



ANNUAL REPORT
2011



Always for you

mercy
super

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This is the Annual Report of Mercy Super, ABN 11 789 425 178, for the year 1 July 2010 to 30 June 2011, prepared and issued 23 September 2011.

The Trustee of the Fund is Mercy Super Pty Ltd, ABN 98 056 047 324. Mercy Super Pty Ltd is Corporate Authorised Representative No. 268897 and is authorised to provide general financial product advice in relation to superannuation under Australian Financial Services Licence No. 238507, and is a Registered Superannuation Entity (RSE Licence L0001359 and RSE Registration R1004311).

This Annual Report contains general information and does not take into account your personal objectives, financial situation or needs. Before deciding whether to act on any information given in this Report, it is important that you consider the appropriate Member Booklet (also known as a Product Disclosure Statement), having regard to your own particular situation. Please contact the Fund if you wish to obtain a copy of the Member Booklet.

A message from Sr Sandra Lupi

SHARED PRINCIPLES LEAD TO MUTUAL SUCCESS

2011 marks 150 years of the Sisters of Mercy in Queensland. During this period, we have pursued our ideal of participating in God's mission of mercy to bring about a more just and compassionate world. Together with our partners in ministry, we work to realise the vision of our founders, Catherine McAuley and Ellen Whitty, in our time and place. We endeavour to develop collaborative relationships and processes so as to continue the Mercy tradition of service in sustainable ways.

“The success of the Fund over this time is a reflection of its principle of always putting members first.”

As Sisters of Mercy celebrates its 150th anniversary, it is fitting that we acknowledge the role played by our colleagues at Mercy Super in upholding the values of our organisation. In working to fulfil the vision of our founders, the Sisters of Mercy has enjoyed the support of Mercy Super in promoting our guiding spirit of empathy, professionalism and trust.

Mercy Super also celebrates a significant milestone next year when it will have been supporting the financial security of its members for fifty years.

The success of the Fund over this time is a reflection of its principle of always putting its members first. This focus on understanding and responding to the needs of members underpins all aspects of the Fund's activities.

The Sisters of Mercy continue to be proud of our association with Mercy Super – a superannuation provider that genuinely believes in living up to its promise of *Always for you*.



Sandra Lupi Rsm
Congregation Leader
Sisters of Mercy, Brisbane

Chairman's Report – Dr John O'Donnell

MERCY SUPER PREPARES TO MARK FIFTY YEARS OF PROUD SERVICE TO MEMBERS

The legislation that underpins the future financial security of most Australians is now twenty years old. The Superannuation Guarantee was introduced in 1991 and led to a revolution in how people plan and save for their retirement. It also led to the enormous growth of many of today's best known super funds. As these funds celebrate their achievements over the last twenty years, I am extremely proud to be associated with a superannuation fund that in 2012 will have been looking after its members for fifty years.

The last fifty years have seen enormous growth in Mercy Super, both in the amount of retirement savings we look after, and the number of members we serve.

“I am extremely proud to be associated with a superannuation fund that in 2012 will have been looking after its members for fifty years.”

We have also seen an incredible increase in the range of benefits and services provided. All of these developments have been driven by our commitment to improve the financial security of our members and to put their needs first; a commitment that started almost thirty years before superannuation became a compulsory part of the financial landscape.

“...by our commitment to improve the financial security of our members and to put their needs first.”

We have of course faced some challenges during our long history, perhaps none more testing than the traumatic year in which Queenslanders experienced a series of devastating natural disasters taking place and the recent turmoil on global financial markets and its impact on short term investment performance.

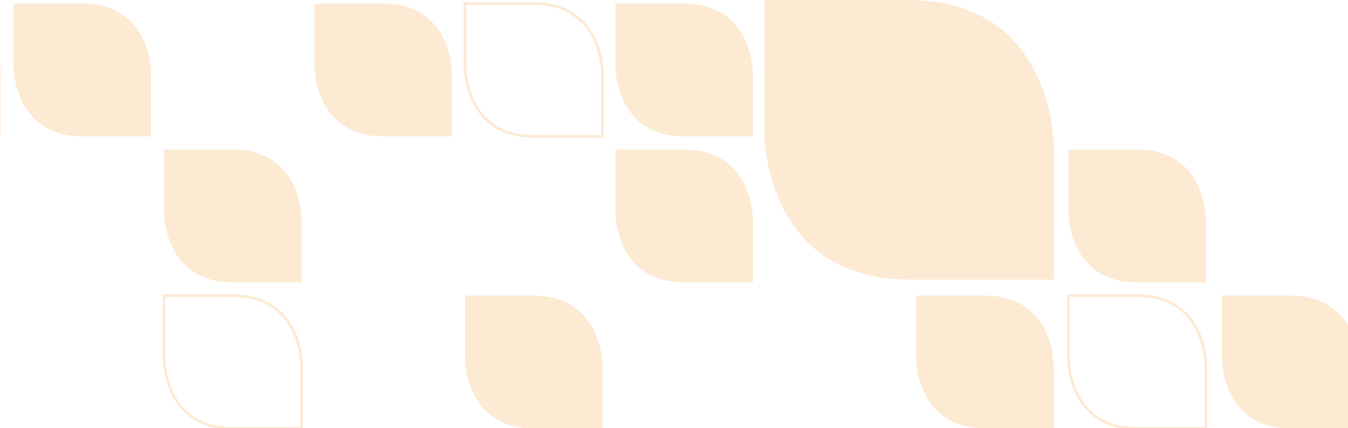
Just as we have always done, the Fund will work with our advisors and partners to develop strategies to meet and overcome these challenges.

