Vision Superannuation Fund

Annual Financial Report
30 June 2011

Contents

Vision Superannuation Fund
Statement of financial position
As at 30 June 2011

	Note	2011 $'000	2010 $'000
ASSETS			
Cash at bank		**791**	679
Accounts receivable		**17**	14
Investments			
Units in Vision Pooled Superannuation Trust	11	**371,352**	278,737
Total assets		**372,160**	279,430
LIABILITIES			
Accounts payable	3	**288**	392
Current tax liabilities	6	**90**	95
Total liabilities (excluding net assets available to pay benefits)		**378**	487
Net assets available to pay benefits		**371,782**	278,943

The statement of financial position is to be read in conjunction with the accompanying notes.

Vision Superannuation Fund
Operating statement
For the period ended 30 June 2011

	Note	2011 $'000	2010 $'000
Investment revenue			
Interest		**37**	24
Movement in net market value of investments	12	**28,594**	17,074
		28,631	17,098
Contribution revenue			
Employer contributions		**1,595**	1,277
Member contributions		**9,047**	5,557
Transfers from other funds		**99,358**	91,307
		110,000	98,141
Total revenue		**138,631**	115,239
Group insurance premiums	17	**8**	1
General administration expenses			
Trustee services fees		**896**	664
Other general administration expenses		**-**	-
		904	665
Benefits accrued as a result of operations before income tax		**137,727**	114,574
Income tax expense	5	**90**	95
Benefits accrued as a result of operations	7	**137,637**	114,479

The operating statement is to be read in conjunction with the accompanying notes.

Vision Superannuation Fund
Statement of cash flows
For the period ended 30 June 2011

	Note	2011 $000	2010 $000
Cash flows from operating activities			
Contributions received			
Employer contributions		**1,595**	1,277
Members contributions		**9,047**	5,557
Transfer from other funds		**99,358**	91,307
Interest received		**37**	24
Benefits paid		**(44,798)**	(34,265)
Group Life Insurance Premium		**(8)**	(1)
General expenses paid		**(1,002)**	(722)
Income tax paid		**(96)**	(79)
Net cash from operating activities	10	**64,133**	63,098
Cash flows from investing activities			
Proceeds from redemption of units in pooled superannuation trust		**23,063**	19,700
Application of units in pooled superannuation trust		**(87,083)**	(82,921)
Net cash used in investing activities		**(64,020)**	(63,221)
Net increase in cash and cash equivalents held		**112**	(122)
Cash and cash equivalents at the beginning of the year		**679**	801
Cash and cash equivalents at the end of the year	10	**791**	679

The statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the financial statements

For the period ended 30 June 2011

1. Reporting entity

Vision Superannuation Fund (the "Fund") is a superannuation fund domiciled in Australia. The address of the Fund's registered office is Level 5, 1 Spring Street, Melbourne Victoria.

The Fund is constituted by the trust deed dated 16 December 2006 to provide superannuation benefits for members.

The Trustee of the Fund is Vision Super Pty Ltd (VSPL) and it is the holder of an extended public offer class Registrable Superannuation Entity Licence (licence no. L0000239). In accordance with amendments to the Superannuation Industry (Supervision) Act 1993 the Fund was registered with the Australian Prudential Regulation Authority on 31 January 2007 (registration no. R1069938)

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements are a general purpose financial report which has been prepared in accordance with Australian Accounting Standard AAS 25 *Financial Reporting by Superannuation Plans*, as amended by Australian Accounting Standards Board AASB 2005-13 (December 2005), other applicable Accounting Standards, the provisions of the Trust Deed and the requirements of the Superannuation Industry (Supervision) Act 1993 and Regulations.

The financial statements have been measured on a net market value basis.

The financial statements are presented in Australian Dollars and all values are rounded to the nearest thousand dollars except where otherwise stated.

(b) Statement of compliance

The financial statements comply with AAS 25. Since AAS 25 is the principal standard that applies to the financial statements, other standards, including Australian Accounting Standards issued by the AASB are also applied where necessary except to the extent that they differ from AAS 25.

International Financial Reporting Standards ("IFRS") form the basis of Australian Accounting Standards adopted by the AASB. The financial statements of the Fund do not comply with IFRS.

The financial statements were approved by the Board of Directors of the Trustee, Vision Super Pty Ltd, on 30 September 2011.

(c) Investments

Investments of the Fund are initially recorded at cost, being the fair value of the consideration given. After initial recognition, investments are measured at net market value and movements in the net market value of investments are recognised in the Operating Statement.

The Fund recognises financial assets on the date it becomes a party to the contractual provisions of the asset. Financial assets are recognised using trade date accounting. From this date any gains and losses arising from changes in net market value are recorded.

Notes to the financial statements

For the year ended 30 June 2011

2. Summary of significant accounting policies (continued)

(c) Investments (continued)

Units in Vision Pooled Superannuation Trust are valued at the redemption price at reporting date as advised by National Asset Servicing (NAS) and are based on the net market value of the underlying investments.

