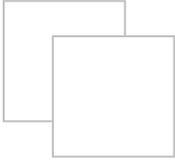


Annual Report to Members

2014

**Manildra Flour Mills Retirement Fund**



# Contact details

## Do you have any inquiries or need further information?

### Annual reporting to members

This Annual Report to Members and your Annual Member's Statement contain important information about the Fund and your personal benefits.

### Fund Benefits

Your benefits are described in the Product Disclosure Statement (PDS) that applies to your category of membership of the Fund. You can obtain a copy of the most recent PDS from the Fund website at <http://super.manildra.com.au> or from the Fund Secretary.

### Payroll Officer

If you have an inquiry regarding your super contributions, call or write to your Payroll Officer.

### Website

The new Fund website, <http://super.manildra.com.au>, contains detailed information on the fund, including:

- The latest Product Disclosure Statements and Annual Report to Members
- Recent investment returns
- Information about the Fund's directors and management
- Legal documents relating to the Fund and Trustee.

The website also contains the forms you need to:

- Apply for a retirement pension or a pre-retirement pension
- Apply for additional voluntary insurance
- Update your nominated beneficiaries for your death benefit
- Roll over money to the Fund from another superannuation fund, or
- Opt out of income protection insurance

## Manildra Flour Mills Retirement Fund

The Manildra Flour Mills Retirement Fund (ABN 32 448 411 930) is an employer-sponsored superannuation fund sponsored by the Manildra Group to provide superannuation benefits to its employees who are eligible to join the Fund.

### Trustee

Manildra Flour Mills Retirement Fund Pty Limited (ABN 74 065 680 195)  
6 Frank Street  
Gladesville NSW 2111

## Contact details

Please contact the Fund Secretary:

- if you have any questions on the Fund
- if you would like to see a copy of other Fund documents such as the Fund's full financial statements and audit report or
- if you want to lodge a complaint.

The Fund Secretary's contact details are:

Gilbert Bratby  
Fund Secretary  
Manildra Flour Mills Retirement Fund  
PO Box 72, Gladesville NSW 1675

Telephone: 02 9879 9800  
Facsimile 02 9879 5579  
Email: [manildra@manildra.com.au](mailto:manildra@manildra.com.au)



# Contents

- 1 Contact details**
- 3 Your Fund's investments**
- 4 Fund Crediting Rate**
- 5 Financial Summary**
- 6 Running the Fund**
- 8 Super law update**
- 8 Fund directory**

Dear Member

I am pleased to provide you with the 2014 Annual Report to Members.

This annual report provides information about the operation and management of your Fund. With this report, you will receive your Annual Member's Statement, which provides details of your personal superannuation position. The Trustee recommends strongly that you read this report and your benefit statement carefully so you fully understand the operations of the Fund and the benefits provided by the Fund.

From 1 July 2014, information about the Fund and copies of the latest Fund forms are available from the new Fund website at <http://super.manildra.com.au>.

The Fund continues to provide benefits to members for their whole lives. With our account-based pension facility, you can remain in the Fund after retiring. You can also receive a pre-retirement pension, giving you partial access to your superannuation savings while still employed. For more information, please read the Pension Product Disclosure Statement available from the Fund website or the Fund Secretary.

The Manildra Group continues to support the Fund by meeting all costs of running the Fund (other than investment management fees) plus insurance premiums for standard insurance cover in the Fund.

Investment management fees are deducted from the gross investment earnings of the Fund prior to setting the Fund's crediting rate. The investment management fee increased to 0.27% from 1 July 2014. This is equivalent to a fee of \$2.70 for every \$1,000 in your accounts—lower than the fees charged to members in most other funds. The increase reflects the greater proportion of Fund assets now invested in Australian and international shares (which have a higher management fee than other asset classes), not an increase in the fee rates paid to individual investment managers.

Insurance premiums are met by members for income protection insurance cover (other than for defined benefit members), and voluntary insurance cover for members who have chosen this insurance. Income protection insurance premiums will increase slightly from 1 July 2014. The new premium table is shown in [Part 2 of the Member Guide](#), available on the Fund website or from the Fund Secretary. While the size of the increase will depend on your age and sex, for most members the new premium will be around 2.7% higher than it would have been under the old scale.