As we contemplate our fiftieth anniversary, it is appropriate to remember that superannuation is a

long term investment and that funds like ours need to adopt a philosophy that reflects this focus. It is difficult not to become mesmerised by the endless stream of financial data that pours forth in the media. While we encourage members to take an active interest in their Fund, it is important to be able to see through the constant 'noise' to understand how a strategy is performing in the longer term.

As history continues to remind us, economic activity occurs in cycles. What seems devastating over the course of a few months or a year or more becomes just another 'blip' when seen in the context of a lifetime of retirement saving. Even the havoc wrought by the GFC will eventually be repaired and the concerns it naturally caused will fade. After nearly fifty years in the 'business', Mercy Super understands this better than most.

The last year has seen two important developments in our commitment to serving the needs of our members. The appointment of a full-time Client Account Manager will enable us to better understand those needs and to respond to them. We also now have our own dedicated financial planner within the Industry Fund Financial Planning organisation. This person is available to assist Mercy Super members with their retirement planning needs.



I encourage you to take advantage of this opportunity to access personalised, professional advice about how best to secure your financial future.

As always, I take pleasure in thanking my fellow Board members and the Mercy Super Management and Client Service team for their efforts during this and previous years. To thrive as we have done over such a long time requires hard work, dedication and commitment. These are qualities our team has in abundance. I am also pleased to offer the Fund's sincere best wishes to our partners, the Sisters of Mercy, on the occasion of their 150 years of dedicated service to the people of Queensland. Our shared values have been the foundation of the success enjoyed by both organisations and those we serve.

I have no doubt that by remaining committed to our founding principle of putting the needs of members first, Mercy Super will continue to build on its proud history. It is a privilege to serve as your Chairman as we approach the milestone of fifty years of being *Always for you*.

“...sincere best wishes to our partners, the Sisters of Mercy on the occasion of their 150 years of dedicated service to the people of Queensland.”



Dr John O'Donnell
Chairman
Mercy Super Pty Ltd

Your Trustee Board

In accordance with Government requirements, the Trustee of Mercy Super is a company, Mercy Super Pty Ltd, ABN 98 056 047 324. The board of Mercy Super Pty Ltd has six directors, three of whom are appointed by the Principal Employer, the Corporation of the Trustees of the Order of the Sisters of Mercy in Queensland, and three elected by Fund members for a term of five years.

There was no change to the Board over the last financial year. The current Directors are shown here on the right.

The current term for member elected Directors expires on 30 June 2012. We will be in touch with you during the early part of 2012 with full details about the process for nominating and electing member appointed Directors.

The Trustee is responsible for managing the Fund and overseeing its investments on behalf of all members, in accordance with the Trust Deed and relevant legislation. There were no penalties imposed on the Trustee under relevant legislation during the year.

Member Elected



Mr Chris Beilby



Ms Cheryl Clayton



Dr John Hinds

Employer Appointed



Dr John O'Donnell
(Chairman)



Mr Brendan O'Farrell
(Deputy Chairman)



Mr Chris Townend

Your Mercy Super Team – Always for you



Standing (L-R): Scott Bambling, Allan Davey, Chris Engelhardt, Trudy Conroy-Rogers, Kelvin Faichney, Felecia Steel.
Seated (L-R): Christabel Bartlett, Stacy Florence, Tricia Cuskelly, Cheryl Haines.
Absent: Rhonda Paterson

The Mercy Super Team is here to help you with up to the minute information about your Fund and personalised service. As members themselves, they understand the importance of high quality and service when looking after one of your most valuable assets.

In person: **Whitty Building**
Mater Health Services
Raymond Terrace
South Brisbane QLD 4101

By email: information@mercysuper.com.au

By phone: **(07) 3163 8867 / 1300 368 891**

“Your Mercy Super team are proud of the personalised service they provide for you.”

Whatever your stage of life, Mercy Super has been and will continue to be – *Always for you.*

Mercy Super – Always for you

Mercy Super exists solely for the benefit of its members. That's why our guiding principle is 'Always for you.' In support of this ideal, we are always looking for ways to increase our understanding of your needs and to provide an extra level of benefits, service and value to meet those needs. Some of these 'extras' are listed below.

Most importantly, we believe that having entrusted to our care an asset as valuable as your retirement savings, you deserve the best possible service we can provide. Our Trustee Board and Management and Client Service teams are all dedicated to being *Always for you*.

WHO PROFITS?