Estimated costs of disposal have been deducted in determining net market value. As disposal costs are generally immaterial, unless otherwise stated net market value is considered a reasonable approximation of fair value.

(d) Financial liabilities

Accounts payable is carried at nominal amounts which approximate net market value. It comprises Fund's withholding tax liability to Australian Taxation Office (ATO) as a result of benefit payments to members and trustee services fees payable to Vision Super Pty Ltd. The Fund normally settles the liabilities within thirty days before they are due for payment.

(e) Derecognition of financial assets and financial liabilities

A financial asset is derecognised when:

- The right to receive cash flows from the asset have expired; or
- The Fund transfers substantially all the risks and rewards of the ownership of the assets.
- The Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Fund derecognises a financial liability when the obligation under the liability is discharged or cancelled or expires.

(f) Revenue recognition

Revenue is recognised and measured at fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest revenue
Interest income is recognised in the operating statement as it accrues, using the original effective interest rate of the instrument calculated at the acquisition or origination date.

(ii) Contributions revenue and transfers in
Contributions revenue and transfers in are recognised when the control and the benefits from the revenue have transferred to the Fund and is recognised gross of any taxes.

(iii) Movement in net market value of investments
Changes in the net market value of investments are recognised as income and are determined as the difference between the net market value at year end or consideration received if sold during the year and the net market value as at the prior year end or cost if the investment was acquired during the period.

Notes to the financial statements

For the year ended 30 June 2011

2. Summary of significant accounting policies (continued)

(g) Income tax

Income tax on the benefits accrued as a result of operations for the period comprises current and deferred tax. Income tax is recognised in the operating statement except to the extent that it relates to items recognised directly in members' funds in which case it is recognised directly in members' funds.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the statement of financial position date and any adjustment to tax payable in respect of previous years.

Income tax has been provided in the current year at the rate of 15% as it is the expectation of the Trustee that the Fund will be treated as a complying superannuation fund. If the Fund is subsequently deemed to be a non-complying fund for the current year, then income tax will be payable at a rate of 45% on the Fund's taxable income.

The expense (and any corresponding liability) is brought to account in the period in which the assessments are received by the Trustee and are properly payable by the Fund.

(h) Superannuation contributions surcharge

The Trustee recognises amounts paid or payable in respect of the surcharge tax as an expense of the Fund.

The expense (and any corresponding liability) is brought to account in the period in which the assessments are received by the Trustee and are properly payable by the Fund.

No estimate has been made for the balance of any tax payable in respect of surchargeable contributions received by the Fund during the current year as the Trustee is unable to determine this amount until receipt of applicable assessments in the following period.

The superannuation surcharge was abolished with effect from 1 July 2005 by the passing of the Superannuation Laws Amendment (Abolition of Surcharge) Act 2005. The last reporting of contributions for surcharge purposes will be in respect of contributions made up to and including 30 June 2005.

(i) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST) recoverable from the Australian Taxation Office (ATO) as a reduced input tax credit (RITC). In circumstances where the GST is not recoverable, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Notes to the financial statements

For the year ended 30 June 2011

2. Summary of significant accounting policies (continued)

(k) Excess contribution tax

The Australian Taxation Office may issue release authorities to members of the Fund relating to the relevant member's excess contributions tax that is payable in respect of the member's concessional and/or non-concessional contributions for a particular year. Where a member receives an excess contributions tax release authority, the member

- may give the release authority relating to the member's concessional contributions to a fund for payment; and
- must give the release authority relating to the member's non-concessional contributions to a fund for payment.

Release authorities may be issued from the Australian Taxation Office from 1 July 2007 in relation to transitional non-concessional contributions received by the Fund between 9 May 2006 and 30 June 2007. Release authorities in relation to concessional and/or non-concessional contributions received from 1 July 2007 may be issued from the Australian Taxation Office from 1 July 2008.

The liability for the excess contribution tax will be recognised when the relevant release authorities are received from the members, as the Trustee considers this is when it can be reliably measured.

The excess contributions tax liability recognised by the Fund will be charged to the relevant members' accounts.

(l) No-TFN contribution tax

Where a member does not provide their tax file number to a fund, the Fund may be required to pay no-TFN contributions tax at a rate of 31.5% which is in addition to the concessional tax rate of 15% which applies to the Fund's taxable income.

The no-TFN contributions tax liability recognised by the Fund will be charged to the relevant members' accounts. Where a tax offset is obtained by the Fund in relation to members' no-TFN contributions tax, the tax of offset will be included in the relevant members' accounts.

(m) New accounting standards and interpretations

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2011, but have not been applied in preparing these financial statements.

- AASB 9 *Financial Instruments* requirements for the classification and measurement of financial asset resulting from the first part of Phase 1 of the project to replace AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 will become mandatory for the Fund's 30 June 2014 financial statements. Retrospective application is generally required, although there are exceptions, particularly if the entity adopts the standard for the year ended 30 June 2012 or earlier. The Fund has not yet determined the potential effect of the standard.

