax and investment management fees. Other fees may apply, refer to the Product Disclosure Statement.

^These options opened for investment 12 January 2009. The first investment into the Australian Shares and Overseas Shares options were received 6 March 2009, the first investment into the Moderate and Property options were received 27 March 2009, and the first investment into the Bonds option was received 8 May 2009. Although these options commenced part way through the year, the 2009 returns shown are annualised.

¹ Since inception returns were calculated over 27.7 months from 6 March 2009 to 30 June 2011 and are annualised.

² Since inception returns were calculated over 27.2 months from 27 March 2009 to 30 June 2011 and are annualised.

³ Since inception return was calculated over 25.7 months from 8 May 2009 to 30 June 2011 and is annualised.

Want to learn more about your investments? Go to the Investment Centre on our website and learn about:

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SMARTpension

The table below shows the investment earning rates of each investment option since inception.

SMARTPENSION	AS AT 30 JUNE				COMPOUND AVERAGE	
	2011	2010	2009	2008	Since inception p.a.	3 yrs p.a
Aggressive	11.8%	11.8%	-14.7%	-11.1%*	-1.4% ¹	2.2%
Growth (default)	11.9%	10.4%	-9.9%	-1.8%*	2.4% ¹	3.6%
Moderate	9.5%	11.0%	3.0% [^]	-	10.0% ²	-
Stable	4.7%	10.0%	5.4%	-6.4%*	3.5% ¹	6.7%
Australian Shares	4.2%	9.6%	4.0% [^]	-	8.5% ⁴	-
Overseas Shares	22.8%	-3.2% [#]	-	-	12.5% ⁷	-
Property	14.1%	3.8% [#]	-	-	11.7% ⁶	-
Bonds	8.7%	6.8% [#]	-	-	9.5% ⁵	-
Cash	3.3%	3.9%	0.8% [^]	-	3.5% ³	-

Past performance is not necessarily indicative of future performance. The returns are after tax and investment management fees. Other fees may apply, refer to the Product Disclosure Statement.

* Aggressive, Growth and Stable options opened for investment 10 October 2007. The first investment into these options was received 10 October 2007. As these options commenced part way through the year, these 2008 returns are not annualised.

[^] Moderate, Cash and Australian Shares options opened for investment 12 January 2009. The first investment into the Moderate option was received 20 February 2009, the first investment into the Cash option was received 27 March 2009, and the first investment into the Australian Shares option was received 22 May 2009. As these options commenced part way through the year, these 2009 returns are not annualised.

[#] Bonds, Property and Overseas Shares options opened for investment 12 January 2009. The first investment into the Bonds option was received 13 November 2009, the first investment into the Property option was received 18 December 2009, and the first investment into the Overseas Shares option was received 8 January 2010. As these options commenced part way through the year, these 2010 returns are not annualised.

¹ Since inception returns were calculated over 44.6 months from 10 October 2007 to 30 June 2011 and are annualised.

² Since inception return was calculated over 28.3 months from 20 February 2009 to 30 June 2011 and is annualised.

³ Since inception return was calculated over 27.2 months from 27 March 2009 to 30 June 2011 and is annualised.

⁴ Since inception return was calculated over 25.2 months from 22 May 2009 to 30 June 2011 and is annualised.

⁵ Since inception return was calculated over 19.5 months from 13 November 2009 to 30 June 2011 and is annualised.

⁶ Since inception return was calculated over 18.5 months from 18 December 2009 to 30 June 2011 is annualised.

⁷ Since inception return was calculated over 17.7 months from 8 January 2010 to 30 June 2011 is annualised.

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www.smartpension.com.au



Smart
Choice

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SECTION 8

Investment Options

Our record of achieving superior investment returns remains intact as we outperformed the median returns of industry super funds*.

We have a Statement of Investment Objectives and Policy (SIOP) that details the objectives and policies adopted by the Fund in investing your super and retirement savings. It also describes how we monitor and review your investments.

Our broad investment aim is to maximise long-term returns to help you achieve a financially secure retirement. We aim to deliver net investment returns over the long-term that exceed the annual rate of inflation.

We regularly review our investment strategies and asset allocation process to ensure that they are consistent with our investment objectives. Importantly, the process ensures the strategies continue to support your needs and requirements, whether or not your circumstances change.

