



**YOUR QLD
INDUSTRY
SUPERFUND**



Club Super

Annual Report 2018

Contents

Message from our Chairperson	3	Club Super investments	10
Investments	4	Abridged financial information	11
Member investment choice	5	Important information	13
Who looks after your super	9	Client Services Managers	14



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SuperRatings Pty Limited
(ABN 95 100 192 283) holds AFSL No. 311880.

This Annual Report was prepared for Club Super (ABN 12 737 334 298) by the Trustee of the Fund, Club Plus Qld. Pty. Ltd. (ABN 30 010 892 396). Club Plus Qld. Pty. Ltd. is Corporate Authorised Representative No. 268814 under Australian Financial Services Licence No. 238507 and is authorised to provide general financial product advice in relation to superannuation. Club MySuper Product Unique Identifier 12737334298988.

Club Super is a regulated superannuation fund and complies with the Superannuation Industry (Supervision) Act 1993. Club Super also meets the requirements for Choice of Fund.

The information in this Annual Report is of a general nature only. It does not take into account your individual financial situation, objectives or needs. You should consider your own financial position and requirements before making a decision. You may like to consult a licensed financial adviser in order to assist you with this. You should also refer to the Product Disclosure Statement and our Financial Services Guide before making a decision available at clubsuper.com.au or by calling **1300 369 330**.

This document should be read in conjunction with your Annual Member Statement for the year ended 30 June 2018 if you were a member of Club Super at that time.

Document created August 2018

Message from our Chairperson



On behalf of the Board, I am pleased to present the 2018 Annual Report for Club Super.

Peter Castrisos
CHAIRPERSON

Throughout this last year Club Super has continued to focus on our key deliverable; helping our members to achieve their retirement goals. Coupled with this is our commitment to supporting the club industry as the only dedicated superannuation fund focussed on the Queensland club industry.

I am proud to report that Club Super has again received a prestigious Gold rating from independent ratings agency SuperRatings¹ for 2018 and for 12 years running. Club Super has also been recognised by Heron Partners as a 5 Star “Outstanding” superannuation product for 2018.

Despite the ongoing challenges facing both the clubs and superannuation industries, Club Super has had a successful year. Our investments have produced strong, solid returns; we’ve reviewed our insurance and investment products resulting in some beneficial changes for members and we continue to focus on communicating with you, our members and employers, ensuring that you’re updated on the changes in super and what they mean for you.

The success of Club Super isn’t possible without the support of our very important members and employers. Thank you for your ongoing support as we continue to ensure that the Fund is improving the retirement outcomes of our members throughout their lives.

This year Club Super returned a solid performance of 9.18% as at 30 June 2018 in our MySuper investment option (ahead of the SuperRatings Median fund return of 8.83%²). Club Super continue to manage your investments, position the portfolio to meet the challenges in both the domestic and international markets and continually seeks out new investment opportunities. We do this with the assistance of our investment adviser, JANA Investment Advisers (JANA). At Club Super managing the life savings of our members is a role we take seriously and we appreciate that superannuation is a long term investment; our actions today, reflect our focus on your tomorrow.

Club Super understands the need to provide members with the best available insurance products at a competitive cost which is why we were pleased to deliver a reduction in our Income Protection (Salary Safe) insurance fees in February this year. In addition to this, Club Super will strive to deliver a sustainable insurance offering against the backdrop of the recent myriad of changes being proposed in this year’s Federal Budget. We will achieve this by undergoing a full review and market tender of the Fund’s insurance offering.

There are a number of other significant superannuation reforms and changes that are being proposed by the Australian Government in relation to the ongoing provision of superannuation. The changes outlined in the Federal budget delivered in May 2018, if legislated, will have a significant impact on the future of superannuation, as will the outcomes resulting from the current review by the Productivity Commission into the efficiency and competitiveness of Australia’s entire superannuation system.

To ensure you’re kept well informed and understand how the changes will affect your superannuation, we will ensure that we communicate these changes to you. In addition to this, our Club Super Client Services Managers and Club Super Financial Planning team are out on the road to keep you abreast of these key changes and to assist you with any aspect of your Club Super account. We also look forward to welcoming you at a series of investment and legislative updates for members being held in both metropolitan and regional areas throughout Queensland.