You and only you! Mercy Super's fee structure charges you only what it costs to run the Fund. There are no dividends paid to shareholders and no commissions paid to advisors or service providers. Any fees collected in excess of the amount required to meet running expenses are effectively reinvested in the Fund for the benefit of members.

STAYING IN TOUCH

As well as this Annual Report, Mercy Super publishes a number of newsletters throughout the year to help you keep in touch with the latest developments in superannuation and the Fund in general. We also hold regular workplace seminars on superannuation strategies where you can meet our Client Account Manager and other key members of our Client Service Team face to face for a more personalised discussion.

The Mercy Super website is also something to keep an eye on for the latest fact sheets, forms, Member Booklets, market research and industry news updates.

GOOD ADVICE WHEN YOU NEED IT MOST

Your super is, or one day will be, one of your biggest monetary assets. As such, it is a cornerstone of your future financial security. It makes sense therefore to get the maximum possible value out of your super benefit. One of the best ways of doing this is getting sound, professional financial advice. Through the marvel of compounding investment earnings, any improvements you make today can pay off many times over in years to come.

To provide easy access to financial advice, we are pleased to make available the services of Industry Fund Financial Planning Ltd (IFFP)*, (AFSL 232514) to Mercy Super members. IFFP now have a financial planner available to assist our members with their retirement planning needs. IFFP is a non-profit organisation and IFFP planners receive no commissions. To make an appointment with Mercy Super's very own IFFP financial planner, call on (07) 3163 8867.



Cheryl Haines
Financial Planner
Industry Fund Financial Planning

A BONUS YOU CAN BANK ON

As a Mercy Super member you can take advantage of our partnership with ME Bank* (AFSL 229500) to access a range of low cost banking products, including:

- Home Loans
- Credit Cards
- Everyday banking and savings accounts
- Personal loans
- Business loans

You can find out more about these products and obtain an obligation free comparison by calling ME Bank on 1300 654 997.

* ME Bank and IFFP are services offered by an organisation other than Mercy Super. IFFP and ME Bank have their own conditions of service and fee structure. The Trustee of Mercy Super is not responsible for the services provided.



**INDUSTRY FUND
FINANCIAL PLANNING**

fee for service - no commissions



At a glance

- As a Mercy Super member you can be assured you will have access to sound financial advice.
- You can take advantage of our partnership with ME Bank.
- You get access to a range of low cost banking products and services.
- We are here for you and only you.

Insurance – what’s the big deal?

It is important to think about insurance cover as part of your total financial arrangements. Imagine for a minute what it would be like if you were off work for an extended period because of sickness or injury. Or worse, how would your family cope with your unexpected death or total and permanent disablement? How will you or they pay the bills? Will you or they have enough? More often than not, these will be times of uncertainty.

The Fund's insured benefits are specifically designed to provide you with a simple, low-cost alternative when it comes to protecting you and your family should you die or become disabled. As a Fund member, if you take up this cover:

- You are covered 24 hours a day, seven days a week, whether you are at work, at home or on holiday – **giving you peace of mind**;
- You have the **flexibility** of choosing the right level of cover for your needs, which is an important consideration as our circumstances can change rapidly. This means it is essential you periodically review how much cover you have to ensure it is enough to meet your needs now and in the future; and
- You have the **security** of knowing that you will be covered by a comprehensive insurance product, provided to the Fund by one of Australia's most respected insurers, MLC Ltd.

At a glance

- It is important to think about insurance cover as part of your total financial arrangements.
- Premiums are deducted directly from your superannuation account so you don't have to 'find' extra money to cover them.
- It makes even more sense to protect your most important assets – you and your family.

WHY INSURE WITH MERCY SUPER?

- The bulk buying power of the Fund means we can generally negotiate lower premiums and higher benefits than you will be able to find as an individual;
- Cover is flexible and completely voluntary. If you elect to take out insurance, you can choose life only or life and total and permanent disablement cover;
- You can also include income protection cover to maintain your earnings if sickness or an accident prevents you from working;
- Standard cover is available without medical evidence provided you meet basic eligibility criteria. You normally won't be refused cover or have to pay extra premiums because of past health problems;
- You can apply for additional cover if required, subject to satisfactory medical assessment;
- Cover increases, without medical evidence, are available on special events such as your marriage or the birth of a child, meaning your cover can keep up with your changing needs; and
- Premiums are deducted directly from your superannuation account so you don't have to 'find' extra money to cover them.

The above is only a summary of the insurance benefits available to Mercy Super members. For full details, please read the Member Booklet (also known as the Product Disclosure Statement) for your membership category and the Policy documents issued by MLC.

Income Streams – helping your super last a lifetime

Australians have traditionally adopted a 'take the money and run' approach to their superannuation. On reaching retirement, many succumb to the temptation to grab the lump sum benefit on offer and put it to a variety of uses. Sadly, many of us may not have the skills, knowledge or discipline to use this once in a lifetime windfall wisely. All too often the money is soon gone and they are forced to rely on social security to supplement their retirement income. Fortunately, there is a better way...

A Mercy Super Income Stream account allows you to maintain the benefits of Fund membership into your retirement and can help make your superannuation benefit literally last a lifetime.