Notes to the financial statements

For the year ended 30 June 2011

(m) New accounting standards and interpretations (continued)

- AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* introduces a number of changes to the accounting for financial assets, the most significant of which includes:
  - two categories for financial assets being amortised cost or fair value;
  - removal of the requirement to separate embedded derivatives in financial assets;
  - strict requirements to determine which financial assets can be classified as amortised cost or fair value, financial assets can only be classified as amortised cost if (a) the contractual cash flows from the instrument represent principal and interest and (b) the entity's purpose for holding the instrument is to collect the contractual cash flows;
  - an option for investments in equity instruments which are not held for trading to recognise fair value changes through other comprehensive income with no impairment testing and no recycling through profit or loss on derecognition;
  - reclassifications between amortised cost and fair value no longer permitted unless the entity's business model for holding the asset changes; and
  - changes to the accounting and additional disclosures for equity instruments classified as fair value through other comprehensive income

  The amendments, which become mandatory for the Fund's 30 June 2014 financial statements, are not expected to have a significant impact on the financial statements.

3. Accounts payable

	2011 $000	2010 $000
Trustee services fees	**251**	197
Other	**37**	195
	288	392

4. Auditors' remuneration

	2011 $000	2010 $000
Amounts received or due and receivable by Ernst & Young for:		
An audit of the financial statements of the Fund	**17**	16
Other services in relation to the entity	**-**	-
Total	**17**	16

The audit fees are paid/payable by its trustee company, Vision Super Pty Ltd, and recovered through trustee services fees.

Notes to the financial statements

For the period ended 30 June 2011

5. Income tax expense

	2011 $000	2010 $000
Recognised in operating statement		
Current tax expenses		
Current income tax charge	**90**	95
Adjustment in respect of current income tax of previous years	-	-
Deferred tax expenses		
Deferred tax expense	-	-
Relating to origination and reversal of temporary difference	-	-
Total income tax expense	**90**	95

Reconciliation between income tax expenses and the accounting profit before income tax operating result:

	2011 $000	2010 $000
Benefits accrued before income tax	**92,929**	80,309
At the tax rate of 15%	**13,939**	12,046
Increase in income tax expense due to:		
Benefits paid	**6,701**	5,140
Decrease in income tax expense due to:		
Employee contributions	**(16,261)**	(14,530)
Non-taxable income/loss from PST	**(4,289)**	(2,561)
Income tax expense on benefits accrued as a result of operations	**90**	95

6. Tax assets and liabilities

Current tax assets and liabilities
The current tax liability for the Fund of $90,000 (2010: $95,000) represents the amount of income taxes payable of current and prior financial years.

Deferred tax assets and liabilities
The Fund does not have any deferred tax assets and liabilities.

7. Liability for accrued benefits

The liability for accrued benefits is the Fund's present obligation to pay benefits to members and beneficiaries arising from membership of the Fund up to reporting date. It is measured as the difference between the carrying amount of the assets and the sum of the sundry liabilities and income tax liabilities as at reporting date.

	2011 $000	2010 $000
Changes in liability for accrued benefits		
Liability for accrued benefits at the beginning of the financial year	**278,943**	198,730
Plus: Benefits accrued as a result of operations	**137,637**	114,479
Less: Benefits paid during the year	**(44,798)**	(34,266)
Liability for accrued benefits at the end of the financial year	**371,782**	278,943

Notes to the financial statements

For the period ended 30 June 2011

8. Vested benefits

	2011 $000	2010 $000
Vested benefits as at the end of the financial year	**370,582**	278,943

Vested benefits are benefits which are not conditional upon continued membership of the Fund (or any factor other than resignation from the Fund) and include benefits which members were entitled to receive had they terminated their Fund membership as at the reporting date.

9. Guaranteed benefits

No guarantees have been made in respect of any part of the liability for accrued benefits.

10. Notes to the statement of cash flows

Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash at bank, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2011 $000	2010 $000
Cash at bank	**791**	679

Reconciliation of net cash from operating activities to benefits accrued as a result of operation after income tax

Benefits accrued as a result of operations after income tax	**137,637**	114,479
Adjust for:		
Benefits paid	**(44,798)**	(34,266)
Movement in net market value of investment	**(28,594)**	(17,074)
Net cash from operating activities before change in assets and liabilities	**64,245**	63,139
Change in assets and liabilities:		
(Increase)/Decrease in accounts receivable	**(3)**	(4)
Increase/(Decrease) in accounts payable	**(104)**	(54)
Increase/(Decrease) in current tax liabilities	**(5)**	17
Net cash from operating activities	**64,133**	63,098

11. Investments and derivatives

The investments and derivatives of the Fund (other than short term deposits which are managed internally by the Trustee, VSPL) are managed on behalf of the Trustee by selected investment managers. The Fund's only investment is units in Vision Pooled Superannuation Trust (VPST). The Custodian of the Fund's investments assets in VPST is National Australia Bank Group.