Use of derivatives

Some of our investment managers invest directly in derivative investments such as futures, options and swaps. This form of investing is undertaken as part of a strategy to manage investment risk. Legislation requires investment managers adopt a Derivative Risk Statement which details the controls in place to protect against improper use of investing in derivatives.

We have reviewed the Derivative Risk Statements of each investment manager and are satisfied they are in line with our SIOP.

From time to time, we may invest directly in derivatives for risk management purposes. Where this occurs, we will have in place appropriate controls documented in a Derivative Risk Statement.

Investment Options

Our investment options are divided into two groups:

- > **Pre-Mixed Options** – provide you with the benefit of diversification by accessing different asset classes, investment styles and managers
- > **Asset Class Options** – allow you to take a greater degree of control over your super

PRE-MIXED OPTIONS	ASSET CLASS OPTIONS
Aggressive	Australian Shares
Growth (default)	Overseas Shares
Moderate	Property
Stable	Bonds
	Cash

We are a flexible super fund which caters to your individual needs – from starting out in the workforce, to wealth accumulation, to financial independence, all the way through to retirement. We offer a broad range of investment options that allow you to actively participate in the growth of your super and select investment options to suit your personal attitude to investment risks and returns.

Everyone has different objectives when it comes to super investments, and these may change throughout your lifetime. We offer a suite of nine investment options that allow you to make a choice based on your investment time frame and the level of risk you feel most comfortable with. We accommodate all investment profiles, whether you want to choose your mix of asset class options or select a pre-mixed option. Either way, we offer you choice. If you don't make an active investment choice, your super will be invested in the Growth (default) option.

If you're an eligible member, you can invest your existing balance in any one, or a combination, of the nine investment options, as long as the total equals 100%. How you choose to invest your existing balance is called your investment mix. If, after assessing your needs, investment objectives, and risk tolerance, you would like to make a change to your investment mix, you can logon to the Member Online Services area of the website at any time to update your investment choices.

* Source: SuperRatings. The SuperRatings (not for profit) median was implemented as the peer group for all investment options from 1 July 2010.



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ASSET CLASS OPTIONS

Investment Options

PRE-MIXED OPTIONS				
Investment Option	Aggressive	Growth (default option if you don't make an investment choice)	Moderate	Stable
Investment Strategy	Achieve strong long-term investment returns, while tolerating a higher degree of volatility in returns	Achieve attractive long-term investment returns while accepting a sound level of volatility in returns	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
Investment Objective	CPI ¹ + 4.5% p.a. (net of fees and taxes) over rolling eight-year periods	CPI ¹ + 3.0% p.a. (net of fees and taxes) over rolling five-year periods	CPI ¹ + 2.5% p.a. (net of fees and taxes) over rolling four-year periods	CPI ¹ + 2.0% p.a. (net of fees and taxes) over rolling three-year periods
Risk Profile	High	Medium	Medium-Low	Low
Asset Allocation as at 30 June 2011 ²	<ul style="list-style-type: none"> Shares 65.7% Property 10.7% Liquid alternatives 21.4% Private capital 2.2% 	<ul style="list-style-type: none"> Shares 53.5% Property 10.3% Liquid alternatives 15.0% Private capital 1.5% Bonds 19.7% 	<ul style="list-style-type: none"> Shares 36.6% Property 10.4% Liquid alternatives 10.3% Bonds 30.4% Cash 12.3% 	<ul style="list-style-type: none"> Shares 18.9% Property 10.5% Liquid alternatives 5.3% Bonds 41.1% Cash 24.2%
Asset Allocation Ranges ³	<ul style="list-style-type: none"> Shares 50% to 80% Property 5% to 15% Liquid alternatives 15% to 30% Private capital 0% to 15% Bonds 0% to 5% Cash 0% to 10% 	<ul style="list-style-type: none"> Shares 40% to 60% Property 5% to 15% Liquid alternatives 10% to 25% Private capital 0% to 10% Bonds 15% to 25% Cash 0% to 10% 	<ul style="list-style-type: none"> Shares 25% to 45% Property 5% to 15% Liquid alternatives 5% to 20% Private capital 0% to 7.5% Bonds 25% to 35% Cash 5% to 15% 	<ul style="list-style-type: none"> Shares 10% to 30% Property 5% to 15% Liquid alternatives 0% to 15% Private capital 0% to 5% Bonds 35% to 45% Cash 20% to 30%

Investment option choice is not available to RecruitmentSuper's 'EasyChoice', 'EasySuper' and 'PreservedSuper' members. These members are invested in the Growth (default) option.