Peter Stretton  
Chairman of the Trustee Board  
Manildra Flour Mills Retirement Fund

## At a glance

- The Fund Earning Rate credited to members' accounts for the year to 30 June 2014 was 10.4%.
- The Fund Earning Rate credited to pension accounts for the year to 30 June 2014 was 11.1%.
- At 30 June 2014, the Fund had 88 members and \$31.5 million net assets.

# your Fund's investments

## Investment results

The Fund's overall investment return (excluding pension assets) for the year to 30 June 2014 was 10.4% (after investment fees and tax). The Fund's overall investment return for pension assets for the year to 30 June 2014 was 11.1% (after investment fees; pension returns are tax-free).

The overall investment performance of the Fund's assets is regularly monitored by the Trustee. Properties held by the Fund are re-valued each year as at 30 June.

The following table shows the rates of net investment return earned by the Fund's investments for each of the ten years to 30 June 2014.

Fund Year	Actual Investment Return (after fees and taxes)	
	Accumulation assets	Pension assets
2004/2005	7.4%	n/a
2005/2006	7.1%	n/a
2006/2007	8.2%	n/a
2007/2008	-2.3%	n/a
2008/2009	-4.1%	n/a
2009/2010	7.5%	n/a
2010/2011	9.3%	n/a
2011/2012	1.7%	n/a
2012/2013	9.9%	10.7%
2013/2014	10.4%	11.1%

The Fund's compound average net investment return (excluding pension assets) for the five years to 30 June 2014 was 7.7% per annum after fees and taxes, and its compound average net investment return for the ten years to 30 June 2014 was 5.4% per annum after fees and taxes.

**Warning: past performance is not necessarily a guide to future performance**

## Investment objectives and strategies

The Fund's investment objectives and strategies take into account members' needs and expectations, the nature of the Fund's benefits, and that superannuation is a long-term investment. The objectives and strategies are set out below. They are subject to review from time to time.

### Investment objectives

#### Investment Return Objective

To achieve an investment return over rolling five year periods of 3% p.a. more than the annual rate of increase in the Consumer Price Index over the period.

#### Investment Risk Objective

To achieve a positive investment return sixteen out of twenty years on average over the long term.

## How has the Fund performed?

During the five years to 30 June 2014, the compound average net rate of return for the Fund was 7.7% p.a. This compares with a rate of increase in the Consumer Price Index (CPI) of 2.7% p.a. over the same period. Hence, the investment return objective of earning 3% above CPI over five-year periods (i.e. 5.7% p.a. over the 5 years to 30 June 2014) was achieved.

Although the Fund had negative investment returns in the years to 30 June 2008 and 30 June 2009, the investment risk objective (i.e. positive investment return sixteen out of twenty years on average) has been achieved over the past decade.

## Long-term investment strategy

The Fund's long term strategic asset allocation, as amended from 3 June 2014, is summarised in the table below. From that date, the strategic allocation to direct property reduced from 30% to 25% of Fund assets, while the strategic allocation to Australian shares increased from 35% to 40% of Fund assets. Currency exposure remains at the discretion of the Trustee from time to time, but with a long term expectation that 50% of the International Shares portfolio will be hedged.

Benchmark portfolio and asset allocation			
Asset classes	Asset allocation as at 30 June		
	2013	2014	Strategic allocation (allowable ranges where applicable)
Australian shares	32%	40%	40% (20%-50%)
International shares	13%	17%	15% (5%-20%)
Direct property	27%	22%	25% (10%-30%)
<b>Total growth assets</b>	<b>72%</b>	<b>79%</b>	<b>80%</b>
Fixed interest	12%	13%	15%
Cash and short-term deposits	16%	8%	5%
<b>Total defensive assets</b>	<b>28%</b>	<b>21%</b>	<b>20% (10%-50%)</b>
<b>Total assets</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Investment managers

The Trustee manages the direct property investments of the Fund. The Trustee uses professional investment managers to invest all other types of investments and regularly monitors their performance, as well as the Fund's overall performance.

