



quietly outperforming.
equisuper,

Annual Report 2009

The Equisuper Board



Andrew Fairley (1)
Chairman of Equisuper Pty Ltd
(appointed 1 January 2009)

AM LLB (Hons), LLM, MBA

Andrew has a long and distinguished association with the superannuation industry. He founded Australia's first specialist law firm, IFS Fairley, in the 1990s and built a reputation as a leading practitioner in superannuation law and an advisor to trustees of both industry and large corporate superannuation funds. He still consults to legal firm, DLA Phillips Fox. He has extensive interests in the Australian tourism sector, and is Chair of both the Zoological Parks and Gardens Board (Zoos Victoria) and the Alpine Resorts Coordinating Council. His other directorships include: Applied International Pty Ltd and The International Ecotourism Society. He is the Trustee and Chair of the Sir Andrew Fairley Foundation. He is also a Fellow of the Institute of Company Directors, a Member of the Law Institute of Victoria and Patron of the Centre for Eye Research Australia.

John Azaris (2)
Employer Director
(appointed 1 June 2007)

John is General Manager Operations & Services for SP AusNet where he is currently responsible for all maintenance, operations functions for SP AusNet's transmission, electricity distribution and gas distribution businesses. Prior to this he was General Manager Human Resources and Communications. He has had an extensive career in the power industry and is also a Director of Australian Power Institute Ltd.

John O'Neill (6)
Member Director
(appointed 1 January 1995)

John is a Technical Officer with SP-Ausnet with over 36 years experience in the power industry. He is an executive member of the ASU Victorian Authorities and Services Branch.

Bruce Gerard Beeren (3)
Employer Director
(appointed 6 August 2002)

BSc (Hons), BComm, MBA, FCPA

Bruce is a Non-Executive Director of Origin Energy Ltd, Contact Energy Ltd, ConnectEast Group, Coal and Allied Industries Ltd and Oxfam Australia. He has over 35 years experience in the energy industry and his executive roles have included Chief Financial Officer of Origin Energy, Chief Executive Officer of VENCORP, General Manager of AGL Pipelines and Chief Financial Officer of AGL.

Robin Jervis-Read (4)
Member Director
(appointed 1 February 2007)

Robin has twelve years experience as a non-executive director, nine years as a Chairman of a Victorian Government Board. He has significant business and financial management experience arising from ten years as a corporate CEO and 21 years in senior corporate procurement. He is now semi-retired and is Chairman of Group 42 of The Executive Connection Pty Ltd and a Member of the Essential Services Commission Appeal Panel Pool. Robin's previous employment includes Divisional General Management positions with Brambles / Cleanaway, James Hardie and Hendersons Industries Ltd and senior general management positions with Goodyear / SPT and Ford. Robin is a Fellow and Graduate Member of the Australian Institute of Company Directors.

Simon Lucas (5)
Employer Director
(appointed 1 February 2004)

BEc, CPA, MAICD

Simon is Company Secretary and General Manager, Legal Services for the CitiPower and Powercor group of companies. Simon has a strong background in financial and risk management, with a career that includes seven years as Manager, Treasury Operations and Manager Corporate Finance

for the former State Electricity Commission of Victoria (SECV) and six years as an Assistant Director of the National Companies and Securities Commission (the forerunner to ASIC). Simon is a member of CPA Australia and the Institute of Company Directors.

Paul Healey (7)
Member Director
(appointed 1 May 2005)

MBus (Acct), CA, AIST

Paul is the Director - Financial and Business Services Division at Deakin University and a Chartered Accountant. Paul has significant financial expertise, with a career covering senior finance roles in the higher education, utilities, property and financial services sectors. He is a member of the Australian Institute of Superannuation Trustees and the Australian Institute of Company Directors.

Andrew John Pickering (8)
Employer Director
(appointed 1 November 2005)

BA (Hons), LLB (Hons)

Andrew is a Director of ANZ Infrastructure Services. He was formerly Managing Director of TRUenergy and has over 16 years experience as a lawyer and project developer in the energy industry in Australia and overseas. Andrew is a Director of Wattle Point Holdings Pty Ltd, Wattle Point Wind Farm Pty Ltd, Pyrenees Wind Energy Holdings Pty Ltd and Pyrenees Wind Energy Developments Pty Ltd.

Bryan Walsh (9)
Member Director
(appointed 1 February 2007)

Bryan has 20 years experience in the electricity industry and eight years experience in the banking industry. He is currently employed as a Power Station Control Room operator at Loy Yang Power, is a board member of the Victorian District of the Construction, Forestry, Mining and Energy Union's (CMFEU's) Mining and Energy Division and is the CFMEU's Lodge Secretary for Loy Yang Power Station. Bryan was previously employed by Westpac.

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Important information

Recent changes allow super funds to publish their fund information online. In the interests of reducing the cost to members of producing and distributing the Annual Report and of reducing the amount of energy and paper consumed, we will publish the 2009 and future Equisuper Annual Reports as a PDF for download from our website. If you wish to continue receiving a printed copy of the Annual Report by mail free of charge, you can register your request via our website www.equisuper.com.au. Just click on the *Annual Report Mailing* link on the home page to access the registration form. Alternatively, you can contact our **Helpline 1800 682 626** and ask them to register your details for you.

This 2009 Annual Report for members is issued by Equisuper Pty Ltd ABN 64 006 964 049 ("the Trustee" or "we" or "us"), the Trustee of the Equisuper Superannuation Fund ("Equisuper" or "the Fund").

Equisuper has three broad divisions; Equisuper Corporate (including defined benefit and EquipExpress), Equisuper Personal and Equisuper Income Streams.

For more information on the Fund and how to contact Equisuper, please refer to the back cover of this publication.