¹ CPI stands for Consumer Price Index, which is a measure of the average price of consumer goods and services purchased by Australian households. The percentage change in the CPI is used as a measure of the rate of inflation.

² Asset allocation refers to the long-term diversified policy mix implemented by the Trustee that is most likely to achieve the option's investment objectives.

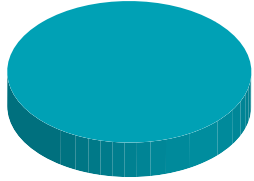
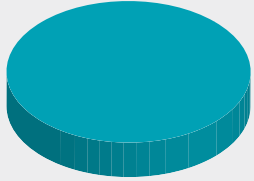
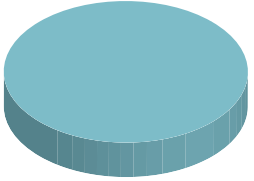
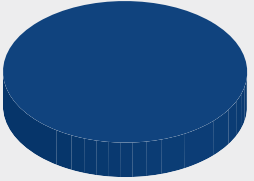
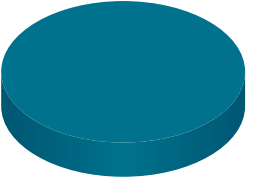
³ The asset allocation ranges show the minimum and maximum limits as at 30 June 2011 which the Trustee may invest in an asset class for each investment option. The Trustee regularly reviews the asset allocations and may alter them within the ranges over time.

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ASSET CLASS OPTIONS

Investment Options

ASSET CLASS OPTIONS					
Investment Option	Australian Shares	Overseas Shares	Property	Bonds	Cash
Investment Strategy	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.	Produce a return equal to or above the official cash rate
Investment Objective	CPI ¹ + 4.5% p.a. (net of fees and taxes) over rolling eight-year periods	CPI ¹ + 4.5% p.a. (net of fees and taxes) over rolling eight-year periods	CPI ¹ + 2.5% p.a. (net of fees and taxes) over rolling four-year periods	CPI ¹ + 1.5% p.a. (net of fees and taxes) over rolling two-year periods	CPI ¹ + 1.0% p.a. (net of fees and taxes) over rolling two-year periods
Risk Profile	High	High	Medium-Low	Low	Low
Asset Allocation as at 30 June 2011 ²	 <p>Australian Shares 100%</p>	 <p>Overseas Shares 100%</p>	 <p>Property 100%</p>	 <p>Bonds 100%</p>	 <p>Cash 100%</p>

Investment option choice is not available to RecruitmentSuper's 'EasyChoice', 'EasySuper' and 'PreservedSuper' members. These members are invested in the Growth (default) option.

¹ CPI stands for Consumer Price Index, which is a measure of the average price of consumer goods and services purchased by Australian households. The percentage change in the CPI is used as a measure of the rate of inflation.

² Asset allocation refers to the long-term diversified policy mix implemented by the Trustee that is most likely to achieve the option's investment objectives.



Eligible members can change investment options at any time. To switch investments, logon to Member Online Services.

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SECTION 9

Where Your Super is Invested

As at 30 June 2011, the following investment managers were engaged:

ASSET CLASS	INVESTMENT MANAGERS	INVESTMENT PRODUCT
Australian Shares	Vanguard Investments Australia Limited	Vanguard Australian Shares Index Fund*
	Cooper Investors Pty Limited	Cooper Investors Australian Equities Fund*
	Concord Capital Limited	Concord Capital Australian Shares Fund*
Overseas Shares	Vanguard Investments Australia Limited	Vanguard International Shares Index Fund
	Vanguard Investments Australia Limited	Vanguard International Shares Index Fund (AUD Hedged)*
	Altrinsic Global Advisors LLC	Altrinsic Global Equity Fund
	Zurich Investment Management Limited	Zurich Unhedged Global Thematic Share Fund
	Trilogy Global Advisors LLC	Trilogy Concentrated Global Equities Fund
	Genesis Investment Management, LLP	Genesis Emerging Markets Trust
Property	AMP Capital Investors Limited	AMP Capital Shopping Centre Fund
	AMP Capital Investors Limited	AMP Capital Wholesale Office Fund
	Charter Hall Funds Management Limited	Charter Hall Core Plus Office Fund
	SG Hiscock & Company Limited and LaSalle Investment Management (Securities) LP	EQT SGH LaSalle Global Listed Property Securities Trust
Liquid Alternatives	Bell Asset Management Limited	Bridgewater All Weather Fund*
	K2 Advisors LLC	K2 Advisors Diversity Fund
	BlackRock Asset Management Australia Limited	BlackRock Cash Fund**
	Macquarie Investment Management Limited	Macquarie Debt Market Opportunity Fund No 1
Private Capital	Hastings Funds Management Limited	Hastings Utilities Trust Australia
	ME Portfolio Management Limited	Industry Super Holdings Proprietary Limited
Bonds	Schroder Investment Management Australia Limited	Schroders Fixed Income Fund
	Vianova Asset Management Pty Ltd	Vianova Strategic Fixed Interest Fund
	BlackRock Asset Management Australia Limited	BlackRock Global Bond Index Fund**
	BlackRock Investment Management (Australia) Limited	BlackRock Global Bond Index Fund**
	PIMCO Australia Pty Limited	PIMCO Global Real Return Fund
	ME Portfolio Management Pty Limited	The Super Loans Trust
Cash	BlackRock Asset Management Australia Limited	BlackRock Cash Fund**

* These investments have a value in excess of 5% of the total assets of Professional Associations Super.

** In combination, these investments have a value in excess of 5% of the total assets of Professional Associations Super.



We use the services of professional investment managers to invest your super. We utilise a combination of low-cost passive managers and highly-skilled active managers in a risk-controlled framework.

Investment managers are appointed after a thorough review and analysis process. Once appointed, we conduct regular reviews of each investment manager to ensure performance objectives are met. Investment managers are actively monitored and are subject to change without notice.

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SECTION 10

Who's Looking After Your Super

Professional Associations Superannuation Fund (PASF) comprises of four divisions: RecruitmentSuper, Accountants Super, Australian Enterprise Super and SMARTpension. The Trustee of PASF is Professional Associations Superannuation Limited (PASL). The sole purpose of PASL is to govern PASF for the benefit of members.

PASL consists of a Board of six Directors, and operates as an equal representation Board, consisting of three Member Representative Directors and three Employer Representative Directors. The Board meets bi-monthly and has delegated specific tasks to its Committees. These Committees meet regularly and are responsible for assisting the Board in fulfilling its various obligations, as defined by law and in accordance with their formal Charters. The makeup of the Board and Committees is outlined in the table below.

The Directors have a varied mix of backgrounds, education and skill sets which serve to ensure the Board is highly effective. All Directors have completed the Australian Institute of Company Directors (AICD) course and ongoing training appropriate to their various Board and Committee responsibilities. All Directors are remunerated for their Board and Committee duties. Directors' fees, as a whole, amounted to \$476,284 in 2010/11 (\$469,391 in 2009/10).

BOARD OF DIRECTORS	COMMITTEE					
	Audit, Risk Management Compliance	Benefit Payments	Complaints	Investment	Mergers & Acquisitions	Remuneration
Ross Fisher (E)(C)	*				(C)	*
Ross Herron (E)	(C)			*		
John Plummer (E)				(C)		(C)
Sylvia Moreno (M)	*	(C)	*		*	
Ian Chisholm (M)		*	(C)	*	*	
Katherine Kaspar (M)	*	*	*			

(E) – Employer Representative Directors, (M) – Member Representative Directors, (C) – Chairman * – Represents Committee member

Trustee Liability Insurance

The Fund's Trust Deed provides for the 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.

Professional Management

The following organisations have been retained by the Trustee to provide specialist services:

SPECIALIST SERVICE	PARTNER ORGANISATION
Management & Company Secretariat Services	eo Financial Services Pty Ltd
Marketing & Sales	eo Pty Ltd
Administrator	Australian Administration Services Pty Ltd
Custodian	JP Morgan Chase Bank N.A.
Investment Consultant	Towers Watson Australia Pty Ltd
Bank	Commonwealth Bank of Australia Limited
Auditor	PricewaterhouseCoopers
Insurers	CommInsure Lumley General Insurance Limited

2012 Trustee Election

Every two years, an election is held for one of the Member Representative positions. This election will take place in late 2012.

Voting is only open to Fund members and will be conducted online. Nominations will open in January 2012 and close in March 2012. You will be able to find details of the election process on the websites early next year. Full details of each nominee and the voting process will be available on the websites and also published in next year's Annual Report.