For the period ended 30 June 2011

11. Investments and derivatives (continued)

	2011 $000	2010 $000
Pooled Superannuation Trust		
Vision Pooled Superannuation Trust	**371,352**	278,737
Total investments:	**371,352**	278,737

(a) Classification of financial instruments under the fair value hierarchy

AAS 25 requires investments to be measured using net market value. The following table shows financial instruments recorded at net market value, analysed between those whose net market value is based on quoted market prices, those involving valuation techniques where all the model inputs are observable in the market and those where the valuation technique involves the use of non-market observable inputs that are significant to the determination of net market value. Net market value is considered a reasonable approximation of fair value, and for the purpose of the "fair value hierarchy", estimated costs of disposal have been included in the valuation of Level 2 financial assets. Units in Vision Pooled Superannuation Trust has been disclosed within Level 2 in the fair value hierarchy, as the Trustee considers this is the most appropriate treatment that reflects how units in the Vision Pooled Superannuation Trust are valued.

	2011				2010
	Valued at quoted market price (Level 1) $'000	Valuation technique – market observable inputs (Level 2) $'000	Valuation technique – non-market observable inputs (Level 3) $'000	Total $'000	Total $'000
Pooled Superannuation Trust					
Vision Pooled Superannuation Trust	-	371,352	-	371,352	278,737
Total investments	-	371,352	-	371,352	278,737

The level in which instruments are classified in the hierarchy is based on the lowest level input that is significant to the net market value measurement in its entirety. Assessment to the significance of an input requires judgement after considering factors specific to the instrument.

Disclosure of the methods and assumptions applied in determining the net market value of each class of financial assets and financial liabilities are included in Note 2(c).

(b) Transfer between hierarchy levels

There have been no significant transfers between Level 1 and Level 2 of the fair value hierarchy during the year.

12. Changes in net market value of investments

	2011 $000	2010 $000
Investment held at balance date		
Vision Pooled Superannuation Trust	**28,594**	17,074
Total unrealised gains/(losses)	**28,594**	17,074
Change in net market value of investments	**28,594**	17,074

13. Risk management

(a) Financial risk management objectives, policies and processes

The Fund's principle financial instruments comprise units in pooled superannuation trusts and cash. The main purpose of these financial instruments is to generate a return on investment.

The Fund also has various other financial instruments such as sundry receivable and payables, which arise directly from its operations. These are mainly current in nature.

As part of its risk management strategy, the Fund also enters into derivative transactions via VPST, principally diversified bonds futures and forward foreign exchange contacts. The main purpose is to manage financial risks associated with the Fund's investment transactions, and as a means of effecting a change in the asset mix. Investments in derivatives are not used to gear the Fund's investment portfolio, and are limited to the asset allocation limits for the underlying investment assets.

Risks arising from holding financial instruments are inherent in the Fund's activities, and are managed through a process of ongoing identification, measurement and monitoring. The Fund is exposed to credit risk, liquidity risk and market risk, including interest rate risk, equity price risk and foreign currency risk.

The Trustee is responsible for identifying and controlling the risks that arise from these financial instruments. The Trustee reviews and agrees policies for managing each of these risks as summarised below. The Trustee also monitors the market price risk arising from all financial instruments.

Information about the total fair value of financial instruments exposed to risk, as well as compliance with established investment mandate limits, is monitored by the Trustee. These mandate limits reflect the investment strategy and market environment of the Fund, as well as the level of risk that the Fund is willing to accept.

The information is prepared and reported to the Trustee on a monthly basis.

Concentrations of risk arises when a number of financial instruments or contacts are entered into with the same counterparty, or when a number of counterparties are engaged in similar business activities, have activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political and other conditions.

In order to avoid excessive concentrations of risk, the Trustee monitors its exposure to ensure concentrations of risk remain within acceptable levels in accordance with the Fund's investment policies and either reduces exposure or uses derivative instruments to manage the excessive risk concentrations when they arise.

Notes to the financial statements

For the period ended 30 June 2011

13. Risk management (continued)

(b) Credit risk

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss.

With respect to credit risk arising from the financial assets of the Fund, other than derivatives, the Fund's exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these instruments as disclosed in the Statement of Financial Position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the reporting date.

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values. The risk associated with these contracts is minimised by undertaking transactions with high quality counterparties on recognised exchanges, and ensuring that transactions are undertaken with a number of counterparties.

The Fund holds no collateral as security or any other credit enhancements. There are no significant financial assets that are past due or impaired.

Credit risk is not considered to be significant to the Fund except in relation to investments in debt securities.

(i) Credit quality per class of debt instruments

The credit quality of financial assets is managed by the Fund using Standard & Poor's rating categories, in accordance with the investment mandate of the Fund. The Fund's exposure in each grade is monitored on a monthly basis. This review process allows the Trustee to assess the potential loss as a result of risks and take corrective action. The table below shows the credit quality by class of asset for debt instruments.