This document is for general information only. It has been prepared without taking into account your personal objectives, financial situation or needs. You should consider whether this information is appropriate to your personal circumstances before acting on it and, if necessary, you should also seek professional financial advice. Where tax information is included you should consider obtaining personal taxation advice. If you are considering investing in the Fund, you should read the appropriate PDS before making an investment decision.

Neither the Trustee, nor any employees or directors of the Trustee, guarantee the repayment of capital or the performance of the Fund. Past performance is not an indication of future performance.

Equisuper Financial Planning Pty Ltd

Equisuper Financial Planning Pty Ltd (ABN 84 124 491 078) is owned by Equisuper Pty Ltd (ABN 64 006 964 049 AFSL 246 383), the Trustee of the Equisuper Superannuation Fund (ABN 33 813 823 017). Financial planners must be licensed via an Australian Financial Services Licence (AFSL) in order to provide personal and financial product advice. Equisuper Financial Planning Pty Ltd operates as a Corporate Authorised Representative of Health Super Financial Services Pty Ltd (HSFS) (ABN 37 096 452 318, AFSL 240019). This means that Equisuper Financial Planning operates under the HSFS AFSL. All Equisuper Financial Planners are Authorised Representatives of HSFS.

New Chairman acknowledges challenges

I am pleased to present the Chairman's Report for our 2009 financial year. I was appointed by your Board to the role of Chairman at the beginning of 2009. I assumed chairmanship of a fund which had been extremely well led by my predecessor Cathy Walter, and on behalf of your Board and you as members, I would like to acknowledge her very considerable contribution and commitment to the Equisuper Fund during her three years as Chair.

Cathy Walter instituted and embedded a number of governance initiatives and protocols which will hold Equisuper in good stead for the future.

The guiding function of the Trustee Board is to act in the best interests of all members, and in doing so, to assist members to both plan and achieve their retirement goals. Setting and then pursuing financial goals is about ensuring that members accumulate savings and income, over time, that will support the retirement lifestyle they aspire to. Along the way, we also need to ensure that members are fully informed with advice, and information as well as benefit statements.

Investment market volatility

The last two years has been a period of great investment uncertainty. I am acutely aware of the potential impact of the volatility of investment markets on your confidence in superannuation as a savings mechanism. Let me reiterate some of the benefits that derive from superannuation for you over your working life and, in particular, how Equisuper can help you achieve your retirement saving goals.

Superannuation must be seen as a long term investment. Financial markets traverse positive and negative cycles over time. We have experienced a severe investment downturn with this recent global financial crisis. However, history shows that even after the most severe downturns, investment markets recover.

The earnings of superannuation funds are concessional tax. For most, this means that income is taxed at a lower rate within the fund than it would be outside the fund. The impact of this concessional tax, when compared with normal investments, is very significant over long periods, in increasing your personal financial circumstances.

Your individual perspective on this most recent crisis will be affected by your stage in life. The closer you are to retirement, the more acute the impact.

Fund performance

The returns from a number of Equisuper's investment options for 2008-09 have been disappointing, but substantially better than the industry benchmark as published by Super Ratings and other independent agencies. This outperformance by your fund has extended over a significant period of time.

For example, the default option for Equisuper accumulation members, being Balanced Growth, produced a result of 4.9% better than the Super Ratings median for balanced funds for the year ended 30 June 2009.

While our returns for these and other options were in the negative, it must be acknowledged that this better outcome than our peers is a substantial achievement in a volatile and falling market.

No superannuation investment is immune from the volatility of the investment markets. The overall approach of Equisuper has been to be conservative when markets are rapidly rising, but to be similarly conservatively invested when markets are falling.

Governance policy

Another aspect of change which can affect superannuation is government policy and the rules and regulations that flow from changes to legislation and regulations. At present,

the Federal Government has two reviews under way into superannuation, being the Henry Tax Review and the Cooper Review.

Notwithstanding this, it is clear that Australian Governments recognise superannuation as a cornerstone of funding retirement benefits for a growing number of Australians. No matter what the recommendations from these reviews are, your Board is confident that policymakers will ensure superannuation remains one of the more attractive and rewarding ways to plan for and to fund your retirement.

Your Board is tireless in its pursuit of investment returns within our acceptable risk parameters, as well as the delivery of outstanding service outcomes to members. As the world economy recovers from the global financial crisis, we expect to report significantly better results to you in future.

I thank you for your continued support as members. On your behalf, I thank the team at Equisuper who work so hard to achieve the best outcomes for you.

Andrew Fairley
Chairman



Performance beyond investments

The Chairman has already addressed the issues and challenges involving investments over the past year and you can find more details of this in other parts of this 2009 Annual Report. I would therefore like to highlight a few aspects of the Fund's performance in areas other than investments.

Following the member satisfaction survey of 2007, we focused on aspects of our business that you identified as being important to your overall satisfaction with Equisuper. I am pleased to report that the 2009 survey just completed indicates that our attention on those issues has yielded some good outcomes.

The 2009 survey shows that the performance of our Helpline service has improved markedly, following changes to some processes and also to monthly performance monitoring of the call centre by an external research company. Our recent survey shows that this improved performance has contributed to a reduction of 50% in members reporting outstanding issues on their superannuation accounts.

You also indicated in 2007 that you wanted more targeted communications relevant to your needs. We introduced the supersubs electronic news service in 2007, which now has nearly 3,000 subscribers. It has enabled subscribing members to receive timely information on changes to superannuation rules and to make adjustments to their strategies in short timeframes.

The introduction of Equisuper Financial Planning, which gives members access to financial advice on a very competitively price fee-for-service basis, has also filled a gap in our service offering. Many members have taken advantage of this service and the feedback on it has been almost universally very positive.

Our workplace education and pre-retirement seminars have been very well attended over the past year and have rated very strongly in the 2009 member survey as relevant and useful to members. We are considering ways in which to make these even more appealing and effective for the future.