Employer Representatives are nominated by participating employers, employer bodies or selected as part of an executive search program and appointed by the Board.

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SECTION 11

Investing for the Long-Term

Super is a long-term investment and that's why we are committed to providing you with strong, stable, long-term returns.

If you're like most Australians, super will be one of the most important investments you will ever have. Increasing life expectancy means that the super of many Australians will have to last for 20 or 30 years post-retirement. Taking an early interest in your super can really pay off. Decisions about which super fund and what type of investments you put your money into can make a big difference to how much money you will have down the track.

Here are some key investment principles to keep in mind when thinking about your super:

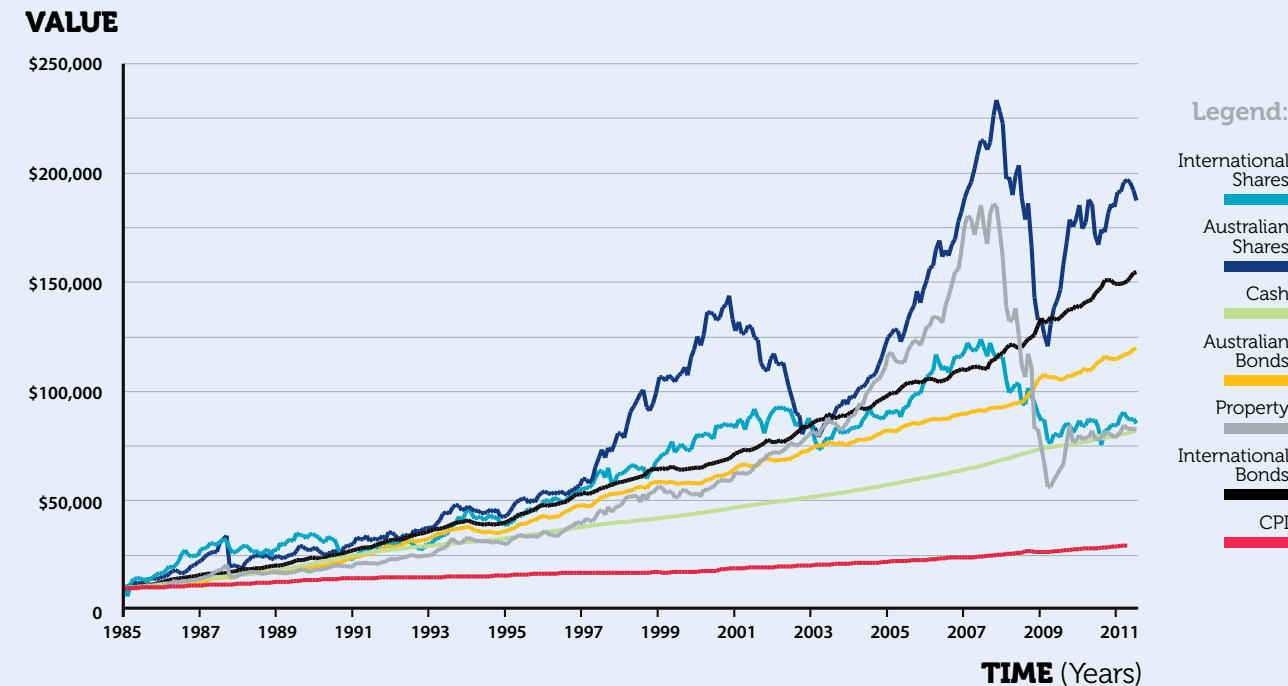
- > Super is a long-term investment and periods of market volatility should be expected to occur from time to time
- > Remember that markets move in cycles and, historically, recovery follows a correction
- > Stay focused on your end goal; Super is a long-term investment, even in retirement

As we have witnessed in recent times, investment markets can change quickly and super funds are not immune to the volatility. The graph shows how an investment of \$10,000 in different asset classes has grown in the last 26 years. As illustrated in the graph, all asset classes experience fluctuations in short-term returns, but have provided strong positive results over the long-term.

The most important message is that short-term losses may seem worrying at the time, but when it comes to super, it's the long-term results that matter most.

GROWTH OF \$10,000

1 January 1985 to 30 June 2011 (gross of tax & fees)



Sourced Data: Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFSL 227263 / RSE Licence L0001335). Data is sourced from total return indexes for relevant asset classes as supplied by Vanguard Investments Australia Ltd.