Converting your superannuation retirement benefit to a Mercy Super Income Stream account means:

- You control how much or how little you draw from your savings each year (subject to Government minimum and maximum requirements);
- Depending on your age, your Income Stream payments are subject to generous tax concessions or are tax free;
- Ongoing investment earnings are tax free, helping to preserve and even grow your account long after contributions have ceased;
- Your savings continue to be managed by investment professionals backed by quality research and market intelligence;
- You can choose how your savings are invested to maximise growth or minimise risk according to your needs;
- With a Pre-retirement Income Stream, eligible members can even start drawing an income before they leave the workforce to help smooth their transition to retirement; and
- Any residual benefit after your death is available to your dependents.

The above is only a summary of the benefits available to Mercy Super Income Stream account members. For full details, please read the Income Stream Member Booklet (also known as the Product Disclosure Statement).



At a glance

- The Fund has two financial products that allow members to access their superannuation benefits in the form of an income stream. They are known as Account Based Income Stream accounts and Pre-retirement Income Streams.
- You can make a difference to your retirement by commencing an Income Stream - which could allow you to benefit from favourable Centrelink means test treatment, pay less tax and have more money to live on.

The year in review and legislation update

REVIEW WORK CONTINUES

The 2010/2011 financial year did not see any major changes to superannuation legislation but a number of previously announced initiatives continued to work their way through the legislative process.

The beginning of the year saw the release of the Cooper Review into Australia's superannuation system. Work is continuing towards the implementation of Review Chairman Jeremy Cooper's two key recommendations – a low-cost default benefit category to be known as My Super, and the streamlining of back-office administration processes under the Super Stream arrangements. The Government has termed this package of reforms 'Stronger Super.'

Meanwhile, the recommendations included in former Treasury Secretary Dr Ken Henry's review of the Australian taxation system are being considered by a number of government and industry working groups.

We will keep you informed about the progress of these reforms and any potential impact on Mercy Super members through the website and our regular newsletters.

THE 2011 FEDERAL BUDGET

The Federal Budget handed down on 10 May 2011 contained very few new announcements about superannuation. This is not surprising as the Government continues to shape its response to the recommendations of the Cooper and Henry reviews.

There were a number of Budget announcements that may have some impact on Mercy Super members. The key points of interest were:

- Reintroduction of the requirement for employers to include details of superannuation contributions they have made on employees' payslips
- No increase in the threshold at which the government co-contribution scales down, nor the maximum income below which members are eligible to receive a co-contribution
- Phasing out of income stream drawdown relief measures which reduced the minimum annual amounts required to be drawn down from eligible income stream accounts during the height of the Global Financial Crisis
- Future tax relief for members who exceeded concessional contribution caps

- Confirmation of the Government's intent that from July 2012, a permanent \$50,000 concessional contributions cap will apply to eligible members who are aged 50 and over and have less than \$500,000 accrued in their super. See next page for details.



The year in review and legislation update

CONTRIBUTION CAPS

Making extra contributions to your super account is a great way to boost your retirement savings. It can also be a tax-effective savings strategy. Because of the generous tax concessions involved, the Federal Government has set limits on the maximum amount of contributions that can be paid to superannuation and receive tax concessions.

Contributions in excess of these limits, rather than being taxed at concessional rates, will incur a tax penalty. The maximum amounts payable without penalty depend on your age and whether you are making contributions with before or after tax earnings.

The Government has again stated that from July 2012, a permanent \$50,000 concessional contributions cap (which will be subject to indexation in future years) will apply for eligible members aged 50 and over, who have less than \$500,000 accrued in their super. Members aged 50 and over, with \$500,000 or more in their super, will continue to have the \$25,000 concessional contributions cap applied. This commitment is subject to final legislation.

The contribution caps currently in place are:

Contribution Type	Cap (Under age 50)	Cap (Age 50 or over)
Concessional (before tax)	\$25,000 ¹	Under age 50 limit plus \$25,000 ²
Non-concessional (after tax)	\$150,000 ³	\$150,000 ³

1. Indexed at Average Weekly Ordinary Time Earnings in increments of \$5,000.
2. \$50,000 for the 2011/2012 financial year only. Please refer to the comments on the left for further details.
3. If you are aged under 65, you can bring forward two years of non-concessional contributions, giving you a cap of \$450,000 over the three years.

FLOOD LEVY FOR 2011/12

For the 2011/12 year only, the Federal Government has introduced a temporary Flood and Cyclone Reconstruction Levy (flood levy) applying to taxable income. In addition to affecting PAYG salary and income, the flood levy will also apply to superannuation pension payments (and some lump sum payments) received in 2011/12, but only where the taxable component of the payment exceeds \$50,000.

The flood levy applies in addition to existing taxation rates and will only apply to Income Stream payments to members under age 60.

You are exempt from the flood levy if you have been affected by a declared natural disaster that occurred during 2010/11 and are in receipt of an Australian Government Disaster Recovery Payment from Centrelink.