2011

	AAA to AA-	A+ to A-	BBB+ to BBB-	CCC	Short term A-1+ to A2	Not rated or available	Total
	$000	$000	$000	$000	$000	$000	$000
Perpetual Securities	-	-	-	-	-	-	-
Loans	-	-	-	-	-	161	161
Fixed interest bonds	16,773	1,137	191	-	-	11,697	29,798
Indexed bonds	3,858	-	-	-	-	6,022	9,880
Floating rate notes	226	54	12	-	-	-	292
Zero coupon bonds	-	-	-	-	-	13	13
Mortgage backed securities	-	-	-	-	-	-	-
Discount securities	33	-	-	-	1,605	449	2,087
Cash & deposits	-	-	-	-	-	55,780	55,780
Pooled funds*	-	-	-	-	-	15,452	15,452
Total	20,890	1,191	203	-	1,605	89,574	113,463

Notes to the financial statements

For the period ended 30 June 2011

13. Risk management (continued)

(b) Credit risk (continued)

(i) Credit quality per class of debt instruments (continued)

2010

	AAA to AA-	A+ to A-	BBB+ to BBB-	CCC	Short term A-1+ to A2	Not rated or available	Total
	$000	$000	$000	$000	$000	$000	$000
Perpetual Securities	-	-	-	-	-	-	-
Convertible Notes	-	-	-	-	-	-	-
Fixed interest bonds	13,484	1,194	343	5	-	1,360	16,386
Indexed bonds	2,159	60	5	-	-	246	2,470
Floating rate notes	68	98	12	-	-	100	278
Zero coupon bonds	7	-	-	-	-	-	7
Mortgage backed securities	3,300	-	-	-	-	-	3,000
Discount securities	14	-	-	-	-	-	14
Cash & deposits	-	-	-	-	-	35,065	35,065
Pooled funds*	-	-	-	-	-	13,248	13,248
Total	19,032	1,352	360	5	-	50,019	70,768

* *Instruments are either not rated or rating not available by National Asset Services (NAS)*

(ii) Risk concentration of credit risk exposure

Concentration of credit risk is managed by counterparty, by geographical region and by industry sector.

The Fund's financial assets can be analysed by the following geographic regions:

	2011	2010
	$000	$000
Australia	**328,675**	231,448
North America	**24,652**	4,938
Europe	**11,701**	4,035
Asia	**2,929**	1,062
Others	**247**	166
Total	**368,204**	241,649

Significant industry sector exposure exists as follows:

	2011	2010
	$000	$000
Financials	**27,387**	22,220
Materials	**21,413**	14,223
Consumer staples	**8,925**	7,402
Energy	**10,320**	5,866
Industrials	**12,415**	7,767
Consumer discretionary	**9,767**	6,916
Health care	**7,809**	5,571
Information technology	**8,852**	6,719
Telecommunication	**3,666**	3,465
Utilities	**2,011**	1,396

Notes to the financial statements

For the period ended 30 June 2011

13. Risk management (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. This risk is managed through the Fund's investment in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Fund maintains sufficient cash and cash equivalents to meet normal operating requirements.

The Fund's significant financial liabilities are benefits payable to members.

The Fund manages its obligation to pay the defined contribution component on an expected maturity basis based on management's estimates and actuarial assumptions of when such funds will be drawn down by members. The Fund considers it is highly unlikely that all defined contribution members will request to roll over their superannuation fund account at the same time.

Other financial liabilities of the Fund comprise trade and other payables which are contractually due within 30 days.

The following are the contractual maturities of financial liabilities. Vested benefits have been included in the "Less than 1 month" column below as this is the amount that members could call upon as at year end.

As at 30 June 2011	**Less than 1 month $'000**	**1 to 3 months $'000**	**3 to 6 months $'000**	**6 to 12 months $'000**	**1 to 5 years $'000**	**Total $'000**
Financial liabilities						
Accounts payables	288	-	-	-	-	288
Vested benefits	370,582	-	-	-	-	370,582
Total undiscounted financial liabilities	370,870					370,870

As at 30 June 2010	**Less than 1 month $'000**	**1 to 3 months $'000**	**3 to 6 months $'000**	**6 to 12 months $'000**	**1 to 5 years $'000**	**Total $'000**
Financial liabilities						
Accounts payables	392	-	-	-	-	392
Vested benefits	278,943	-	-	-	-	278,943
Total undiscounted financial liabilities	279,335	-	-	-	-	279,335

(d) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, and equity prices. Market risk is diversified through ensuring that all investment activities are undertaken in accordance with investment policies of the Fund.

The Trustee employs diversification investment strategy to mitigate the market risk in each market segment. Further, VPST also enters into forward foreign exchange contracts to hedge against adverse FX movements.