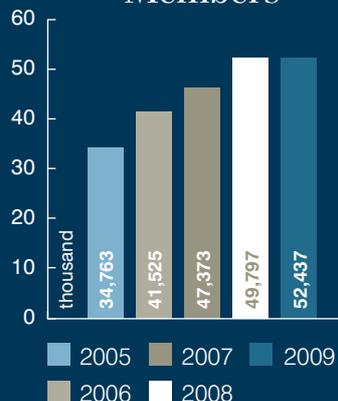
Overall, we have made substantial strides in tailoring our services to cater better for the individual needs of members. We intend to keep developing our ability to deliver personalised services and communications to you.

We are alert to the strategic forces at work in the industry and aim to ensure that the Fund will continue to provide you with value, products, service and outcomes that reflect the best the industry can achieve. We look forward to helping you securing your retirement lifestyle and financial security in the years ahead.

Robin Burns
Chief Executive Officer

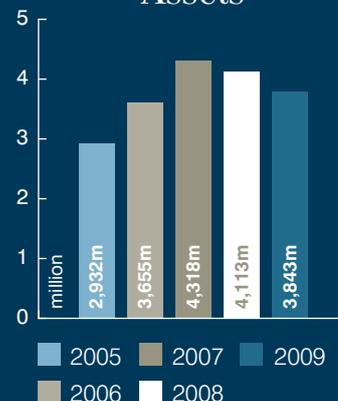


Members



Figures taken at 30 June 2009

Assets



Figures taken at 30 June 2009

Investment performance

diversified option performance at 30 June 2009

Growth Plus

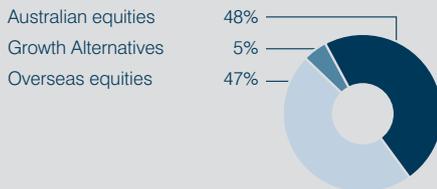
Investment objective*

Achieve a net return of at least 5% p.a. above inflation (measured by CPI) over a rolling seven year period.

Strategy

Invest solely in Australian and overseas equities and alternative growth assets. These are growth investments that we expect to earn higher returns over the long term.

Benchmark Allocations ^



Actual asset allocation for each asset class may vary from time to time within the permitted ranges published in the table below:

Asset Class	Benchmark Allocation	Permitted range
Australian equities	48%	40 - 60%
Overseas equities	47%	40 - 60%
Property	-	-
Growth Alternatives	5%	0 - 10%
Defensive Alternatives	-	-
Diversified Fixed Interest	-	-
Cash	-	-

This is how the Growth Plus option performed against its objectives and other funds over the past five years. ^^



■ Growth Plus - Superannuation return
 ■ Growth Plus - Income Stream return
 ■ SuperRatings High Growth (All Funds Median)
 ■ Investment objective (CPI+5%)

Net annual returns#	Superannuation	Income Streams
30 June 2009	-16.4%	-18.8%
30 June 2008	-14.2%	-15.3%
30 June 2007	17.9%	23.1%
30 June 2006	18.6%	21.3%
30 June 2005	15.8%	15.3%

Growth

Investment objective*

Achieve a net return of at least 4.5% p.a. above inflation (measured by CPI) over a rolling six year period.

Strategy

Invest primarily in Australian and overseas equities while providing some exposure to property and alternative assets. These are growth investments with the property allocation providing some diversification from equities.

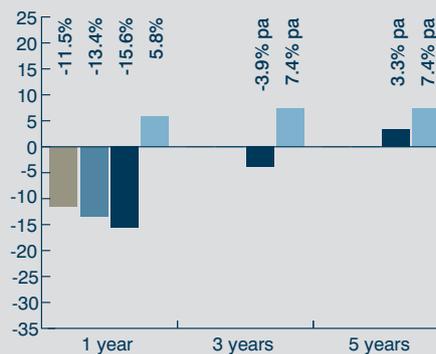
Benchmark Allocations ^



Actual asset allocation for each asset class may vary from time to time within the permitted ranges published in the table below:

Asset Class	Benchmark Allocation	Permitted range
Australian equities	40%	30 - 50%
Overseas equities	30%	20 - 40%
Property	10%	5 - 15%
Growth Alternatives	5%	0 - 10%
Defensive Alternatives	5%	0 - 10%
Diversified Fixed Interest	10%	5 - 15%
Cash	-	-

The Growth investment option was introduced on 2 October 2006; therefore there are no long-term performance figures for this option.



■ Growth - Superannuation return
 ■ Growth - Income Stream return
 ■ SuperRatings Growth (All Funds Median)
 ■ Investment objective (CPI+4.5%)

Net annual returns#	Superannuation	Income Streams
30 June 2009	-11.5%	-13.4%
30 June 2008	-8.6%	-7.2%
30 June 2007	-	-
30 June 2006	-	-
30 June 2005	-	-

Balanced Growth

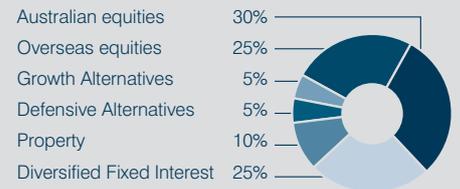
Investment objective*

Achieve a net return of at least 4% p.a. above inflation (measured by CPI) over a rolling five year period.

Strategy

Invest mainly in equities and property, which are expected to earn higher returns over the long term. Invest the balance in more stable assets like fixed interest securities.