If the taxable component of your Mercy Super Income Stream payments in 2011/12 exceeds \$50,000, the flood levy will automatically be included in the tax taken out of your Income Stream, regardless of whether you may be exempt. If you are exempt, you will be eligible to reclaim the flood levy when you lodge your income tax return for the 2012 financial year.

The rate at which the flood levy tax will apply is set out below.

Taxable income	Flood levy on this income
\$0 to \$50,000	Nil
\$50,001 to \$100,000	Half a cent for each \$1 over \$50,000
Over \$100,000	\$250 plus 1c for each \$1 over \$100,000

Financial Year Annual Market Review

Investment returns over the past year generally improved, in line with the ongoing recovery in global economic conditions. The durability of this recovery was however tested by a number of concerns. These include the large amount of debt incurred by the United States and a number of European governments, the Japanese earthquake and tsunami during March, and civil unrest in several major oil producing Middle Eastern and North African countries.

Locally, the resilience of the Australian economy continued, although some signs of weakening did appear as a result of the devastating floods in Queensland, the continuing strength of the Australian dollar, and relatively high interest rates.

Global share markets produced strong returns for the 2010/11 financial year, returning 22.3% in Australian dollar terms. This was despite losing some momentum towards the end of the financial year. Performance was largely driven by a strong second half of 2010. Additional financial assistance packages to a number of debt-laden European economies (Greece, Ireland and Portugal) were announced by the International Monetary Fund (IMF) and the European Council in late 2010. These measures helped to quell investor concerns over the high level of government debt in these countries. Some of these positives began to reverse in the June 2011 quarter as concerns over government debt increasingly centred on the US and the ramifications of a potential breach in the US Government debt ceiling.

The growing strength of the Australian dollar, particularly against the US dollar, significantly impacted the performance of offshore investments for Australian investors. The Australian dollar exchange rate exceeded US\$1.00 for the first time in 28 years and finished at US\$1.07 for the financial year. Australian investments in global share markets that did not include protection against currency movements (i.e. unhedged investments) performed significantly lower as a result, returning 2.7% for the 12 month period to 30 June 2011.

“The Australian share market performed strongly returning 11.9% for the financial year.”

The Australian share market performed strongly returning 11.9% for the financial year. Record terms of trade, driven by the ongoing mining boom, pushed material stocks up 20.5% for the year. The performance of the local economy was affected by the Queensland floods, resulting in negative growth figures for the first quarter of 2011. Higher household savings rates and lower consumer confidence had a negative impact on some parts of the economy, particularly housing, retail spending and corporate profits. Meanwhile, business investment showed signs of recovery.

Australian corporate and government bonds returned 5.5% for the financial year. Investor sentiment remained cautious about the global economic outlook, keeping interest rates low across most major overseas markets.

The international bond market returned 6.9% for hedged Australian investors over the financial year. This return continues to be driven by the desire of investors to retain their current defensive weightings to bonds. They have traditionally tended to do this through investments in US and core European government bonds when broader economic uncertainty increases.

“Investor sentiment remained cautious about the global economic outlook, keeping interest rates low across most major overseas markets.”

The unlisted property sector returned 9.8% for the 2010/11 financial year, reflecting continued improvement in asset valuations and rents within parts of the sector. Unlisted infrastructure performed similarly over the past 12 months producing solid returns, driven in part by significant increases in competition for suitable investment opportunities.

Your Investments

In the context of the ongoing recovery in financial markets and world economies, the Fund is again pleased to have posted positive returns for all investment options for the year to 30 June 2011.

Mercy Super's investment performance reflected the continuing recovery from the impact of the Global Financial Crisis during the last year. The strength of this recovery slowed somewhat during the June 2011 quarter but the strong performance during the second half of 2010 kept returns in positive territory. After several years of low or negative returns, investors will welcome a second year of positive performance.

“After several years of low or negative returns, investors will welcome a second year of positive performance.”

The short term impact of the GFC years is still obvious in the 5 year compound average annual returns across most investment options. It will of course take a number of years for these negative effects to work their way out of the averages. This year's 5 year numbers look particularly disappointing as the strong returns achieved in the year to 30 June 2006 have dropped out of the calculation and been replaced by the more modest, post GFC results for the current year.

Returns for the foreseeable future are likely to continue to show a degree of volatility as different parts of the investment market recover at varying speeds.

Markets are still showing the effects of one of the worst downturns in living memory and it will take time to rebuild confidence across all sectors. In the meantime, we can expect to see more short term variation in returns than usual.

In recent times share markets around the world have experienced significant volatility reflecting some concern about the health of the global economy. It is important to remember rises and falls are part of the investment process and to keep in mind your long term investment goals. In superannuation, many members have decades before they need to draw on their retirement savings. Even in retirement, investment strategies are often in place for a number of years.

RETURNS 2010/2011

Investment returns for superannuation members and recipients of Income Streams for each investment option for the year to 30 June 2011 are shown on the right and in the following tables. Also shown are the 5 year Compound Average Annual Returns to 30 June 2011.