The graph shows the growth of \$10,000 invested on 1 January 1985. The graph assumes that the \$10,000 is fully invested (and remains fully invested) in the relevant index for the asset class and that there are no acquisition costs or taxes and that all income is reinvested. Inflation has not been taken into account. Past performance is not an indicator of future performance. An actual investment would be subject to acquisition costs, fees and taxes. The above figures do not take these fees, expenses and taxes into account. The information supplied is not advice and does not take into your account personal circumstances. You should consider all relevant personal circumstances and the relevant Product Disclosure Statement before making any investment decision or recommendation.

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SECTION 11

Investing for the Long-Term (continued)

Making an investment choice

Deciding on an investment strategy lets you adapt your super to your personal situation. From your first job until you retire could easily be 30-40 years, with perhaps another 20-30 years in retirement. Your investment strategy will influence how much super you'll have when you retire.

Questions that you may want to consider when choosing your investment strategy include:

- > How much money will I need to support my lifestyle for my retirement?
- > Are my current contributions and investment strategy on track to achieve this?
- > How can I better invest my super savings for retirement?
- > What is my attitude to investment risk and what kind of options am I happy to invest my super savings in?

The importance of diversifying

As you can see in the graph on page 20, each asset class responded differently to global downturns and upturns. That's why it's important to know that you have options regarding where your super is invested.

We have pre-mixed options to meet whatever kind of risk profile you may have – whether you want to limit your exposure to risk and potentially lower returns through a Moderate or Stable investment option, or achieve a higher exposure to risk and potentially higher returns through an Aggressive investment option.

We understand that this can be confusing so we're here to help if you have any questions about your super. Member Services Consultants are available at any time and can assist you with understanding or switching your investment options. If you need professional advice, they can arrange a consultation with a licensed financial advisor to discuss your retirement future with you and tailor a plan to your needs.



Maintain the lifestyle you're used to and want in retirement – go online and view the investment choices that best suits your risk profile and lifestyle.

Don't have investment choice?

For RecruitmentSuper members in the EasyChoice, PreservedSuper or EasySuper option, you can upgrade to SelectSuper – which provides greater flexibility over your investment choice with nine different options.

The SelectSuper product features and benefits are different, so please refer to the SelectSuper PDS before making any decision about your super.



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Important Information About Your Super

Trust Deed

The Professional Associations Super Trust Deed sets out the rules by which the Fund is managed. During the year the Trustee amended the Trust Deed to define and clarify a number of technical matters and provisions. These relate to anti-detriment payments made on the death of a member, contribution splitting, how benefit payments are made and remuneration in relation to product distribution and advice.

Using Tax File Number (TFN) to locate members' accounts

As part of the Australian Government's Stronger Super initiatives, effective from 1 July 2011 superannuation funds and retirement saving providers are able to use TFNs to locate members' accounts and facilitate account consolidation, making it easier to track lost super.

It is not compulsory for you to provide your TFN, however failure to do so may result in additional tax being deducted from your account. Where your TFN is not held, an additional 31.5% government tax may be payable on contributions received and certain contributions may not be able to be accepted.

Unclaimed Money

We want to stay in touch with you, and we make every effort to do so. However, if you reach age 65 and are eligible to claim your super, but we cannot contact you to arrange payment, then your super becomes unclaimed money and must be paid to the Australian Tax Office (ATO). This process is undertaken every six months.

The super of a temporary resident will become unclaimed and payable to the ATO after the person ceases to hold a temporary visa, has departed Australia and at least six months have passed. Temporary residents who fail to claim their super when they depart, and consequently have unclaimed super paid to the ATO, can later claim back their money at any time from the ATO.

We rely on relief provided by ASIC Class Order 09/437 that allows us not to provide you with an exit statement if we transfer your benefit to the ATO. If you require more information about the benefit we transferred, contact us using the details on page 25.

To apply for any unclaimed benefits, contact:

- > **The Australian Tax Office**
Phone: 13 10 20
Web: www.ato.gov.au/super

If you believe you have unclaimed money paid before 1 July 2007, you can contact:

- > **Registrar of Unclaimed Moneys**
State Revenue Office
GPO Box 1641
Melbourne VIC 3001
Phone: 13 21 61
Web: www.sro.vic.gov.au

Eligible Rollover Fund

Small accounts may be transferred to an Eligible Rollover Fund (ERF) at our discretion when:

- > your account balance is low, and
- > we have not received any contributions on your behalf for at least 12 months

A withdrawal fee may be charged if this occurs. We will always try and contact you before the transfer occurs, but if you have changed address it may be difficult for us to locate you. You can keep your details up-to-date at any time by logging in to Member Online Services.