Ensuring that each and every decision made by the Board is in the best interests of you, our members, is of paramount importance. During the year, the Board has undertaken a series of important strategic meetings to not only ensure that all current and future strategic decisions and pathways will result in a ‘member’s best interest’ outcome, but to also ensure that the Fund is an active driver of future outcomes. This is absolutely critical in times such as these and I would like to acknowledge the efforts and dedication of each of my fellow Directors who ensure that they continue to meet higher levels of good governance demanded by the constantly changing regulatory landscape. Each Director brings a depth of experience, knowledge and skills specific to the club industry to their role on the Board and Committees of the Board and I thank them for their ongoing commitment.

My continued thanks to Ms Sharron Caddie for the commitment she possesses in her position of Fund Secretary. Both Sharron and I recognise the importance of our leadership roles and we are dedicated to continuing to strive for excellent retirement outcomes for you, the members of Club Super.

Finally, a thank you to our key service providers, Independent Fund Administrators & Advisers (IFAA), Club Super Financial Planning, and JANA Investment Advisers who continue to work with us and for our members.

¹ SuperRatings provide independent superannuation assessment and ratings, superratings.com.au. SuperRatings Pty. Ltd. (ABN 95 100 192 283) holds AFSL No. 311880.

² Club MySuper is reported against the SuperRatings Fund Crediting Rate Survey - Balanced (60-76).

Investments

Club Super's Investment Strategy

The Trustee aims to achieve the investment objectives of the Fund through an investment strategy that keeps the asset allocation within ranges set by the Trustee. Professional fund managers are appointed to manage funds within mandated asset classes. The Trustee regularly monitors the aggregate asset allocation of the Fund.

The Trustee implements the investment strategy by undertaking to:

- Appoint professional fund managers for the investment of Fund assets, who will be expected to achieve returns equal to or better than the average, as compared with other appropriate sectors, without exposing the Fund to undue risk;
- Obtain professional investment advice to assist them in decisions on investments and in the monitoring of performance;
- Review the Fund's long term asset mix every 12 months;
- Monitor, on a quarterly basis, the direction of cash flow to fund managers and investment products and the performance of investments; and
- Meet with fund managers on a regular basis to discuss their strategy and performance.

Labour standards or environmental, social or ethical considerations are not taken into account in selecting, retaining or realising the investments of the Fund.

The Fund utilises a weekly crediting rate methodology. These rates are used in applying investment earnings to member accounts. Members are credited with the earnings from the underlying investments in each investment option, net of taxes and investment expenses and the indirect asset based administration cost.

Reserves

Club Super maintains a number of reserves in accordance with Club Super's Reserving Policy.

Administration Reserve

The Trustee maintains an Administration Reserve which is used to pay for administration, legal, audit and other professional services provided to the Fund.

The Administration Reserve is invested in a cash like strategy.

History of Administration Reserve

Year ended	\$
30 June 2018	\$399,504
30 June 2017	\$804,689
30 June 2016	\$1,324,515

Operational Risk Financial Reserve (ORFR)

ORFR is intended to be a buffer on which the Trustee can call upon if an operational risk eventuates, rather than having to call directly on members' funds.

The guidelines from the Australian Prudential Regulation Authority (APRA) impose a target level on the ORFR which has been attained. Top-ups occur as required to maintain ORFR funding at this level. The ORFR is required to be easily accessible if required by the Trustee, so is invested in a cash like strategy. As at 30 June 2018, the ORFR is \$1,419,218.

Investment Reserve

The Trustee maintains an Investment Reserve which is primarily used to accumulate investment earnings pending distribution to members and to fund investment related expenses. The Investment Reserve is invested in accordance with the investment profile of the membership.

History of Investment Reserve

Year ended	\$
30 June 2018	\$6,483,799
30 June 2017	\$5,687,197
30 June 2016	\$4,919,918

Derivatives

Club Super uses derivatives either to protect the value of its portfolios or to manage them efficiently within set asset allocation ranges. On the advice of the Club Super asset consultant, the Club Super Trustee may use currency hedges to protect the value of Club Super's overseas investments.

The fund managers are permitted to use futures, options and other derivative instruments to assist with the effective management of the Fund's assets. However, these instruments must not be used to gear the portfolio unless it is consistent with the manager's investment strategy.

Member investment choice

Which option(s) are best for me?