Further information regarding your investment returns is available on our website: www.mercysuper.com.au

If you are a Defined Benefit member, your benefit is based on a formula and is not directly affected by investment returns. The investments backing the Defined Benefit category are structured in the same way as the Balanced Growth option and have achieved the same investment return.

SUPERANNUATION MEMBERS

Investment Option	1 Year Return	5 year Compound Average Annual Return
Balanced Growth (default)	8.5%	2.9%
Balanced	7.8%	4.0%
Cash	5.2%	4.9%
Shares	10.0%	2.4%
Socially Responsible	8.3%	N/A ¹

INCOME STREAM MEMBERS (NOT TAXABLE)

Investment Option	1 Year Return	5 year Compound Average Annual Return
Balanced Growth (default)	9.4%	2.8%
Balanced	8.2%	4.1%
Cash	6.1%	5.8%
Shares	10.8%	1.5%
Socially Responsible	8.8%	N/A ¹

1. The Socially Responsible investment option was introduced on 1 December 2007. As such, a five year annualised return is not available.

Investments – choosing the best ‘fit’ for you

When it comes to investing, we each have different risk sensibilities. Therefore, it is important that your first step towards selecting investment opportunities is to identify and understand your personal approach to risk. The second step is to align this approach with an investment choice that you will be comfortable with.

GIVING YOU CHOICE

At Mercy Super we offer you five investment choice options. These options are:

- Balanced Growth
- Balanced
- Cash
- Shares
- Socially Responsible.

Each of these options performs in different ways and each comes with a different level of risk.

Share market investments (our 'Shares' option), for example, have the potential to provide high returns. However, this option is also subject to significant fluctuations over time. So, while the value of share market investments can rise very rapidly in good markets, they can also slow

down just as rapidly or even go backwards when conditions are unfavourable. In short, there is a higher level of risk with this option – the trade-off being generally higher long-term returns.

Meantime, at the other end of the scale, the 'Cash' investment option offers a very high degree of security. In general, the capital value of cash investments is extremely unlikely to ever go down. However, the returns on cash are also fairly modest. In fact, in periods of higher inflation, whilst the actual dollar value of a cash investment won't be reduced, its spending power can be.

The relative risk and return profiles of these two investment options highlight why it is important to understand your personal approach to risk – that is, the level of risk you are comfortable with.

YOUR INVESTMENT OUTLOOK

Another important consideration when choosing from investment options is your personal investment outlook. If your investment outlook is long-term you will probably be more comfortable with a higher level of risk. You will be satisfied with the knowledge that better long-term returns will more than make up for any short-term fluctuations. Conversely, if your

investment outlook is short-term, you are likely to opt for a more secure investment that will preserve your accumulated wealth and protect it from any possible downturns.

Naturally, any investment option carries the risk of experiencing a loss over the duration of the investment. More information on the probability of a negative return for Mercy Super investment options can be found on pages 18 and 19 under the 'Investment Objectives' for each option.

CHOOSING AN OPTION FOR YOU

For more detail on each of the five investment choice options available to you please refer to the Investment objectives and strategies section of this report or to the Mercy Super Member Booklet.

You may wish to consult a qualified financial adviser before making an investment choice to ensure the option you select best suits your personal needs. Currently, neither the Trustee, your employer, nor any staff associated with the Fund can advise you on which option to choose, although we'd be pleased to provide you with all the information you need to make the decision.

“**Mercy Super’s Balanced Growth option (default) has delivered a return of 7.4% per annum over the last 15 years to 30 June 2011, which is well ahead of the inflation (CPI) plus 3.0% per annum objective of 5.7% per annum.**”

DEFAULT OPTION

If you prefer not to elect a particular investment option, your account balance will remain in the Balanced Growth option. This is the option provided by the Trustee as the Fund’s ‘default’ option.

Mercy Super’s Balanced Growth option (default) has delivered a return of 7.4% per annum over the last 15 years to 30 June 2011, which is well ahead of the inflation (CPI) plus 3.0% per annum objective of 5.7% per annum.

GIVING YOU FLEXIBILITY

You can now switch your investment option on a weekly basis. If you elect to switch options, the Trustee requires that the appropriate switching form be forwarded to the Trustee by Wednesday to be effective on the following Monday.

If the Trustee is advised outside the requested guidelines, your switch will be held over until the start of the following week. The Trustee reserves the right to process the request at a later date for reasons such as market volatility.

HOW INVESTMENT EARNINGS ARE APPLIED TO MEMBER ACCOUNTS

From September 2011, investment earnings are applied to members’ accounts by way of a monthly crediting rate.

A monthly crediting rate is calculated by the Fund for each investment option. These rates are based on the actual performance of the investment assets underlying each option, less any applicable

fees and taxes. The declared monthly crediting rates are actually applied to members’ accounts following the end of the financial year, or an earlier benefit payment, based on transactions during the corresponding month.

The earnings to be applied are calculated from the date of the transaction (for example an employer contribution to your account) to the end of the month, based on that month’s crediting rate. Crediting rates may be positive or negative, depending on the performance of the underlying investment assets. Investment earnings compound at the end of each month.