13. Risk management (continued)

(d) Market risk (continued)

(i) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

In determining the reasonably possible change for interest rate risk, the sensitivity of the "official cash rate" as set by the Reserve Bank of Australia (RBA) from time to time is used.

Based on the NAS Accounting Policy Manual June 2011, a 50 basis points movement in interest rate is considered reasonably possible for the 2010/2011 reporting period. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

An increase/decrease of 50 basis points in interest rate at the reporting date would have increased/(decreased) the Changes in net assets available to pay benefits by the amounts shown below:

2011

Asset class sector	Change in basis points Increase/ decrease	Sensitivity of interest income and changes in net assets $000 Increase/decrease
Cash and cash equivalents	+/- 50	-
Diversified bonds	+/- 50	**26/(26)**
Derivatives	+/- 50	**(1,374)/1,375**

2010

Asset class sector	Change in basis points Increase/ decrease	Sensitivity of interest income and changes in net assets $000 Increase/decrease
Cash and cash equivalents	+/-75	-
Diversified bonds	+/-75	(805)/250
Derivatives	+/-75	807/(15)

(ii) Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

13. Risk management (continued)

(d) Market risk (continued)

(ii) Currency risk (continued)

As a result of significant investments held in the United States and Europe, the Fund's Statement of Financial Position and Operating Statement can be affected significantly by movements in USD and EUR when translated to AUD.

The Trustee manages its exposure to foreign currency risk and mitigates effects of its foreign currency translation exposure by placing limits on the portion of the assets which can be invested in different currencies and by appointing specialist currency managers to implement passive hedge over foreign currency exposure. This foreign exchange policy is monitored against actual on an ongoing basis throughout the year.

Based on the NAS Accounting Policy Manual June 2011, the movement of main currency exchange rates below is considered reasonably possible for the 2010/2011 reporting period:

USD	10%
British pounds	5%
Euro	10%
Japanese yen	5%

The percent strengthening/weakening of the AUD against the following basket of foreign currencies as 30 June would have increase/(decreased) the changes for the year in net assets available to pay benefits by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	2011		2010	
Currency	**Change in Currency rate %**	**Effect on changes in net assets $000**	**Change in Currency rate %**	**Effect on changes in net assets $000**
USD	+/-10	**2,195/(2,683)**	+/-10	1,677/(2,051)
British pounds	+/-5	**192/(212)**	+/-5	85/(93)
Euro	+/-10	**1,273/(1,556)**	+/-10	809/(989)
Japanese yen	+/-5	**316/(349)**	+/-20	657/(985)

(iii) Equity price risk

Equity price risk is the risk that the fair value of investments in equities decreases or increases as a result of changes in market prices, whether those changes are caused by factors specific to the individual share price or factors affecting all equity instruments in the market. Equity price risk exposure arises from the VPST's investment portfolios.

To limit equity price risk the Trustee diversifies its investment portfolio in line with its investment strategy. The majority of equity investments are of a high quality and are publicly traded on recognised, reputable exchanges. The Trustee monitors the VPST's exposure to various asset classes on an ongoing basis throughout the year ensuring its investment strategy is adhered to.

Notes to the financial statements

For the period ended 30 June 2011

13. Risk management (continued)

(d) Market risk (continued)

(iii) Equity price risk (continued)

Based on the NAS Accounting Policy Manual June 2011, a 15% movement in equity price is considered reasonably possible for the 2010/2011 reporting period. This analysis assumes that all other variables, in particular, interest rates and foreign exchange rates, remain constant. The analysis is performed on the same basis for 2010.

The "15%" increase/decrease in the equity price against the investments of the Fund at 30 June would have increased/(decreased) the Changes for the year in next assets available to pay benefits by the amounts shown below:

	2011		2010	
Asset class sector	**Change in equity price %**	**Effect in changes in net assets $000**	**Change in equity price %**	**Effect in changes in net assets $000**
Life insurance policies	+/-15	108/(108)	+/-10	788/(788)
Listed equities	+/-15	16,203/(16,203)	+/-10	7,760/(7,760)
Listed property trusts	+/-15	371/(371)	+/-10	236/(236)
Listed units trust	+/-15	194/(194)	+/-10	91/(91)
Pooled development fund	+/-15	319/(319)	+/-10	66/(66)
Preference shares	+/-15	34/(34)	+/-10	16/(16)
Unlisted equities	+/-15	2,420/(2,420)	+/-10	1,564/(1,564)
Unlisted MIS	+/-15	18,954/(18,954)	+/-10	11,022/(11,022)
Others	+/-15	1,182/(1,182)	+/-10	451/(451)

14. Related parties

(a) Key management personnel and executive disclosures

The trustee of the Fund is Vision Super Pty Ltd. The trustee company comprised of eight Directors and five Alternates. The names of persons who were Directors and Alternates of the trustee company of the Group for the financial year are:

Member Directors:	***Alternates:***
Darrell Cochrane	Brian Parkinson
Wendy Phillips	Bill Watton (resigned 25 May 2011)
Tony Tuohey	Bill Watton (resigned 25 May 2011)
Russell Atwood	Brian Parkinson
Employer Directors:	***Alternates:***
Michael Tilley	Steve Bird
Angela Emslie	Leigh Harder
Rob Spence	Alison Lyon
Geoff Lake	Alison Lyon

Notes to the financial statements

For the period ended 30 June 2011

14. Related parties (continued)

(a) Key management personnel and executive disclosures (continued)

Darrell Cochrane retired as Director on 30 June 2011 and Brian Parkinson was appointed as his replacement from 1 July 2011. Rob Spence was appointed as Chairman and Brian Parkinson as Deputy Chairman from 1 July 2011. Lisa Darmanin was appointed as Alternate Director for Directors Parkinson, Phillips, Atwood and Tuohey on 26 August 2011.

(b) Compensation of key management personnel and executive

Apart from Directors of the Trustee Company, the Chief Executive Officer, General Manager Finance and Compliance, Chief Operating Officer, Manager Investments and General Manager Fund Development are considered to be Key Management Personnel (KMP) for the purpose of these financial statements.

The KMP's compensation is presented in the table below for year 2011. Total compensation received, or due and receivable, by key management personnel amounted to $1,766,000 (2010: $754,000). Note that in this financial year an additional four executives' compensation has been included with KMP.

The detail is as follows:

	2011 $000	2010 $000
Short-term employee benefits	**1,618**	691
Other long term employee benefits	**-**	-
Post-employment benefits	**148**	63
	1,766	754

(c) Related party transactions

(i) Vision Pooled Superannuation Trust
The main investment asset of the Fund is the units held in Vision Pooled Superannuation Trust (VPST). The units held in VPST as at 30 June 2011 is $371 million (2010: $278 million).

(ii) Members Equity
Vision Pooled Superannuation Trust is a minority investor in Industry Super Holdings Pty Ltd, the owner of Members Equity. Members Equity is the provider of Super Members Home Loans.

(iii) Regional Infrastructure Fund
Vision Pooled Superannuation Trust is the sole shareholder in Regional Infrastructure Fund Pty Ltd (RIF).

RIF was established primarily to invest in regional infrastructure projects. RIF has four directors, all of whom are current or former directors of Vision Super Pty Ltd, namely, Tony Tuohey, Michael Tilley, James Coghlan and Darrell Cochrane.

14. Related parties (continued)

(c) Related party transactions (continued)

(v) Vision Super Pty Ltd
The objective for RIF is to invest in infrastructure projects and its currently wholly owns Regional Wind Farms Pty Ltd.
As stated in Note 1, Vision Super Pty Ltd is the trustee of the Fund. The trustee services fees paid/payable during the year ended at 30 June 2011 is $250,933 (2010: $663,945).

(vii) Directors
Ms Emslie's domestic partner, Garry Weaven, is Chair of Industry Funds Management (IFM), which manages infrastructure and private equity investments for Vision Pooled Superannuation Trust and provides investment services to RIF. Mr Weaven is also a Director of Members Equity.

Director Tony Tuohey has a commercial relationship with Bridgewater Associates, a fund manager engaged by the Trustee, and absented himself from any determination relating to this manager.

15. Contingent assets/liabilities

There are no contingent assets or liabilities as at 30 June 2011.

16. Funding arrangements

The employers have contributed to the Fund during the financial year at a rate of at least 9% (2010: 9%) of the gross salaries of those employees who were members of the Fund. Employees are also able to make voluntary contributions.

17. Insurance

The Fund provides death and disability benefits to members. These benefits are greater than the members' vested benefits. The Trustee has a group policy in place with a third party to insure death and disability benefits in excess of vested benefits.

18. Subsequent events

In April 2010 Vision Super announced that it intended to merge with Equipsuper Superannuation Fund by 1 July 2013. The decision to merge was taken after Directors were satisfied that the merger was in the best interest of members and employers. A memorandum and understanding has been agreed and a new Shareholders' Deed was executed on 24 June 2011.

Between 30 June 2011 and the date of approval of this financial statements, there have been no other matters or circumstances not otherwise dealt with in the financial statements that have significantly affected or may significantly affect the Fund.

Trustee declaration to the members

Vision Superannuation Fund

In the opinion of the Trustee of Vision Superannuation Fund:

(i) The accompanying financial statements of Vision Superannuation Fund are drawn up so as to present fairly the financial position of the Fund as at 30 June 2011 and the results of its operations and cash flows for the period then ended; and

(ii) The operation of Vision Superannuation Fund has been carried out in accordance with its Trust Deed dated 29 June 2007, as amended and in compliance with:

- the requirements of the Superannuation Industry (Supervision) Act 1993 and Regulations;
- applicable sections of the Corporations Act 2001 and Regulations;
- the requirements under Section 13 of the Financial Sector (Collection of Data) Act 2001; and
- the Guidelines issued by the Australian Prudential Regulation Authority on Derivative Risk Statements For Superannuation Entities Investing In Derivatives, during the year ended 30 June 2011; and

(iii) The financial statements have been prepared in accordance with Accounting Standards, other mandatory reporting requirements and the provisions of the Trust Deed dated 29 June 2007, as amended.