Benchmark Allocations ^



Actual asset allocation for each asset class may vary from time to time within the permitted ranges published in the table below:

Asset Class	Benchmark Allocation	Permitted range
Australian equities	30%	20 - 40%
Overseas equities	25%	15 - 35%
Property	10%	5 - 15%
Growth Alternatives	5%	0 - 10%
Defensive Alternatives	5%	0 - 10%
Diversified Fixed Interest	25%	15 - 35%
Cash	-	-

This is how the Balanced Growth option performed against its objectives and other funds over the past five years. ^^



■ Balanced Growth - Superannuation return
 ■ Balanced Growth - Income Stream return
 ■ SuperRatings Balanced (All Funds Median)
 ■ Investment objective (CPI+4%)

Net annual returns#	Superannuation	Income Streams
30 June 2009	-8.3%	-9.5%
30 June 2008	-5.9%	-6.7%
30 June 2007	14.3%	17.8%
30 June 2006	14.2%	16.1%
30 June 2005	13.3%	13.3%

* The investment objectives are not forecasts or predictions. They simply represent a benchmark against which the Trustee monitors performance.

^ The benchmark allocations for this investment option changed from 2 October 2006.

Note that past performance is no indication of future performance.

^^ The three and five year figures provided are the compound average effective rate of net earnings over the respective periods.

defined benefit performance

Balanced

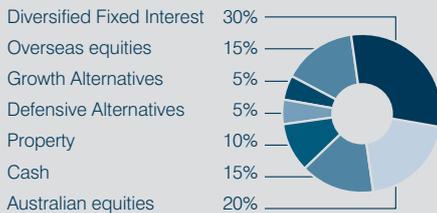
Investment objective*

Achieve a net return of at least 3% p.a. above inflation (measured by CPI) over a rolling four year period.

Strategy

Provides an even distribution between growth and defensive assets. The aim is to provide a balance of capital growth with reduced volatility.

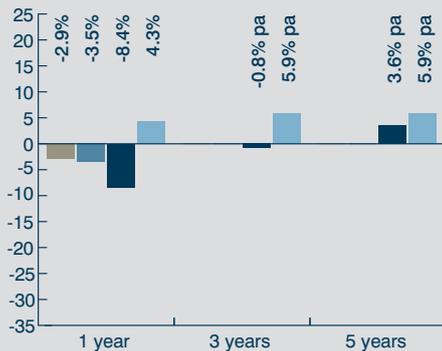
Benchmark Allocations ^



Actual asset allocation for each asset class may vary from time to time within the permitted ranges published in the table below:

Asset Class	Benchmark Allocation	Permitted range
Australian equities	20%	15 - 25%
Overseas equities	15%	10 - 20%
Property	10%	5 - 15%
Growth Alternatives	5%	0 - 10%
Defensive Alternatives	5%	0 - 10%
Diversified Fixed Interest	30%	25 - 35%
Cash	15%	10 - 20%

The Balanced investment option was introduced on 2 October 2006; therefore there are no long-term performance figures for this option.



■ Balanced - Superannuation return
■ Balanced - Income Stream return
■ SuperRatings Conservative Balanced (All Funds Median)
■ Investment objective (CPI+3%)

Net annual returns#	Superannuation	Income Streams
30 June 2009	-2.9%	-3.5%
30 June 2008	-1.5%	-2.1%
30 June 2007	-	-
30 June 2006	-	-
30 June 2005	-	-

Conservative

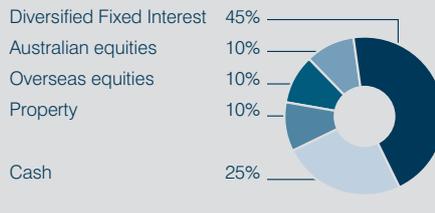
Investment objective*

Achieve a net return of at least 2% p.a. above inflation (measured by CPI) over a rolling three year period.

Strategy

Invest mainly in fixed interest securities and cash, which are expected to deliver stable returns over the long term. Invest the balance in shares and property.

Benchmark Allocations ^



Actual asset allocation for each asset class may vary from time to time within the permitted ranges published in the table below:

Asset Class	Benchmark Allocation	Permitted range
Australian equities	10%	5 - 15%
Overseas equities	10%	5 - 15%
Property	10%	5 - 15%
Growth Alternatives	-	-
Defensive Alternatives	-	-
Diversified Fixed Interest	45%	40 - 50%
Cash	25%	20 - 30%

This is how the Conservative option performed against its objectives and other funds over the past five years. ^^



■ Conservative - Superannuation return
■ Conservative - Income Stream return
■ SuperRatings Capital Stable (All Funds Median)
■ Investment objective (CPI+2%)

Net annual returns#	Superannuation	Income Streams
30 June 2009	0.6%	0.7%
30 June 2008	0.9%	0.9%
30 June 2007	8.2%	9.6%
30 June 2006	8.2%	9.4%
30 June 2005	8.5%	9.1%

Defined Benefit

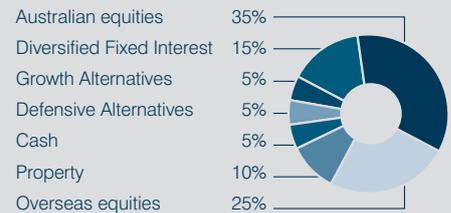
Investment objective*

We aim to achieve a long-term net return of at least 4% per annum above inflation (measured by CPI). In addition, we seek to outperform the Super Ratings Survey median manager.

Strategy

Invest mainly in equities and property, which are expected to earn higher returns over the long term. Invest the balance in more stable assets like fixed interest securities.

Benchmark Allocations ^



Actual asset allocation for each asset class may vary from time to time within the permitted ranges published in the table below:

Asset Class	Benchmark Allocation	Permitted range
Australian equities	35%	25-45%
Overseas equities	25%	15-35%
Property	10%	5-15%
Growth Alternatives	5%	0-10%
Defensive Alternatives	5%	0-10%
Diversified Fixed Interest	15%	10-20%
Cash	5%	0-10%

This is how the Defined Benefit option performed against its objectives and other funds over the past five years. ^^



■ Equipsuper Defined Benefit
■ SuperRatings Balanced (All Funds Median)
■ Investment objective (CPI+4%)

Net annual returns#	Defined Benefit
30 June 2009	-9.8%
30 June 2008	-6.7%
30 June 2007	15.8%
30 June 2006	15.0%
30 June 2005	13.5%

Investment performance

sector specific option performance at 30 June 2009

The performance of the Sector Specific options is measured against recognised investment benchmarks. Our aim is to outperform those benchmarks in each asset class over rolling one to three-year periods.