The Fund's investment managers during the year ended 30 June 2014 were:

- Ibbotson Associates Australia Limited, which manages a proportion of the Fund's investments in Australian Shares and Australian Bonds;
- Vanguard Investments Australia Ltd, which manages a proportion of the Fund's investment in Australian Shares and all of the Fund's investment in International Shares;
- Citibank, which manages part of the Fund's Fixed Interest and Cash investments; and
- ANZ, which manages the Fund's bank account.

Approximately half of the International Shares component of the Fund is invested in an unhedged index fund while the other half is invested in a hedged (against currency movements) index fund.

The arrangements the Trustee has with the investment managers permit the use of derivative securities to take advantage of market opportunities. Derivatives however cannot be used to gear the Fund's investment portfolio.

## Major assets

The Fund's investments as at 30 June 2014 were:

- ANZ bank account of \$1.23m (4% of assets)
- Term deposits with Citibank of \$2.29m (7%)
- Ibbotson Australian Shares Active Trust units of \$5.99m (19%)
- Ibbotson Australian Bonds Trust units of \$3.13m (10%)
- Vanguard Australian Shares Index Fund units of \$6.83m (21%)
- Vanguard International Shares Index Fund (Unhedged) units of \$2.82m (9%)
- Vanguard International Shares Index Fund (Hedged) units of \$2.68m (8%)
- Property at Bomaderry (Lot 23 DP 811233) of \$1.23m (4%)
- Property at Bomaderry (Lot 4 DP 1109510) of \$1.30m (4%)
- Other properties of \$4.46m (14%)

During the year, the Fund sold a property at Nowra, for a total of \$430,000.

## Reserves

As required by superannuation law, the Trustee maintains an Operational Risk Reserve which may be called upon to rectify any losses caused by an "operational risk event", as defined in APRA Superannuation Prudential Standard 114.

This reserve was created on 1 July 2013 and is maintained in accordance with the Trustee's Operational Risk Financial Requirements Strategy.

The initial reserve balance was transferred from unallocated monies held within the Fund. Setting up the reserve has not affected members' benefit entitlements.

The reserve is intended to hold approximately 0.25% of funds under management, but may vary between 0.20% and 0.30%. These levels may be changed by the Trustee from time to time based on the needs of the Fund.

Operational Risk Reserve	
1 July 2014	\$80,016
1 July 2013	\$69,116
1 July 2012	n/a (reserve not yet established)

# crediting rates

## Fund crediting rate

The Fund Crediting Rate is the rate of return credited at 30 June each year to your contribution account, employer contribution account, surcharge account and rollover account. It is equal to the actual investment earning rate for the year (after investment fees and taxes).

The Fund Crediting Rate for 2013-14 is 10.4%.

Table 1 below shows the declared Fund Crediting Rate (excluding pension accounts) for the last ten years:

**Table 1: Superannuation Fund Crediting Rate**

Fund Year	Actual Net Investment Return	Fund Crediting Rate*
2004-05	7.4%	11.6%
2005-06	7.1%	8.2%
2006-07	8.2%	7.6%
2007-08	-2.3%	-0.2%
2008-09	-4.1%	-4.1%
2009-10	7.5%	7.5%
2010-11	9.3%	9.3%
2011-12	1.7%	1.7%
2012-13	9.9%	9.9%
2013-14	10.4%	10.4%

\*Prior to January 2008, the Fund's investment returns were "smoothed" from year to year. As a result, in that period, in some years the crediting rate was lower than actual investment returns and in other years it was greater.

The compound average Fund Crediting Rate for the five years to 30 June 2014 was 7.7% per annum and the compound average Fund Crediting Rate for the ten years to 30 June 2014 was 6.1% per annum after fees and taxes.