Club Super has prepared an *Additional Information - How we invest your money* document, that provides information on each asset class and the risks involved in investing. Please call **1300 369 330** for a copy or visit clubsuper.com.au/forms-and-resources/publications. If you need more assistance, you can also log in to Member Online to access our online super advice tool, YourSuperFuture*, or you can call Club Super to be referred to one of our Club Super Financial Planners*, who can help select the best option(s) for you.

How do I make an investment choice?

1. Please read the *Club Super Product Disclosure Statement (PDS)* and *Additional Information - How we invest your money*.

Then choose one investment option or a mix of different options separately, for your Existing Account Balance and your Future Contributions, provided the total equals 100%.

Please note, the Club MySuper option is the default option should you not exercise a choice.

The product dashboard for Club MySuper can be found at clubsuper.com.au/members/what-we-offer/performance/mysuper-dashboard

2. Log into Member Online at clubsuper.com.au and go to 'investment' tab, or complete a *Change to Member Investment Choice Form* available at clubsuper.com.au/forms-and-resources/forms and return it to Club Super.



During the 2017/18 financial year, Club Super Financial Planning held

106 meetings for personalised advice



87 Members with written advice



Club Super Client Services Managers (CSMs) held

1478

workplace appointments with members, during the 2017/18 financial year



2005 – 2018 Club Super continued to maintain a

GOLD RATING

from SuperRatings^ who provide independent superannuation assessment and ratings of all Australian super funds



Club Super's goal is to contact all new Members upon joining the Fund

Club Super welcomed **1955** new Members throughout the 2017/18 financial year



At Club Super, we're right beside you with over




24,000 Members

and we're dedicated to servicing the Clubs industry

* This advice is provided by My Super Future Pty Ltd (MSF) (ABN 38 122 977 888) AFSL no. 411440. The Trustee is not responsible for, and does not accept liability for the products or services or actions of MSF. MSF is authorised to provide personal financial product advice. You should use your own judgment before taking up any product or service offered by MSF.

^ SuperRatings provide independent superannuation assessment and ratings, superratings.com.au SuperRatings Pty Ltd (ABN 95 100 192 283) holds AFSL No. 311880

Member investment choice (cont.)

Club MySuper ^^	Growth ^^	Capital Stable^^
Option available from 01/09/2013	Option available from 01/07/2003	Option available from 01/07/2003
Crediting Rates at: 30 June 2018..... 9.18% 30 June 2017..... 11.40% 30 June 2016..... 2.40% 30 June 2015..... 9.12% Since Inception**8.47% On 1 September 2013, Club Super renamed the Balanced investment option to “Club MySuper”. Due to regulatory requirements, these are considered separate products, even though the investment objective and strategy were unchanged. As a result, Club Super is unable to combine the returns of the two products to display long term investment returns. The crediting rate from 1 September 2013 to 30 June 2014 was 8.93%.	Crediting Rates at: 30 June 2018..... 10.42% 30 June 2017..... 13.02% 30 June 2016..... 1.75% 30 June 2015..... 9.55% 30 June 2014..... 15.15% 5 Year Average**9.88% 10 Year Average**6.39%	Crediting Rates at: 30 June 2018..... 3.86% 30 June 2017..... 6.28% 30 June 2016..... 3.38% 30 June 2015..... 4.40% 30 June 2014..... 6.50% 5 Year Average**4.88% 10 Year Average**4.79%
Investment objective: To achieve a rate of return equivalent to CPI + 3% p.a. over rolling 10 year periods (after fees and tax).	Investment objective: To achieve a rate of return equivalent to CPI + 4% p.a. over rolling 10 year periods (after fees and tax).	Investment objective: To achieve a rate of return equivalent to CPI + 2% p.a. over rolling 10 year periods (after fees and tax).
Description of investment strategy: Investments are diversified across a mix of asset classes with a bias more towards shares and property than defensive assets. This option is suited to an investor with a long term investment horizon of at least 5 years. Investors are seeking exposure mainly to growth assets, but with some defensive exposure to reduce volatility. Investors are prepared to accept negative returns on average once every five years.	Description of investment strategy: Predominately shares and property with little defensive exposure. This option is suited to an investor with a longer term horizon of at least 7 years. Investors are seeking higher long term returns than the Club MySuper portfolio through higher exposure to growth assets, while still retaining some exposure to defensive investments. Investors are prepared to accept negative returns on average once every four years.	Description of investment strategy: Invests predominantly in defensive assets such as cash and fixed interest securities, with a limited exposure to Australian and international shares and property. This option is suited to an investor who would like limited exposure to growth investments, and is looking for long term returns higher than that of cash or fixed interest while being protected to some extent against the volatility of the share markets.
Strategic asset allocation:	Strategic asset allocation:	Strategic asset allocation:
Growth 75% Defensive 25% ■ Australian Shares27 (10-40%) ■ International Shares28 (10-40%) ■ Property10 (5-20%) ■ Growth Alternatives10 (0-15%) ■ Defensive Alternatives10 (0-15%) ■ Fixed Interest12 (5-25%) ■ Cash3 (0-25%)	Growth 90% Defensive 10% ■ Australian Shares.....35 (20-50%) ■ International Shares.....35 (20-50%) ■ Property10 (0-15%) ■ Growth Alternatives10 (0-15%) ■ Defensive Alternatives8 (0-15%) ■ Fixed Interest0 (0-15%) ■ Cash2 (0-15%)	Growth 30% Defensive 70% ■ Australian Shares10 (0-15%) ■ International Shares5 (0-15%) ■ Property10 (0-15%) ■ Growth Alternatives5 (0-10%) ■ Defensive Alternatives25 (0-35%) ■ Fixed Interest25 (20-50%) ■ Cash20 (0-50%)
		