Comparing performance

Our charts show how different Sector Specific options performed against their benchmarks. As well as net returns, the investment returns reported here include gross returns (before investment fees and tax are taken out) so you can compare them with the relevant index for their asset class. We have reported returns for the period that each option has been available.

The three and five year figures provided in the graphs show the compound average effective rate of net earnings over the respective periods.

Past performance is not necessarily indicative of future performance.

Sustainable Responsible Investments (SRI)

The SRI option is a Sector Specific option and is almost entirely invested in Australian shares. For investment options other than the SRI option, Equisuper does not explicitly consider social, ethical and environmental considerations or labour standards of companies unless these have a material impact on investment performance objectives. We do, however, take into consideration labour standards and environmental, social and ethical considerations in the selection, retention and realisation of investments for the SRI option.

Equisuper's approach is to appoint managers that consider the merit of investments - both in terms of their ability to deliver long term returns for investors and on SRI factors and considerations. For our full SRI Statement please refer to our website or an Equisuper PDS.

For more information on risk and return, visit our website www.equisuper.com.au

Australian Shares

Strategy

Invest in Australian companies, usually listed on the Australian Stock Exchange (ASX).



Net annual returns	Superannuation	Income Streams
30 June 2009	-16.5%	-18.9%
30 June 2008	-13.0%	-13.8%
30 June 2007	26.9%	34.1%
30 June 2006	20.2%	22.2%
30 June 2005	26.2%	24.7%

Overseas Shares

Strategy

Invest in overseas companies listed on one or more overseas stock exchanges.



Net annual returns	Superannuation	Income Streams
30 June 2009	-16.7%	-19.8%
30 June 2008	-17.0%	-19.7%
30 June 2007	9.4%	11.9%
30 June 2006	17.5%	20.5%
30 June 2005	2.8%	3.2%

Property

Strategy

Invest in Australian and overseas listed and unlisted commercial property trusts.



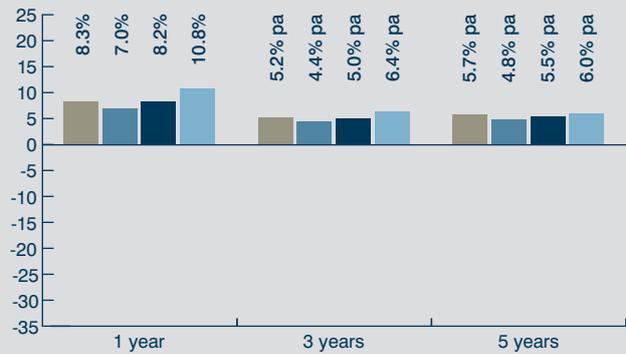
■ Property - Superannuation (before tax/fees)
 ■ Property - Superannuation (after tax/fees)
 ■ Property - Income Streams (after tax)
 ■ Benchmark (before tax/fees)
 Mercer Unlisted Property Index

Net annual returns	Superannuation	Income Streams
30 June 2009	-9.4%	-9.6%
30 June 2008	9.1%	10.1%
30 June 2007	19.3%	21.8%
30 June 2006	15.2%	17.0%
30 June 2005	11.2%	11.2%

Fixed Interest

Strategy

Invest in interest bearing bonds and some indexed bonds in Australia and overseas.



■ Fixed Interest - Superannuation (before tax/fees)
 ■ Fixed Interest - Superannuation (after tax/fees)
 ■ Fixed Interest - Income Streams (after tax)
 ■ Benchmark (before tax/fees)
 UBSA Composite Bond Index

Net annual returns	Superannuation	Income Streams
30 June 2009	7.0%	8.2%
30 June 2008	3.2%	3.5%
30 June 2007	3.0%	3.5%
30 June 2006	3.5%	4.1%
30 June 2005	7.2%	8.2%

Sustainable Responsible Investments

Strategy

Invest in Australian companies, usually listed on the Australian Stock Exchange (ASX), subject to SRI criteria.



■ SRI - Superannuation (before tax/fees)
 ■ SRI - Superannuation (after tax/fees)
 ■ SRI - Income Streams (after tax)
 ■ Benchmark (before tax/fees)
 Standard and Poors Aust. Stock Exchange S&P/ASX 300 Accumulation Index

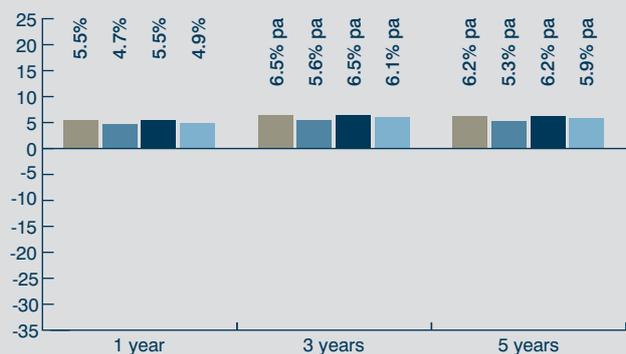
Net annual returns [#]	Superannuation	Income Streams
30 June 2009	-18.2%	-21.7%
30 June 2008	-10.5%	-13.8%
30 June 2007	30.0%	-
30 June 2006	27.3%	-
30 June 2005	29.3%	-

Note that there are no three or five year returns for SRI Income Streams as no Income Streams members were invested in SRI over those periods.

Cash

Strategy

Invest cash in money market securities such as bank term deposits and bank bills.