Table 2 below shows the declared Fund Crediting Rate for pension accounts for the period since the first pension was commenced in the Fund:

Fund Year	Fund Crediting Rate = Actual Net Investment Return
2012-13	10.7%
2013-14	11.1%

The crediting rates shown in Table 2 for pension accounts are different from the rates in Table 1 above, as investment returns for pension assets are tax-free.

## Interim crediting rate for benefit payments

For benefit payments, investment earnings will be included in the benefit payment using an estimate of the actual rate earned on Fund assets for the period from 1 July 2014 to the date of payment.

This rate may be positive or negative.

# financial summary

## Security of your benefits

The Fund must have an actuarial investigation every three years. In this investigation, the Fund's Actuary reviews the financial position of the Fund.

The last actuarial valuation was completed as at 30 June 2012 and the Fund's Actuary found that, as at that date, the Fund was in a sound financial position with assets sufficient to pay all members their vested benefits, although there was a deficit in respect of the value of accrued benefits at the valuation date. The Manildra Group has paid additional contributions to fund this deficit. The Fund's Actuary has advised the Trustee that there is now a small surplus of assets over the value of accrued benefits as at 30 June 2014.

The next full actuarial review is due as at 30 June 2015.

## Changes in net assets for the year ended 30 June 2013

	\$'000	\$'000
<b>Net assets available to pay benefits as at 30 June 2012</b>		<b>23,743</b>
<i>plus</i>		
Investment income	2,661	
Contributions	2,403	
Rollovers	0	
Insurance claim	0	
<b>Total revenue</b>		<b>5,064</b>
<i>less</i>		
Administration and other expenses	251	
Insurance expense	112	
Benefits paid	716	
Income tax expense	479	
<b>Total expenditure</b>		<b>1,558</b>
<i>equals</i>		
<b>Net assets available to pay benefits as at 30 June 2013 (including operational risk reserve)</b>		<b>27,249</b>

## Summary of net assets as at 30 June 2013

	\$'000	\$'000
Investments	25,238	
Cash at bank	2,234	
Sundry debtors and prepayments	167	
Future income tax benefit	7	
<b>Total assets</b>		<b>27,646</b>
<i>less</i>		
Benefits payable	0	
Sundry creditors and accruals	58	
Income tax payable	99	
Provision for deferred income tax	240	
<b>Total liabilities</b>		<b>397</b>
<i>Equals</i>		
<b>Operational risk reserve</b>		<b>69</b>
<i>plus</i>		
<b>Net assets available to pay benefits as at 30 June 2013</b>		<b>27,180</b>
<b>Total</b>		<b>27,249</b>

## Changes in net assets for the year ended 30 June 2014

	\$'000	\$'000
<b>Net assets available to pay benefits as at 30 June 2013</b>		<b>27,249</b>
<i>plus</i>		
Investment income	3,063	
Contributions	2,686	
Rollovers	531	
Insurance claim	409	
<b>Total revenue</b>		<b>6,689</b>
<i>less</i>		
Administration and other expenses	296	
Insurance expense	114	
Benefits paid	1,519	
Income tax expense	502	
<b>Total expenditure</b>		<b>2,431</b>
<i>equals</i>		
<b>Net assets available to pay benefits as at 30 June 2014 (including operational risk reserve)</b>		<b>31,507</b>

## Summary of net assets as at 30 June 2014

	\$'000	\$'000
Investments	30,731	
Cash at bank	1,229	
Sundry debtors and prepayments	38	
Future income tax benefit	8	
<b>Total assets</b>		<b>32,006</b>
<i>less</i>		
Benefits payable	0	
Sundry creditors and accruals	60	
Income tax payable	33	
Provision for deferred income tax	406	
<b>Total liabilities</b>		<b>499</b>
<i>Equals</i>		
<b>Operational risk reserve</b>		<b>80</b>
<i>plus</i>		
<b>Net assets available to pay benefits as at 30 June 2014</b>		<b>31,427</b>
<b>Total</b>		<b>31,507</b>

This is a summary of the Fund's draft financial statements for the year ended 30 June 2014 and audited financial statements for the year ended 30 June 2013. The draft financial statements have not yet obtained audit clearance; final audited financial statements for the year ended 30 June 2014 are expected to be available by the end of October. If you would like a copy then please call the Fund Secretary.