Minimum suggested time frame 3 to 5 years	Minimum suggested time frame At least 7+ years	Minimum suggested time frame Up to 3 years
Risk Level^ High. Estimated number of negative annual returns is 4.1 over any 20 year period.	Risk Level^ High. Estimated number of negative annual returns is 4.5 over any 20 year period.	Risk Level^ Low. Estimated number of negative annual returns is 0.9 over any 20 year period.

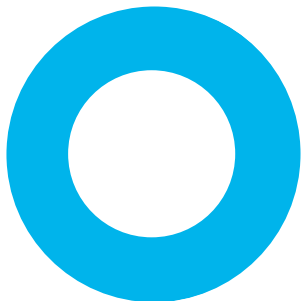


** The average crediting rates are calculated for the 5 or 10 year period to 30 June 2018 (or shorter period where the option has not been available for that period). "Average" is the compound average effective rate of net earnings of the investment option over the period.

^A The standard risk measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. The standard risk measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to not be sufficient for a member to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

^{^^} The International Shares exposure has a benchmark hedging level of 25% however, the actual hedging level will vary from time to time at the discretion of the Trustee.

Past performance is not a reliable indicator of future performance.

Member investment choice (cont.)

Cash	Australian Shares	International Shares ^{^^}
Option available from 01/07/2003	Option available from 01/01/2009	Option available from 01/01/2009
Crediting Rates at: 30 June 2018..... 1.30% 30 June 2017..... 1.28% 30 June 2016..... 1.61% 30 June 2015..... 1.86% 30 June 2014..... 2.51% 5 Year Average**1.71% 10 Year Average**2.58%	Crediting Rates at: 30 June 2018..... 11.63% 30 June 2017..... 16.42% 30 June 2016..... 3.78% 30 June 2015..... 5.05% 30 June 2014..... 17.15% 5 Year Average**10.67%	Crediting Rates at: 30 June 2018..... 11.76% 30 June 2017..... 15.31% 30 June 2016..... -5.12% 30 June 2015..... 20.25% 30 June 2014..... 18.01% 5 Year Average**11.65%
Investment objective: Outperform Bloomberg AusBond Bank Bill index over rolling 1 year periods.	Investment objective: To achieve a return before tax and after fees that exceeds the S&P/ASX 300 Accumulation Index over rolling 3 year periods.	Investment objective: Outperform the 75% Unhedged/ 25% Hedged MSCI ACWI ex Australia Index over rolling 3-year periods.
Description of investment strategy: Investments in short term money market securities and fixed interest. Investments include bank deposits, bank bills and cash management trusts. This option is suited to risk averse investors who seek stability, low volatility and a positive return on their investments. They are prepared to sacrifice the higher long term returns available from more growth oriented options for more stable levels of returns.	Description of investment strategy: This option is only invested in Australian Shares. This option is suited to risk seeking investors with a long-term investment horizon who seek exposure to Australian equities. Investors are prepared to accept a high level of volatility with the likelihood of negative returns on average every three to four years.	Description of investment strategy: This option is only invested in International Shares. This option is suited to risk seeking investors with a long term investment horizon who seek exposure to international equities. Investors are prepared to accept a high level of volatility with the likelihood of negative returns on average every five years.
Strategic asset allocation: Defensive 100% ■ Cash 100 (0-100%)	Strategic asset allocation: Growth 100% ■ Australian Shares..... 100 (0-100%)	Strategic asset allocation: Growth 100% ■ International Shares 100 (0-100%)
		