■ Cash - Superannuation (before tax/fees)
 ■ Cash - Superannuation (after tax/fees)
 ■ Cash - Income Streams (after tax)
 ■ Benchmark RBA[^]
 11AM Cash Rate Return ^ RBA - Reserve Bank of Australia

Net annual returns	Superannuation	Income Streams
30 June 2009	4.7%	5.5%
30 June 2008	6.4%	7.4%
30 June 2007	5.6%	6.5%
30 June 2006	4.9%	5.8%
30 June 2005	5.0%	5.7%

Managing your investments

Equipsuper reviews and may occasionally change investment managers employed on a long-term basis. Also, investment managers may be employed on a temporary basis when another fund transfers into Equipsuper. Please refer to the website or call the Helpline for a current list of investment managers.

Our external investment managers as at 30 June 2009 were

AllianceBernstein Investment Management Australia Limited
Overseas equities

AMP Capital Investors Limited
SRI (Australian equities),
property, growth alternatives,
defensive alternatives (232 497)

Archer Capital Pty Limited
Growth alternatives (235 231)

Baillie Gifford Overseas Limited
Overseas equities

Balanced Equity Management Pty Ltd
Australian equities (247 025)

Brandes Investment Partners
Overseas equities

Bridgewater Associates Incorporated
Growth alternatives

BT Financial Group
SRI (Australian equities)

Campus Living Funds Management (Transfield Pty Ltd)
Defensive alternatives (297 015)

Capital International
Overseas equities

CB Richard Ellis Global Real Estate Securities, LLC (313 203) Property

Charterhall Funds Management Limited Property (262 861)

Colonial First State Investment Limited Overseas equities, property, growth alternatives (232 468)

Franklin Templeton Investments Australia Limited
Overseas equities (225 328)

Genesis Emerging Markets Investment Company
Overseas equities

Goodman Funds Management Australia Limited
Property (289 100)

GPT Group
Property (298 248)

Hasting Funds Management Limited
Defensive alternatives (238 309)

Ironbridge Capital Pty Limited
Growth alternatives (237 556)

Lazard Australia Asset Management
Australian equities (238 432)

Lend Lease Real Estate Investments Ltd
Property (250 095)

Macquarie Investment Management Limited *
Australian equities (237 492)

Macquarie Specialised Asset Management Limited *
Growth alternatives (241 104)

National Corporate Investment Services Limited
Growth alternatives, defensive alternatives

Next Capital
Growth alternatives (289 762)

Orion Asset Management Limited
Australian equities (232 379)

Pantheon Ventures Limited
Growth alternatives

Paradice Investment Management Pty Ltd *
Australian equities (224 158)

Perennial Investment Partners
Diversified fixed interest , Property (238 763)

Principal Global Investors Limited
Overseas equities (currency) (225 385)

Quay Partners
Growth alternatives (221 530)

Retirement Villages Group (Macquarie Capital Funds & FKP Property Group)
Growth alternatives (302 711)

Siguler Guff & Company, LLC
Growth alternatives

* The sum of Fund investments associated with these investment managers exceeded 5% of the total funds under management (FUM) as at 30 June 2009.

Finance

These highlights from 2008-09 demonstrate Equisuper's financial position. This abridged financial information is based on the unaudited financial report of Equisuper as at 30 June 2009. The fully audited financial report and the auditor's report will be available to members from 31 October 2009. For a copy, please contact our **Helpline 1800 682 626** after that date.

Reserves

The Trustee does not hold any investment reserves, but does hold other reserves for specific items. These are:

- > An operational risk reserve to help manage the operations of the Fund (since 1 July 2005). This reserve is invested in cash because of the requirement for the funds to be liquid. The operational reserve at 30 June 2009 was \$1,012,000. At 30 June 2008, it was \$848,000. At 30 June 2007 it was \$604,000; and
- > Self-insurance reserves for death and disablement cover for certain defined benefit members. These reserves are managed in accordance with the defined benefit investment strategy. The self-insurance reserve as at 30 June 2009 was \$11,553,219. At 30 June 2008 it was \$13,306,024 and at 30 June 2007 it was \$13,414,359.

Until 1 July 2005 all reserves were part of the defined benefit assets of the Fund and not specifically identified. The operational risk and self-insurance reserves as at 30 June 2009 totalled \$12.5 million.

Statement of changes in net assets for year to 30 June	2009 \$ Millions	2008 \$ Millions
Net assets available to pay benefits at the beginning of the financial year	4,113	4,318
Plus		
Member contributions	25	26
Employer contributions	339	274
Transfers-in from other funds	52	88
Investment revenue	(380)	(294)
Total income	36	94
Less		
Investment expenses	17	14
Administration expenses	15	15
Insurance premiums	7	7
Pension payments	15	12
Benefit withdrawals	249	270
Income tax expense	3	(19)
Contributions tax (surcharge)	0	0
Total expenses	306	299
Net change for the year	(270)	(205)
Net assets available to pay benefits at the end of the financial year	3,843	4,113

Financial statement

Statement of net assets as at 30 June	2009 \$ Millions	2008 \$ Millions
Investments		
Investments		
Cash	448	434
Fixed Interest	614	736
Property	352	494
Australian Equities	1,193	1,299
International Equities	860	874
Defensive Alternatives	99	90
Growth Alternatives	195	184
Other assets		
Cash at bank	54	16
Receivables	21	26
Other	36	7
Total assets	3,872	4,160
Less		
Payables	20	19
Deferred income tax liabilities	2	23
Income tax payable	7	5
Total liabilities	29	47
Net assets available to pay benefits	3,843	4,113

How we pay surcharge assessments from the ATO

Even though the surcharge on superannuation contributions for high income earners was abolished from 1 July 2005, we may still receive a surcharge assessment for you from the Australian Taxation Office (ATO) for surcharge liabilities you accrued before that date. How we pay the surcharge depends on whether you are an accumulation or defined benefit member:

- > If you are an accumulation member we deduct the value of the surcharge assessment from your account; or
- > If you are a defined benefit member we charge the value of the surcharge assessment to your employer's Employer Benefit Account. The surcharge will then build up with interest and the final amount will be deducted from your account when you leave your employer.
- > If you are a defined benefit member with an additional accumulation account then any surcharge assessment can be applied to your accumulation account.