# running the Fund

## Your Trustee Directors

The Fund is managed by the Fund's Trustee, a company called the Manildra Flour Mills Retirement Fund Pty Limited. The Trustee company has four Directors – two elected by members and two appointed by the Company.

The Directors during the year ended 30 June 2014 were:

### Member-elected (re-appointed on 1 July 2013)

Peter Stretton      Gilbert Bratby

### Appointed by the Company

John G Honan      Mark Andrews

Nicholas Barda is an alternate director for Peter Stretton and Peter Simpson is an alternate director for Gilbert Bratby. If a director is unable to perform his duties as a director (e.g. to attend a meeting), then his alternate director can act in his place.

More details on the Trustee Board is available from the Fund website, <http://super.manildra.com.au>.

Member Elected Directors are elected by members by secret ballot each three years. In accordance with the Rules for the Election of Member Elected Directors, the two candidates who receive the highest number of votes are elected for a three year term from the following 1 July.

The next election for Member Elected Directors will be held in May/June 2016. A copy of the Rules for the Election of Member Elected Directors is available from the [Fund website](#) or from the Fund Secretary.

At the date of this report, the Trustee had trustee indemnity insurance in place.

## Trust deed amendments

The Trust Deed is the legal document governing the Fund. The Deed was amended on 27 August 2013 to:

- introduce Income Protection benefits for accumulation members (not available to retirement pensioners)
- allow the Fund to accept Government Low Income Superannuation Contributions and
- remove the requirement for employer approval for early retirement benefits between ages 55 and 59.

A copy of the Trust Deed is available from the [Fund website](#).

## Compliance with the law

The Fund is administered at all times to comply with its Trust Deed and superannuation legislation.

The Trustee has lodged all necessary returns with the Australian Prudential Regulation Authority (APRA) up to and including the year ended 30 June 2013. The return for the year ended 30 June 2014 will be lodged by the due date.

## Enquiries and complaints

The Trustee has procedures in place to deal with enquiries and complaints from members and beneficiaries.

### How do you make an enquiry?

Contact the Fund Secretary. See contact details on page 1.

### How do you lodge a complaint?

All complaints should be submitted in writing to the Fund Secretary. See contact details on page 1.

Your complaint will be considered as soon as possible and you will receive a written response (usually within 5 working days).

More details on the Trustee's formal Enquiries and Complaints Procedure is available from the Fund's [website](#) or from the Fund Secretary.

Under superannuation legislation, the Trustee must take all reasonable steps to ensure that there are arrangements to deal with enquiries or complaints within 90 days. If your complaint has not been resolved within 90 days or you are not satisfied with the Trustee's decision, you may be able to lodge a complaint with the Superannuation Complaints Tribunal (SCT):

Superannuation Complaints Tribunal

Locked Bag 3060

MELBOURNE VIC 3001

Telephone 1300 884 114

[info@sct.gov.au](mailto:info@sct.gov.au)

[www.sct.gov.au](http://www.sct.gov.au)

The SCT is an independent body set up by the Federal Government to help members and beneficiaries to resolve certain superannuation complaints.

The SCT may be able to help you resolve your complaint, but you must first lodge your complaint with the Trustee.

If the SCT accepts your complaint it will attempt to resolve it through conciliation. If conciliation is not successful, the SCT has the power to make a determination which is binding on you and the Trustee.

### Time limits

There is no time limit for complaints to the SCT about most trustee decisions. However, time limits do apply to making complaints to the SCT in relation to death and total and permanent disablement (TPD) benefits.

The SCT can only deal with a complaint relating to a trustee decision on a TPD benefit:

(a) if you permanently ceased employment because of the physical or mental condition that gave rise to the claim for the TPD benefit, if both of the following apply:

- you claim a TPD benefit from the Fund within two years of permanently ceasing employment (the date your employment is formally terminated rather than the last day you are able to work); and
- you lodge your complaint with the SCT within four years of the Trustee's original decision on your claim. (Even if the Trustee is still reviewing your claim and considering new evidence, you must complain to the SCT within four years of the original decision.) or

(b) if you did not permanently cease employment because of the physical or mental condition that gave rise to the claim for the TPD benefit, if you lodge your complaint with the SCT within six years of the Trustee's original decision on your claim.