Minimum suggested time frame 12 months	Minimum suggested time frame 7+ years	Minimum suggested time frame 7+ years
Risk Level[^] Very Low. Estimated number of negative annual returns is 0.0 over any 20 year period.	Risk Level[^] Very high. Estimated number of negative annual returns is 6.2 over any 20 year period.	Risk Level[^] High. Estimated number of negative annual returns is 5.0 over any 20 year period.



** The average crediting rates are calculated for the 5 or 10 year period to 30 June 2018 (or shorter period where the option has not been available for that period). "Average" is the compound average effective rate of net earnings of the investment option over the period.

[^] The standard risk measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. The standard risk measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to not be sufficient for a member to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

^{^^} The International Shares exposure has a benchmark hedging level of 25% however, the actual hedging level will vary from time to time at the discretion of the Trustee.

Past performance is not a reliable indicator of future performance.

Member investment choice (cont.)

Property	Fixed Interest
Option available from 01/01/2009	Option available from 01/01/2009
Crediting Rates at: 30 June 2018..... 9.32% 30 June 2017..... 11.97% 30 June 2016..... 12.76% 30 June 2015..... 6.94% 30 June 2014..... 7.16% 5 Year Average** 9.60%	Crediting Rates at: 30 June 2018..... 2.55% 30 June 2017..... 4.05% 30 June 2016..... 3.55% 30 June 2015..... 4.61% 30 June 2014..... 5.67% 5 Year Average** 4.08%
Investment objective: To achieve a return before tax and after fees that exceeds the Mercer IPD Australian Pooled Property Fund Index over rolling 3 year periods.	Investment objective: To achieve a return before tax and after fees that exceeds the 50% Bloomberg AusBond Composite Bond Index, 50% Bloomberg Global Aggregate Hedged Index over rolling 3 year periods.
Description of investment strategy: This option is only invested in property. This option is suited to investors that seek exposure to growth assets through investments in property. Investors have a long term investment horizon and are seeking a lower level of volatility than equities, but expect a lower level of returns in the long term.	Description of investment strategy: This option is invested in Australian and international fixed interest. This option is suited to members seeking a higher level of returns than cash, while retaining a low level of volatility and accepting a lower level of returns than shares and property in the long term.
Strategic asset allocation: Growth 100% ■ Property 100 (0-100%)	Strategic asset allocation: Defensive 100% ■ Fixed Interest+ 100 (0-100%)
	
Minimum suggested time frame At least 7-10 years	Minimum suggested time frame At least 3 years
Risk Level[^] Medium to high. Estimated number of negative annual returns is 3.4 over any 20 year period.	Risk Level[^] Medium. Estimated number of negative annual returns is 2.0 over any 20 year period.

** The average crediting rates are calculated for the 5 or 10 year period to 30 June 2018 (or shorter period where the option has not been available for that period). "Average" is the compound average effective rate of net earnings of the investment option over the period.

[^] The standard risk measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. The standard risk measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to not be sufficient for a member to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

^{^^} The International Shares exposure has a benchmark hedging level of 25% however, the actual hedging level will vary from time to time at the discretion of the Trustee.

+ Includes a mixture of Australian and International Fixed Interest.

Past performance is not a reliable indicator of future performance.

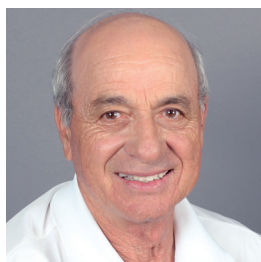
Who looks after your super

Club Super was established in 1989 to offer employees of clubs a superannuation scheme tailored to meet the specific needs of the club industry.

The Board of Directors meet regularly to discuss the management of the Fund. The Directors are representatives from both employee and employer organisations and are strongly involved in the club industry. The Directors act on your behalf in overseeing and managing the Fund.

The Trustee of the Fund is Club Plus Qld. Pty. Ltd. (ABN 30 010 892 396).