Your Privacy

Equipsuper is required to comply with the Privacy Act 1988 (Cth) in relation to the collection of your personal information as a member of the Fund.

A copy of our Privacy Statement is included in Equipsuper Product Disclosure Statements. You can also obtain a copy from our website or by calling our Helpline.

The rights that you have as a member include the right to:

- > complain to Equipsuper if you believe that Equipsuper has improperly used or handled your personal information; and
- > make a formal complaint to the Privacy Commissioner if you are not satisfied with the way that your complaint has been handled or the outcome.

Please direct any concerns or queries on privacy to:

Head of Legal, Risk and Compliance

Equipsuper Pty Ltd
GPO Box 1146, Milton BC, QLD, 4064
Phone: 1800 682 626
Facsimile: 03 9248 5990

Our enquiries and complaints procedures

Enquiries

If you have any queries or concerns about your superannuation, please contact our Helpline on 1800 682 626.

Complaints

If you have a complaint or are not satisfied with a response to a telephone enquiry, you can use our complaints procedure. Whilst we prefer to receive complaints about complex matters in writing, complaints can be made either verbally or in writing to:

> **Member Services Manager**

Equipsuper Pty Ltd
P.O. Box 1146, Milton QLD 4064
Phone: 1800 682 626
helpline@equipsuper.com.au

We will respond to you with a decision within 90 days.

Unresolved issues

We always try to resolve any complaints to the satisfaction of all concerned and in the best interests of all its members. However, if the matter is not resolved to your satisfaction, you may take the matter to the Superannuation Complaints Tribunal (SCT)

The SCT is an independent dispute resolution body. It was set up by the Government to assist members and beneficiaries of members to resolve certain types of superannuation complaints that have not been resolved by the Trustee to the satisfaction of the member or beneficiary.

The SCT can only assist you to resolve a complaint if you have already made use of the Equipsuper Enquires and Complaints procedure. There are restrictions on the SCT's jurisdiction for some types of complaints but the SCT will be able to advise you if they are able to hear your complaint.

There are time limits on when you can make complaints relating to death and disability benefits. A complaint about the distribution of a death benefit should be made to the SCT within 28 days of receiving advice about the Trustee's decision. Any claims relating to a disability benefit must be lodged with the SCT within two years of the Trustee's original decision.

If the SCT accepts a complaint it will first attempt to conciliate the dispute and if conciliation is not successful the SCT will formally review the matter.

The SCT's services are free and the contact details are:

> **Superannuation Complaints Tribunal**

Locked Bag 3060, GPO Melbourne VIC 3001
Phone: 1300 78 0808; www.sct.gov.au

If your complaint relates to the way your personal information was handled you should contact the Office of the Privacy Commissioner on:

> **Office of the Privacy Commissioner (OPC)**

GPO Box 5218, Sydney NSW 2001
Phone: 1300 363 992; www.privacy.gov.au

Temporary residents permanently departing Australia

If you entered Australia on any temporary visa which has expired or cancelled, you are eligible to access your benefit from your super fund under the Departing Australia Superannuation Payment (DASP) condition of release within six months of leaving Australia. You will receive an exit statement providing details about your payment.

Generally, any benefits not claimed within six months of departure will be transferred to the ATO as unclaimed monies. The Trustee is not required to provide an exit statement to you when your benefit is transferred to the ATO. We will, however, provide information about your benefit if you enquire about it in the future. You can then apply to the ATO for your benefit, less DASP tax. Investment earnings will not generally be added.

Your benefit will not be sent to the ATO if you have not claimed it after six months if you are:

- > a current or previous holder of a retirement visa subclass 405 or 410;
- > a permanent Australian resident;
- > an Australian and New Zealand citizen; or
- > a holder of a permanent visa.

General information

More information on your super

Equisuper produces a wealth of literature on your super. Your super and insurance benefits are set out in your Equisuper Product Disclosure Statement. You also receive an Annual Member Statement.

Other documents to help you understand super and the way the Fund operates include:

- > Our Financial Services Guide;
- > The Equisuper Trust Deed;
- > The latest audited accounts and auditor's report;
- > Rules for the appointment and removal of trustee directors;
- > The most recent actuarial report;
- > Equisuper Learning Centre fact sheets;
- > The website www.equisuper.com.au.

Detailed information on Equisuper is readily available via our **website**, on request through the **Helpline 1800 682 626** and via e-mail: helpline@equisuper.com.au.

You can download Equisuper publications and forms from the website, or request them via our Helpline.

Past performance

While historical performance does not guarantee future levels of returns, or even positive returns for any investment option, we believe our data for the past five years underscores our capacity to deliver attractive returns over extended time frames.

The role of the Eligible Rollover Fund (ERF)

We may pay your benefit into an Eligible Rollover Fund (ERF) if your benefit is less than \$1,000 or we have lost contact with you (other than in the circumstance of lost members and unclaimed monies).

If your benefit is paid to an ERF, it will no longer be with Equisuper and can only be claimed by contacting the ERF it was paid to. Any insurance cover you had with Equisuper will cease. You will not have any claim against the Fund once your benefit has been transferred to an ERF because your membership will have ceased.

An ERF is a fund approved by APRA, which can receive benefits payable to members who cannot be contacted or who do not respond to letters regarding payment of their benefits. They are designed to hold lost member's money and generally have more conservative investments than other superannuation funds, which may result in lower returns.