The Tribunal can only deal with a complaint relating to the payment of a death benefit if you object to the Trustee's initial proposal for the distribution of the benefit within 28 days and you lodge your complaint with the Tribunal within 28 days after the Trustee considers your objection and advises you of its final decision.

## **Protecting your privacy and the Fund's privacy statement**

Privacy legislation provides members with protection relating to the management of their personal information.

The legislation sets out thirteen Australian Privacy Principles (APPs) which cover how personal information should be managed. The Trustee is committed to protecting your privacy and managing personal information held on you in accordance with the APPs and the Fund's Privacy Policy.

### **What information is held on you and why?**

The Trustee obtains and holds personal information on members including their name, address, work place, date of birth, salary, contributions, tax file number, marital status and nominated beneficiaries.

This personal information is provided by you and your employer and is required so that the Trustee can administer the Fund in accordance with the Trust Deed and superannuation legislation. It is used by the Trustee for purposes such as calculating benefits, issuing benefit statements and paying benefits.

Sensitive information such as health information is collected, but only if it is essential, such as in relation to underwriting or claims for insured benefits.

If the Trustee is not able to collect or obtain essential information it may not be able to calculate your benefits in accordance with the Fund's Trust Deed and superannuation legislation.

### **Can my personal information be disclosed to other parties?**

To administer the Fund, the Trustee uses various organisations and people and, where appropriate, has to disclose personal information to them. They include:

- the Trustee's service providers including administrators, insurers, actuary, legal advisers, auditors, medical advisers and other consultants
- employers for the purpose of verifying information and updating records
- Government bodies including the ATO, APRA, ASIC and the Superannuation Complaints Tribunal
- other superannuation funds when transferring benefits
- potential beneficiaries if required by law
- other parties if required by law, courts or tribunals.

### **Accessing and correcting your personal information**

Most personal information held on you is shown on your Annual Benefit Statement. However, you can ask for details of the personal information held by contacting the Fund Secretary. If any personal information held is not correct, please advise the Fund Secretary in writing.

### **More information?**

Contact the Fund Secretary if you have queries or concerns. The Fund's [Privacy Policy](#) is available from the Fund's website or from the Fund Secretary..

## **Claiming your benefits and the Fund's ERF**

When the Trustee has been advised that you have left your employer, you will receive a letter from the Fund advising your benefit entitlements, together with a form for you to advise how you would like your benefit paid (e.g. as a Fund pension, a rollover to another superannuation fund, or in cash if permitted).

For some of us superannuation is a complex subject. If you are unsure, the Trustee recommends you seek professional advice on how and where your benefit should be paid.

If you do not provide instructions to the Fund on where you would like your benefit paid within three months of being advised of your benefit entitlements, your benefit will be transferred to an Eligible Rollover Fund (ERF).

### **What is an ERF?**

An ERF is a fund declared by the Australian Prudential Regulation Authority as eligible to receive superannuation benefits which cannot be paid because the member cannot be located or the benefit has not been claimed. ERFs are subject to regulatory supervision.

### **Which ERF does the Fund use?**

The ERF selected by the Fund's Trustee for payment of unclaimed benefits is the AMP Eligible Rollover Fund. Its contact details are:

AMP Customer Service Centre  
PO Box 300, PARRAMATTA NSW 2124  
Phone: 131 267  
[www.amp.com.au/erf](http://www.amp.com.au/erf)  
[polinfo@amp.com.au](mailto:polinfo@amp.com.au)

Once your benefits have been paid to the ERF, you will no longer be a member of the Fund and so will cease to have any rights under the Fund. You will not be entitled to any death or disability benefit from the Fund. The ERF is not related to the Fund.