Employer Representatives



Peter Castrisos

(Chairperson) Appointed
12 March 2010
Golf Queensland



Stuart Taylor

Appointed 27 May 2016
(previously an Alternate
Director since 8 December
2006)
Bowls Queensland



Douglas Flockhart

Appointed 30 November
2016, Registered and
Licensed Clubs Association
of Queensland Union
of Employers (Clubs
Queensland)

You can raise issues directly with the Club Super Board of Trustees (the Board)

You can already raise queries or complaints about your account, or the operation of Club Super, at any time (refer page 13). Such queries or complaints are responded to by Club Super's appointed administrator (Independent Fund Administrators & Advisers Pty Ltd), though complaints are overseen by the Board.

Club Super is now providing members with the opportunity to have any queries you may have about the Fund, considered directly by the Board. You may lodge your enquiry in writing to PO Box 10726, Brisbane Adelaide Street, Qld, 4000, via email info@clubsuper.com.au or by submitting your query via the Fund website at clubsuper.com.au/about-us/about-club-super/submit-an-enquiry. If you would like your enquiry to be considered by the Board, please ensure your communication is labelled 'Board enquiry' and is submitted by 14 November, after which it will be considered by the Board at their meeting on 5 December. Following the meeting, the Board will respond.

Member Representatives



Barry Meiklejohn

Appointed
1 March 2002
Australian Workers Union



Sharron Caddie

(Secretary), Appointed
11 April 2014
United Voice



Sheila Hunter

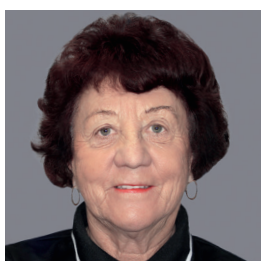
Appointed
1 February 2011
United Voice

Election of Representative Directors

In accordance with the Constitution of Club Plus Qld. Pty. Ltd. the members of the Fund are represented by Directors nominated and elected by the union (3 representatives) and employer sponsor bodies (3 representatives).

The union and employer bodies each have the power to elect one Director for each share (six shares in total). They have the power to replace or remove any Director elected by them.

Alternate Directors



Carmel Smith

Appointed
12 March 2010
Golf Queensland



Eric Porter

Appointed 9 December 2016
(previously a Director since
31 August 2009) Registered
and Licensed Clubs
Association of Queensland
Union of Employers
(Clubs Queensland)



Jeanette Temperley

Appointed 23 June 2017,
United Voice



Jacqueline Power

Appointed 23 June 2017,
Australian Workers Union

Club Super investments

The following table illustrates the Funds' investments by asset class and fund managers at 30 June 2018.

Type of Asset	30 June 2018	
	\$ value of investments	% of total assets
Australian Equities		
Dalton Nicol Reid	36,617,998	6.46%
Solaris	46,072,962	8.13%
T.Rowe Price	38,794,650	6.85%
Vinva	25,141,526	4.44%
	146,627,136	25.88%
International Equities		
Emerging Market Share Trust*	17,215,742	3.04%
High Alpha Global Share Trust*	27,460,836	4.85%
Investec	54,672,977	9.65%
Vanguard	42,536,826	7.51%
	141,886,381	25.05%
Property		
ISPT	44,937,391	7.93%
QIC	20,127,882	3.55%
	65,065,273	11.48%
Growth Alternatives		
AMP	1,971,389	0.35%
Gardior	52,284,336	9.23%
Standard Life	5,802,805	1.02%
	60,058,530	10.60%
Defensive Alternatives		
Insight	14,641,047	2.58%
Vinva	15,580,747	2.75%
Wellington	23,544,864	4.16%
	53,766,658	9.49%
Fixed Interest		
Bentham	35,073,682	6.19%
Diversified Fixed Income Trust*	33,856,035	5.98%
The Super Loans Trust	66,066	0.01%
	68,995,783	12.18%
Cash		
Macquarie	11,298,864	1.99%
Cash and cash equivalents	18,829,778	3.33%
	30,128,642	5.32%
Other Investments	14,605	0.00%
Total investments:**	566,543,008	100.00%

* Investments are made via the JANA/MLC platform

** Total investments corresponds to the total of cash and cash equivalents, units in managed funds and mandates, and other investments in the Statement of Financial Position, with the following exceptions:

(i) Cash and cash equivalents in the above report does not include \$3,819,284 of operational cash held with NAB as it does not represent an investment of the Fund for Member Investment Choice (MIC) purposes.