We currently use Super Safeguard as our ERF. If your benefit is transferred you will no longer be a member of or receive any benefits in our Fund. You can contact Super Safeguard directly in relation to your benefit or for a copy of their Product Disclosure Statement on:

- > **The Administrator**
Super Safeguard
GPO Box 3426
Melbourne VIC 3001
Phone: 1300 135 181

It is important to remember that the investment and crediting rate policy of Super Safeguard may be different from ours. Super Safeguard does not offer any insurance cover and any cover you had with us will cease if your benefit is transferred.

Important: From 14 November 2011, the nominated ERF will change from Super Safeguard to AUSfund. This change does not impact the circumstances under which member accounts are transferred to the ERF.

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SECTION 12

Important Information About Your Super (continued)

If your benefit is transferred to AUSfund, (like Super Safeguard) you will no longer be a member of or have any rights in our Fund. Any insurance cover you had will also cease. For a copy of the AUSfund Product Disclosure Statement visit their website or contact them on:

> **AUSfund**
PO Box 2468
Kent Town SA 5071
Phone: 1300 361 798

We value your feedback

We welcome your feedback and view it as an opportunity to improve our services. We want you to be completely satisfied with the way we look after your super. So if you have a problem, or suspect an error has been made, we want to do everything we can to resolve matters promptly. If you are not happy with the way we handle the problem, you can take matters further by lodging a complaint. Our complaints handling process ensures that all complaints are handled in a fair and reasonable manner.

You are welcome to make a complaint over the telephone, but we suggest that it would be more effective if you put it in writing. That way you can make sure that you give us a full picture of the problem, and help us to understand what we need to do to resolve it.



We value your feedback and aim to offer the best service available. Contact us by phone, email or write to us.

Dispute resolution

1. If you wish to lodge a complaint, please write us a letter, send an email or use the Complaints Form on the website.
2. While we would like to resolve all complaints immediately, the fact is that some problems will require more in-depth investigation. By law, we are required to try and resolve complaints within 90 days. So if we can't resolve your complaint immediately, we will acknowledge receipt of your complaint within 3 working days so you know that we are working on the problem.
3. Depending on the outcome of our investigation of your complaint, you can expect us to:
 - > Fix the situation and put you in the same position as if the problem had never happened, and/or
 - > Offer a clear explanation of what happened and why we have responded as we have, and/or
 - > Issue an apology
4. If you are still unhappy, or we have not responded within 90 days, the matter can be escalated further by contacting the Superannuation Complaints Tribunal (SCT). This is an independent body set up by the Federal Government to help resolve complaints through conciliation.

They may be contacted at:

> **Superannuation Complaints Tribunal**
Locked Bag 3060
Melbourne VIC 3001
Phone: 1300 884 114

Superannuation surcharge

The superannuation surcharge is an additional tax, of up to 15%, levied against employer (Superannuation Guarantee) and before-tax (salary sacrifice) contributions of high-income earners.

While the surcharge was abolished with effect from 1 July 2005, super funds may still receive assessments from the ATO for members affected by the surcharge in years prior to 2005. This is because surcharge assessments are issued by the ATO and are linked to the lodging of tax returns. If we receive a surcharge assessment, we are required to deduct any surcharge amounts from your account and they will appear on your statement.

Flood Levy

In January 2011 the Australian Government announced that it will introduce a flood levy for the 2011-2012 financial year. It is designed to assist affected communities recover from the recent floods and rebuild essential infrastructure.

The flood levy will be payable by individual taxpayers who have a taxable income over \$50,000 in the 2011-2012 financial year. The levy will automatically be included in the tax taken out of your salary and wages by your employer. Some lump sum superannuation payments and superannuation income stream payments will also be subject to the flood levy.

You are exempt from the flood levy if you have been affected by a declared natural disaster that occurred during 2010-2011 and are in receipt of an Australian Government Disaster Recovery Payment.

For more information, go to the Australian Government Treasury website (www.treasury.gov.au).