Dated at Melbourne this 6TH day of OCTOBER 2011

Signed in accordance with a resolution of the Trustee:

Rob Spence Director	Brian Parkinson Brian Parkinson Director

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VISION SUPERANUATION FUND (ABN: 79 327 289 195)

REPORT BY THE INDEPENDENT APPROVED AUDITOR TO THE TRUSTEE AND MEMBERS

Financial statements

I have audited the financial statements of Vision Superannuation Fund for the year ended 30 June 2011 comprising the statement of financial position, operating statement, and cash flow statement, summary of significant accounting policies, other explanatory notes and the Trustee statement.

Trustee's Responsibility for the Financial Statements

The superannuation entity's trustee is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the requirements of the SIS Act and the *Superannuation Industry (Supervision) Regulations 1994* (SIS Regulations). The trustee is also responsible for such internal control as the trustee determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted an independent audit of the financial statements in order to express an opinion on them to the trustee and members of Vision Super Fund.

My audit has been conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the trustee's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trustee's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustee, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

ERNST & YOUNG

Auditor's Opinion

In my opinion, the financial statements present fairly, in all material respects, in accordance with Australian Accounting Standards, the financial position of Vision Super Fund as at 30June 2011 and the results of its operations and its cash flows for the year ended 30 June 2011.

Ernst & Young

Ernst & Young

Martin Walsh
Partner
Melbourne
Date: 6 October 2011

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Review of systems to manage and monitor future compliance with Risk Management Strategy and Risk Management Plan

To the trustee of Vision Superannuation Fund (the RSE licensee)

Trustee's Responsibility for systems to manage and monitor future compliance with Risk Management Strategy and Risk Management Plan

The trustee is responsible for the design, documentation, and operation and monitoring of the Risk Management Strategy and the Risk Management Plan, including the adequacy of risk assessments contained in the strategy and plan, including the relevant internal control systems, policies and procedures, and compliance, including future compliance therewith.

Auditor's Responsibility

My responsibility is to express a conclusion, based on my review, on the systems, being the relevant processes and procedures, used by Vision Super Pty Ltd to identify future risks arising from proposed future activities and to manage and monitor future (the twelve month period following the date of this review report) compliance with the Risk Management Strategy and Risk Management Plan. The contents of Risk Management Strategies and Risk Management Plans are prescribed in Sections 29H and 29P respectively of the SIS Act.

This review report was prepared for the RSE licensee in accordance with Sections 35C(5)(d)(ii) and 35C(5)(d)(iv) of the SIS Act. I disclaim any assumption of responsibility for any reliance on this review report to any person other than the trustee, or for any purpose other than that for which it was prepared.

I have conducted my review in accordance with applicable Standards on Assurance Engagements (ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information) in order to state whether, on the basis of my review as described, whether anything has come to my attention that causes me to believe that for the year ended 30 June 2011 Vision Super Pty Ltd does not have adequate systems to identify future risks arising from proposed future activities and to manage and monitor future compliance with the Risk Management Strategy of Vision Superannuation Fund, and the Risk Management Plan of Vision Superannuation Fund.

A review of systems consists of making enquiries of the RSE licensee and other procedures as are considered necessary in the circumstances. I have performed the review procedures having regard to relevant standards and guidance issued by the Auditing and Assurance Standards Board.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable me to obtain assurance that I am aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Because of the inherent limitations of any systems to ensure compliance, including future compliance, with any Risk Management Strategy or Risk Management Plan, it is possible that risks may arise which are not included in, or appropriately managed by, the Risk Management Strategy or Risk Management Plan, or that fraud, errors, or non-compliance with laws and regulations may occur and not be detected. A review is not designed to detect all instances of non-compliance, or weaknesses in the risk management measures in the Risk Management Strategy and Risk Management Plan, as a review is not performed continuously throughout the period and the review procedures performed in respect of compliance, including future compliance, with the Risk Management Strategy, and Risk Management Plan, are undertaken on a test basis.

Any projection of the systems to ensure compliance with the Risk Management Strategy and Risk Management Plan to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Conclusion

Based on my review, which is not an audit, nothing has come to my attention that causes me to believe that, in all material respects, Vision Super Pty Ltd does not have adequate systems, being the relevant processes and procedures, to identify future risks arising from proposed future activities and to manage and monitor future (the twelve month period following the date of this review report) compliance with the Risk Management Strategy, and Risk Management Plan of Vision Superannuation Fund.

Ernst & Young

Ernst & Young

Martin Walsh
Partner
Melbourne
Date: 6 October 2011