(ii) The above total investments does not include \$1,426,758 of funds in Macquarie (included in units in managed funds and mandates in the Statement of Financial Position) as it represents cash put aside to comply with APRA operational risk financial requirements (ORFR), and does not form part of MIC investments.

Abridged financial information

The financial information below has been extracted from the Fund's unaudited 2017/18 accounts. The audit of the 2017/18 Financial Statements is planned to be completed by 30 September 2018 and will be available to members on request after that date.

Statement of Financial Position - as at 30 June 2018

	30 June 2018 \$	30 June 2017 \$
Assets		
Cash and cash equivalents	22,649,062	21,752,959
Receivables	14,025,423	1,971,436
Other interest bearing securities	-	4,000,000
Units in managed funds and mandates	549,125,383	512,837,419
Other investments	14,605	2,049
Total assets	585,814,473	540,563,863
Liabilities		
Benefits payable	1,737,821	503,744
Trade and other payables	1,411,537	2,540,078
Income tax payable	1,561,257	136,619
Deferred tax liabilities	8,031,770	6,228,356
Total liabilities excluding member benefits	12,742,385	9,408,797
Net assets available for member benefits	573,072,088	531,155,066
Member benefits		
Allocated to members	564,727,302	523,672,074
Unallocated to members	42,265	(325,222)
Total member liabilities	564,769,567	523,346,852
Net assets	8,302,521	7,808,214
Equity		
Investment Reserve	6,483,799	5,687,197
Administration Reserve	399,504	804,689
Operational Risk Financial Requirement Reserve	1,419,218	1,316,328
Total equity	8,302,521	7,808,214

Abridged financial information

Income Statement - for the year ended 30 June 2018

	30 June 2018 \$	30 June 2017 \$
Superannuation activities		
Interest	489,239	475,592
Other income	59,492	37,913
Dividend revenue	5,712,796	5,469,327
Distributions from managed funds and mandates	31,967,129	17,597,153
Changes in assets measured at fair value	17,502,878	38,716,687
Total superannuation activities income	55,731,534	62,296,672
Investment expenses	3,312,746	3,132,011
Administration expenses	4,731,464	5,355,519
Other operating expenses	2,022,543	1,894,036
Total expenses	10,066,753	10,381,566
Net results from superannuation activities	45,664,781	51,915,106
Operating results	45,664,781	51,915,106
Less: Net benefits allocated to members' accounts	43,694,619	50,117,524
Operating result before income tax	1,970,162	1,797,582
Income tax expense/(benefit)	1,475,855	1,500,731
Operating result after income tax	494,307	296,851

Statement of Changes in Member Benefits - for the year ended 30 June 2018

	30 June 2018 \$	30 June 2017 \$
Opening balance of member benefits	523,672,074	475,630,442
Contributions:		
Employer	37,002,086	38,052,480
Member	5,008,119	2,488,169
Transfer from other superannuation plans	13,737,894	12,551,806
Low income superannuation contributions	997,334	1,125,048
Income tax on contributions	(5,587,167)	(5,665,554)
Net after tax contributions	51,158,266	48,551,949
Benefits to members/beneficiaries	(50,710,497)	(46,757,943)
Insurance premiums charged to members' accounts	(8,406,282)	(9,129,898)
Death and disability benefits credited to members' accounts	5,319,122	5,260,000
Benefits allocated to members' accounts, comprising:		
Net investment income	46,225,027	52,899,588
Administration fees	(2,530,408)	(2,782,064)
Closing balance of members benefits	564,727,302	523,672,074

Important information

Temporary residents

If you work in Australia as a temporary resident and leave the country, you may be eligible to claim your superannuation benefit (less any tax) you accumulate while here.

This payment is called the Departing Australia Superannuation Payment (DASP). Australian and New Zealand residents are not eligible to claim a DASP.

You can claim your DASP if:

- You visited on an eligible temporary resident visa; and
- Your visa has ceased to be in effect (that is it has expired or been cancelled); and
- You have departed Australia

If you do not claim your DASP benefit within six months of departing Australia and your visa has ceased to be in effect, Club Super may be required to transfer your superannuation benefit to the Australian Taxation Office (ATO) as unclaimed money.

If Club Super transfers your DASP benefit to the ATO, then in accordance with relief provided by the Australian Securities and Investments Commission (ASIC), Club Super will not issue you with an exit statement.