The final monthly rate will be set during the first week of the next month after the month to which the rate applies. At the same time, an interim rate will be set for the month just ended. For example, during the first week of March, the final monthly rate for January will be declared, as will the interim monthly rate for February.

Any benefit payments made to members will include the declared monthly rates up to the end of the previous month, plus the interim monthly rate from that date to the date of payment. The interim monthly rate will be based on the investment performance of the applicable investment option for the month to date.

RESERVE

Balanced Growth is the only investment option which holds a reserve. This reserve has operational and investment related components.

The reserve is intended to be used as a calculation buffer, enabling the Trustee to issue Member Statements before audited annual Financial Statements are available, as well as to meet any contingencies, such as any unexpected operational or tax payments.

As such, the Trustee does not use the reserve to materially smooth returns to members.

The level of reserves will be determined by the Trustee at the time of declaring the final crediting rate with the level to be consistent with the Fund’s investment policy and objectives. The Trustee may build a reserve up to 1% of the total Fund value to ensure that members are adequately covered in case of any unexpected events. It is intended that this level be reached over several years.

The reserving policy will be reviewed at the end of each financial year, especially in relation to the target level, to ensure it is appropriate given the growth of the Fund. Reserve levels are listed on page 24.

SELECTING OUR INVESTMENTS

With the exception of the Socially Responsible investment (SRI) option, the Trustee does not take labour standards, environmental, social, or ethical considerations into account when selecting, retaining or redeeming the Fund’s other investments. Investments and investment managers are selected solely on their ability to contribute to the investment objectives of the Fund.

Member Investment Options – investment objectives and strategy

Overview

Investment performance to 30 June 2011 (superannuation categories)¹

Risk

Investment objective

Suggested minimum time horizon

Target asset allocation² and investment ranges

Notes: 1. Past performance is not an indicator of future returns. 2. The Target Asset Allocations for each investment option indicate approximately how much of that option is invested in the various asset classes (e.g. shares, property, cash etc). 3. The Trustee intends to dispose of the Fund's Absolute Return investments in the coming year with these amounts to be allocated across the remaining asset classes. 4. Applies to the Balanced Growth and Socially Responsible options only.

Balanced Growth (default option)

The Balanced Growth option seeks to obtain relatively high returns in the long term with a correspondingly higher level of risk, by investing in a diversified set of asset classes with a bias towards growth assets.

Year	Return
5yr compound average	2.90%
2011	8.50%
2010	10.25%
2009	-13.50%
2008	-4.90%
2007	17.00%

Medium to high

To maximise the long-term investment earnings subject to:

- A 75% minimum probability of achieving a crediting rate equivalent to inflation (as measured by the change in the Consumer Price Index) plus 3% p.a. over rolling five year periods, and
- The expected frequency of negative returns for this option is three years over a 20 year period.

At least five to seven years

Asset Class	Asset Allocation	Investment Range ⁴
Australian Shares	30%	20 – 40%
International Shares (hedged)	6%	0 – 15%
International Shares (unhedged)	18%	10 – 25%
Property	11%	5 – 20%
Australian Fixed Interest	4%	0 – 10%
International Fixed Interest	4.5%	0 – 10%
Cash	3.5%	0 – 10%
Infrastructure	12%	5 – 20%
Private Equity	6%	0 – 16%
Absolute Return Strategies ³	2%	0 – 3%
Unlisted Debt	3%	0 – 10%

Balanced

The Balanced option seeks to obtain consistent returns in the long term while reducing the level of risk by investing in a diversified set of asset classes that is split between defensive and growth assets.

Year	Return
5yr compound average	4.00%
2011	7.80%
2010	9.40%
2009	-8.10%
2008	-0.10%
2007	12.30%

Medium

To maximise the long-term investment earnings subject to:

- An 85% minimum probability of achieving a crediting rate equivalent to inflation (as measured by the change in the Consumer Price Index) plus 2% p.a. over rolling five year periods, and
- The expected frequency of negative returns for this option is two years over a 20 year period.

At least three to five years

Asset Class	Asset Allocation
Australian Shares	17%
International Shares (hedged)	3.5%
International Shares (unhedged)	11%
Property	11%
Australian Fixed Interest	6%
International Fixed Interest	6.5%
Cash	20%
Infrastructure	12%
Private Equity	6%
Absolute Return Strategies ³	2%
Unlisted Debt	5%

Cash

The Cash option is designed to provide the most stable returns out of all the Fund's investment options. It will suit members with a short-term investment time horizon. Note: Over the long term you can expect a lower return from Cash than any other Fund option.

Year	Return
5yr compound average	4.90%
2011	5.20%
2010	5.10%
2009	4.18%
2008	4.70%
2007	5.60%

Very low

By investing in a combination of cash and enhanced cash funds, the Cash option seeks to obtain:

- Long-term returns which are similar to those available from short-term cash investments with minimal risk of capital loss, and
- The expected frequency of negative returns for this option is nil over a 20 year period.