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SECTION 13

Abridged Financial Statements

This summary has been prepared from the unaudited financial accounts for Professional Associations Superannuation Fund for the financial year ended 30 June 2011. These financials cover all the divisions of the Fund.

The final audit is expected to be completed in October 2011. The audited financial accounts and auditor's report will be available on request after this date by emailing info@pasl.com.au. The 2010 figures in the table below are audited.

FINANCIAL STATEMENTS	AS AT 30 JUNE	
	2011* '000	2010** '000
OPERATING STATEMENT		
OPENING BALANCE AVAILABLE AT THE BEGINNING OF THE FINANCIAL YEAR	1,505,611	1,276,006
Contributions and Rollovers	361,961	299,614
Investment revenue	185,642	146,580
Insurance proceeds and other revenue	22,182	13,347
TOTAL INCOME	569,785	459,541
Administration expenses	19,312	15,873
Operational expenses	22,013	24,827
Insurance premiums	20,722	18,890
Income tax expenses	52,954	45,143
TOTAL EXPENSES	115,001	104,733
BENEFITS PAID	153,396	125,203
CLOSING BALANCE AVAILABLE AT THE END OF THE FINANCIAL YEAR	1,806,999	1,505,611
STATEMENT OF FINANCIAL POSITION		
Investments	1,789,882	1,459,312
Cash at bank	41,437	61,677
Other assets	29,436	35,339
TOTAL ASSETS	1,860,755	1,556,328
Amounts payable	7,950	17,765
Tax provisions	45,806	32,952
TOTAL LIABILITIES	53,756	50,717
NET ASSETS	1,806,999	1,505,611
Member's accounts – Allocated	1,760,228	1,450,293
Member's accounts – Unallocated	22,083	23,589
Reserve	24,688	31,729
LIABILITIES FOR ACCRUED BENEFITS	1,806,999	1,505,611

* Unaudited accounts ** Audited accounts

Fund reserves

A reserve is maintained by the Fund to meet operational or Fund-related expenses not met by levies deducted from members' accounts. The Reserve may also be used to manage earnings in times of volatility. Reserves are managed and maintained in accordance with the Fund's Investment Earnings Distribution and Reserving Policy.

The Reserves of the Fund are managed on a Fund basis and are not invested separately from the other assets of the Fund. They are invested in the Fund's default investment option (Growth).

Professional Associations Super reserves the right to adjust unit prices and crediting rates in accordance with its Investment Earnings Distribution and Reserving Policy without prior notice.

The value of the reserve at 30 June over the past four financial years is as follows:

FINANCIAL YEAR	RESERVE AT 30 JUNE '000
2010 – 2011	\$24,688
2009 – 2010	\$31,729
2008 – 2009	\$34,098
2007 – 2008	\$23,053

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SECTION 14

Stay in Touch



Logon to Member Online Services and provide us with your email address so we can communicate electronically with you and let you know all about the benefits we offer.

It's never been easier to let us know the best way to stay in touch with you. Providing us with your current contact details means you can keep track of your super easily.

Importantly, it also means we know how to get in touch to tell you about important new benefits or changes to super, and how they will affect you.

RecruitmentSuper

Member hotline:
1300 304 000

Website:
www.recruitmentsuper.com.au

General Enquiries:
info@recruitmentsuper.com.au

Member Services:
memberservices@recruitmentsuper.com.au

Fax:
1300 304 444

Or write to:
RecruitmentSuper
Locked Bag 5091
Parramatta NSW 2124

Accountants Super

Member hotline:
1300 651 331

Website:
www.accountants-super.com

General Enquiries:
info@accountants-super.com

Member services:
memberservices@accountants-super.com

Fax:
1300 655 490

Or write to:
Accountants Super
Locked Bag 5092
Parramatta NSW 2124

Australian Enterprise Super

Member hotline:
1800 555 024

Website:
www.aesuper.com.au

General Enquiries:
info@aesuper.com.au

Member services:
memberservices@aesuper.com.au

Fax:
1300 880 168

Or write to:
Australian Enterprise Super
Locked Bag 5078
Parramatta NSW 2124

SMARTpension

Member hotline:
1300 366 508

Website:
www.smartpension.com.au

General Enquiries:
info@smartpension.com.au

Member services:
memberservices@smartpension.com.au

Fax:
1300 665 403

Or write to:
SMARTpension
Locked Bag 5042
Parramatta NSW 2124

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