If your DASP benefit is transferred to the ATO by Club Super, you may then claim your benefit directly from the ATO. The Trustee is required to provide you with information to assist you with this, and will endeavour to do so as soon as practicable after you contact us, and in any event within 1 month from that date.

Contributions Surcharge

The superannuation surcharge was abolished from 1 July 2005. No surcharge is paid on contributions or termination payments received after 1 July 2005.

However, any surcharge assessments issued by the Australian Taxation Office in respect of previous financial years will still apply. Any such assessments received, will be deducted from the account of the relevant member.

If you have any queries in relation to the contributions surcharge, contact the Fund for more information.

Crediting rate error policy

Club Super has a policy addressing when compensation will be applied, where an error occurs in the determination and application of crediting rates to exiting members.

In assessing the significance of the variation in the crediting rate(s) caused by the error, a materiality threshold of 0.20% has been set for the Cash investment option and 0.30% for all other investment options. If the above thresholds are exceeded, compensation will be paid to those exiting members for whom the impact of the error exceeds \$20. This threshold does not apply if the crediting rate error is due to a miscalculation of fees.

Ongoing members generally won't require cash compensation (nor will recovery be required), as the application of the corrected crediting rate(s) will apply after the end of the financial year, which will restore their account to the position it would have been in, had the error not occurred.

Further details can be found at clubsuper.com.au/members/what-we-offer/performance/investment-performance.

Indemnity Insurance

The Trustee maintains an insurance policy to protect itself and the Fund from certain claims for damages or compensation.

Enquiries and Complaints

If you are not happy with any aspect of your contact with Club Super and wish to make a complaint, you can do so in writing, over the phone or in person at the Club Super administration office. Complaints can be addressed to:

The Complaints Officer

PO Box 10726, Brisbane Adelaide Street QLD 4000

Or call: 1300 369 330 or;

Or email: info@clubsuper.com.au

The Trustee aims to resolve all complaints as soon as possible, but no longer than 90 days from the date of receipt. If you are dissatisfied with our handling of your complaint, or the Trustee's decision, or if the complaint is not resolved within 90 days, you may contact the Superannuation Complaints Tribunal (SCT).

The SCT will only consider your complaint once you have exhausted our internal complaint resolution procedures.

You can contact the SCT as follows:

Superannuation Complaints Tribunal

Address: Locked Bag 3060, Melbourne Vic 3001

Phone: 1300 884 114 (cost of local call)

Fax: (03) 8635 5588

Email: info@sct.gov.au

Website: sct.gov.au

The SCT will be replaced by the Australian Financial Complaints Authority (AFCA) from 1 November 2018. From that date, if an issue has not been resolved to your satisfaction, you can lodge a complaint with AFCA, who will provide a fair and independent complaint resolution service that is free to consumers. Further details on the operation of AFCA will be available on the Fund website before that date.

AFCA's contact details are:

Address: GPO Box 3, Melbourne Vic 3001

Phone: 1800 931 678

Fax: (03) 8635 5588

Email: info@afca.org.au

Website: afca.org.au

Advice and further information

The information provided by Club Super is of a general nature and does not take into account your individual financial situation, objectives or needs.

If you require such specific advice, you should contact a licensed Financial Adviser. Club Super may offer members access to financial advice in the areas of superannuation for retirement, investment risk profile, insurance products and salary sacrificing to superannuation. If you require advice in relation to these areas telephone Club Super on **1300 369 330** and ask to be referred to a Financial Adviser.

Further information about the Fund, the Licensee and the Trustee is available by contacting Club Super using the contact details provided or from the Fund's website, clubsuper.com.au. Upon request the Trustee will provide you with all of the information that the Trustee reasonably believes you would require to make an informed assessment about the management, financial condition and the investment performance of the Fund. The provision of some information may be subject to a charge.

Client Services Managers

It's always good to have face to face contact. That's why Club Super has Client Services Managers (CSMs) based in Brisbane, who travel throughout Queensland to service the needs of our members and employers. Their focus is on assisting members in getting the most out of their super, keeping employers up to date with changes in superannuation legislation and assisting members or employers with any issues relating to superannuation they may have.

All Club Super CSMs are qualified and are authorised to provide general financial advice about superannuation.

Our CSMs regularly visit clubs and provide member education sessions specifically designed to answer questions concerning Club Super and superannuation in general. CSMs are assigned to specific employers so members and employers are dealing with the same person.

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