We have selected AMP as the Equisuper ERF. Contact details are:

Fund Administrator

AMP Eligible Rollover Fund
Locked Bag 5330, Parramatta, NSW, 2124
Phone: 133 888

Subject to the conditions above, Equisuper may make monthly transfers to the AMP Eligible Rollover Fund. Being transferred to an ERF may affect your benefits because you will become a member of the AMP ERF. If Equisuper can provide AMP with your current contact details, AMP will provide you with its current Product Disclosure Statement (PDS), which outlines all the operational details of its fund. You can contact AMP for a copy of its PDS.

AMP invests your benefits in a low-risk strategy, predominately cash and short-term fixed interest investments. You should evaluate whether the strategy is appropriate to your specific circumstances. AMP does not offer insured benefits in the event of death or disability.

Lost members and unclaimed money

You become a lost member if mail sent to your last-known address is returned at least once or if we have never had an address for you. When that happens, we notify the ATO and your name is added to the Lost Members Register, where you can obtain information about any superannuation benefits retained by funds that have lost contact with you.

If the amounts payable to you become 'unclaimed money' (as defined in superannuation legislation) your benefit is transferred to the ATO where it is held on your behalf until you claim it.

Your benefit becomes unclaimed money if:

- > you are a temporary resident and have not claimed your benefit within six months of leaving Australia; or
- > you have reached age 65 and not instructed us about your benefit; or
- > we have not been able to contact you for five years and we have not received any amounts into the fund for you for at least two years.

Director elections

The structure of the Trustee is described in *Our Financial Services Guide* available from our website or Helpline.

One of the unique aspects of the Trustee is that its directors are elected. We have four elected member directors and four elected employer directors on the board. Together these directors appoint an independent chairman.

The elections are run according to the Equipsuper Election Rules. Member directors are elected by a ballot of all eligible members. Their position becomes vacant in circumstances such as they leave the Fund, voluntarily resign from office, become disqualified from holding office or are removed from office by a majority vote of all members.

Employer directors are elected by a ballot of all eligible employers (each employer has voting rights in direct proportion to the number of Equipsuper members it employs). Their position becomes vacant in circumstances such as they voluntarily resign from office, become disqualified from holding office or are removed from office by the trustee company in a general meeting.

Trustee expenses and liabilities

The directors receive remuneration from the Fund. The directors and the Trustee may be reimbursed and indemnified (protected) by the Fund for all expenses and liabilities which they incur in administering the Fund. The Trustee has also effected trustee indemnity insurance to cover the directors and the Fund in the event of claims. However, this does not include:

- > Liabilities arising from fraud or dishonesty; and
- > Amounts, such as penalties, for which indemnification is not permitted under legislation.

Insurance

The Trustee holds professional indemnity insurance cover.

Changing the Rules

As circumstances change from time to time, the Rules governing the Fund may need to be amended. The Trustee has the power to amend the provisions of the Rules. All amendments must comply with the amendment power in the Rules and also with any applicable Government requirement.

The Trustee will inform members in writing of the nature, purpose and effect of an amendment if and when required to do so by relevant law.

Unit buy and sell prices

When you invest with Equipsuper, your money buys a number of units in each of your nominated or default investment options, which is the unit price with a 'buy spread' applied to it.

We apply buy-sell spreads to the mid unit price calculated for the various investment options to calculate the unit 'buy' and 'sell' prices.

You buy units at the current 'buy' price. The difference between the buy price and the mid unit price is the transaction cost.

You sell units at the 'sell' price. Your account balance is always based on the unit 'sell' price, which is the amount you would receive for the units you hold in Equipsuper investment options should you receive a benefit payment or rollover to another fund.

Unit prices go up and down according to investment performance and the unit price of an investment option will fluctuate to reflect investment earnings (which can be positive and/or negative) and deductions for investment fees, costs and taxes. These movements are ultimately reflected in your account balance.

Our latest unit prices are usually updated on our website by 10 a.m. on the second business day after the business day on which they are calculated. The publication of unit prices might be delayed as a consequence of abnormal market

conditions or system failures. In such circumstance Equipsuper will use its best endeavours to publish unit prices as soon as possible.

The unit prices are calculated after an estimate of investment fees and taxes are taken out. These estimates will be adjusted as information becomes available for the calculation of future prices.

Derivatives

Derivatives are investments where investment values are based on those of an underlying physical security. For instance, the value of a share option is based on the price of the underlying share. Equipsuper permits the selective use of derivatives as part of its investment strategy. Derivatives enable us to hedge against risk by increasing or decreasing exposure to individual securities and markets without having to buy or sell underlying physical securities.

Specialist advisors

Equipsuper employs specialists to help run the Fund. The following were employed in the 2007-08 financial year:

- > **Mercer Human Resource Consulting Pty Ltd**
Actuarial advice
- > **KPMG** Internal auditing services
- > **PriceWaterhouseCoopers**
External auditing services
- > **JANA Investment Advisers**
Investment advice
- > **Ernst and Young** Taxation advice
- > **Freehills** Legal advice
- > **Greenfields Lawyers** Legal advice
- > **National Australia Custodian Services**
Custody of Equipsuper's assets
- > **Chubb Insurance Company of Australia Limited**
Indemnity insurance to protect the Fund and directors

Equisuper Superannuation Fund

ABN 33 813 823 017

SFN 149801

SPIN EPL0100AU

Equisuper Pty Ltd

ABN 64 006 964 049

AFSL 246383

Head office

Level 15, 114 William Street
Melbourne Victoria 3000

Phone: (03) 9248 5903

Fax: (03) 9248 5990

www.equisuper.com.au

Member Services Representatives

Helpline: 1800 682 626

Fax: (07) 3121 0720

email: helpline@equisuper.com.au

Mail

Equisuper Pty Ltd

PO Box 1146

Milton BC, QLD 4064

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For Equisuper members

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