The AMP Eligible Rollover Fund does not provide insurance cover and fees will be deducted from your account. The investment strategy may not also be appropriate for you and the rate of interest credited to your account may be zero. You should take this into account if you decide not to advise the Trustee how you would like your benefit paid.

## **Preservation**

All new superannuation contributions made by or on behalf of members must be preserved in the Australian superannuation system. See your Member's Annual Statement for more details, including the amount of your benefit that must be preserved.

The amount of any non-preserved benefits which you held in the Fund at 30 June 1999 has been fixed as a dollar amount. This amount will remain accessible as cash when you leave the Fund.

Except under a few limited circumstances (e.g. death and permanent disability) preserved amounts cannot be taken in cash until you have reached your preservation age and retire from the work force. Your preservation age depends on when you were born, as follows:

<b>If you were born</b>	<b>Preservation Age</b>
Before 1/7/1960	55
1/7/1960- 30/6/1961	56
1/7/1961-30/6/1962	57
1/7/1962-30/6/1963	58
1/7/1963-30/6/1964	59
1/7/1964 or after	60

# super law update

## Important Thresholds for 2014-15

Contribution limit (cap) for concessional contributions (i.e. salary sacrifice or employer superannuation contributions)	\$30,000 (aged under 49 years) \$35,000 (aged 49 years or over on 30 June 2014)
Contribution limit (cap) for non-concessional contributions (e.g. after-tax personal contributions)	\$180,000
Co-contribution thresholds	Maximum entitlement \$500 Lower income threshold \$34,488 Higher income threshold \$49,488
Tax-free threshold for benefits <i>Note: most benefits paid after age 60 are now tax-free; this limit applies to the taxable component of any benefits paid between your preservation age and age 60.</i>	\$185,000

## Superannuation Changes

### Increases in superannuation guarantee rates

The employer superannuation guarantee (SG) contribution rate increased on 1 July 2014 to 9.5% and will increase further to 12% of your salary over the next few years as shown in the following table. This timetable has changed from the previously announced timetable.

Year	SG rate
2014-15	9.5%
2015-16	9.5%
2016-17	9.5%
2017-18	9.5%
2018-19	9.5%
2019-20	9.5%
2020-21	9.5%
2021-22	10%
2022-23	10.50%
2023-24	11%
2024-25	11.50%
2025-26 onwards	12%

### Increases in Medicare levy

The Medicare levy increased from 1.5% to 2.0% on 1 July 2014. This will affect the tax paid on superannuation lump sum and income benefits paid before age 60, as well as the penalty tax on excess contributions.

### Temporary increase in top marginal tax rate

The top marginal rate of personal income tax has been increased by 2% from 45% to 47% (plus Medicare levy) for the period 1 July 2014 to 30 June 2017. A similar increase also applies to various superannuation taxes, including a 2% increase in tax paid on excess non-concessional contributions, a 2% increase in tax paid on contributions made for members who have not provided the Fund with their TFN, and a 3% increase in tax on benefits paid to temporary residents leaving Australia permanently.

### Transfers to and from New Zealand KiwiSaver accounts

Australian law now permits superannuation funds to receive transfers from New Zealand KiwiSaver accounts and to transfer superannuation benefits to KiwiSaver accounts, subject to certain special rules. At this stage, the Fund has not changed its Trust Deed to allow these transfers. If the ability to transfer your NZ KiwiSaver account to the Fund would be of interest to you, please advise the Fund Secretary.

### Time limits for complaints

Time limits have been extended for superannuation fund members to lodge complaints with the Superannuation Complaints Tribunal in relation to death or TPD benefits. The new limits are described on page 6 of this report.

## Service providers

The following people and organisations are involved with the management of the Fund.

### Handling of general enquiries

The Fund Secretary  
Gilbert Bratby  
02 9879 9800

### Actuary

Peter May  
Professional Financial Solutions  
Pty Limited

### Administration services

Professional Financial Solutions  
Pty Limited

### Auditor

Ernst & Young

### Insurance broker

Gow-Gates Financial Services  
Pty Limited

### Insurer

Metlife Insurance Limited