Less than three years

Asset Class	Asset Allocation
Australian Shares	0%
International Shares (hedged)	0%
International Shares (unhedged)	0%
Property	0%
Australian Fixed Interest	0%
International Fixed Interest	0%
Cash	100%
Infrastructure	0%
Private Equity	0%
Absolute Return Strategies ³	0%

The proportions shown are the Trustee's target as at 31 August 2011. It is likely that in these allocations may change over the time, both in response to financial markets movements and as the Trustee makes small changes to the fund managers appointed. Any changes are expected to be relatively minor (i.e. within plus or minus 5% of the allocation shown).

Shares

The Shares option seeks to obtain long-term returns which are in excess of the other four options with a commensurately higher level of risk. All assets within this option are invested either in international or Australian shares.

Year	Return
5yr compound average	2.40%
2011	10.00%
2010	12.10%
2009	-14.60%
2008	-13.10%
2007	22.80%

Very high

To maximise the long-term investment earnings subject to:

- A 55% minimum probability of achieving a crediting rate equivalent to inflation (as measured by the change in the Consumer Price Index) plus 5% p.a. over rolling 10 year periods, and
- The expected frequency of negative returns for this option is five years over a 20 year period.

At least eight to ten years

Asset Class	Asset Allocation
Australian Shares	58%
International Shares (hedged)	10.5%
International Shares (unhedged)	31.5%
Property	0%
Australian Fixed Interest	0%
International Fixed Interest	0%
Cash	0%
Infrastructure	0%
Private Equity	0%
Absolute Return Strategies ³	0%

Socially Responsible

In this option, investments are selected using a socially responsible test or screen which takes into account factors including environmental and social impact, workplace and employment practices, and positive contribution to society.

Year	Return
2011	8.30%
2010	9.30%
2009	-9.40%
2008	-20.30%

Please note: The SRI option was introduced in December 2007 so a 5 year average figure is not available.

Medium to high

To provide moderate to high returns while:

- Accepting medium levels of volatility and provide a total return after costs and before tax which is higher than the return from the performance benchmark of the underlying fund over a rolling five year period and,
- The expected frequency of negative returns for this option is four years over a 20 year period.

Please note: This option is fully invested in the AMP Capital Investors Responsible Investment Leaders Balanced Fund.

At least five years

Asset Class	Asset Allocation	Investment Range ⁴
Australian Shares	36%	31 – 41%
International Shares (hedged)	4%	0 – 10%
International Shares (unhedged)	20%	15 – 25%
Property	13%	0 – 28%
Australian Fixed Interest	11.5%	5 – 18%
International Fixed Interest	11.5%	5 – 18%
Cash	3%	0 – 8%
Alternatives	1%	0 – 6%

Asset Allocation and Fund Managers

To help the Trustee of the Fund meet its investment objectives, specialist organisations have been appointed to directly invest members' funds in the selected asset classes. These organisations, known as investment or fund managers, have been selected based on their expertise within that asset type. While some changes were made during the year, the managers in place as at 30 June 2011 were:

Manager	Product	%
Socially Responsible Investments		
AMP Capital Investors	Responsible Investment Leaders Balanced Fund	0.39
Australian Shares		
Maple-Brown Abbot	Australian Equity Trust	10.85
Paradise Investment Management	Mid Cap Fund	3.02
Plato Investment Management	Australian Shares 130/30 Fund	2.02
Schroder Investment Management Australia	Australian Equity Fund	11.24
Tribeca Investment Partners	Australian Equities Fund	2.46
International Shares		
Alliance Bernstein Australia	Bernstein Global Value Equities Trust	3.96
Capital International	Global Equities Fund	2.33
Capital International	Global Equities Fund (Hedged)	1.06
MFS	Global Equity Trust	5.02
Independent Franchise Partners	Global Franchise Fund	4.34
State Street Global Advisors	Global Index Plus (Hedged) Trust	4.23
Wellington Management Portfolios (Dublin)	Emerging Markets Equity Portfolio	3.06
Property		
Colonial First State	Diversified Property Pool	2.23
Fortius Funds Management	Active Property Trust No. 1	0.95
Franklin Templeton	Franklin International Real Estate Fund 3	0.66
Industry Superannuation Property Trust	Core Fund	3.71
QIC	Property Fund	4.14
Australian Fixed Interest		
BlackRock	Wholesale Indexed Australian Bond Fund	3.85
Hastings Funds Management	Yield Fund	0.48
ME Portfolio Management	Super Loans Trust	0.09

Manager	Product	%
International Fixed Interest		
BlackRock	Global Bond Indexed Fund	2.38
PIMCO	Target Return Fund	1.84
Cash		
QIC	Cash Fund	5.65
Infrastructure		
Industry Funds Management	Australian Infrastructure Fund	2.15
Industry Funds Management	International Infrastructure Fund	5.15
The Private Capital Group	The Infrastructure Fund	2.12
Private Equity		
Industry Super Holdings Pty Ltd		0.11
ING Investment Management	Private Capital Fund No 1	0.11
ING Investment Management	Private Capital Fund No 2	0.09
ING Investment Management	Private Capital Fund No 4	0.61
Macquarie Investment Management	Alternative Investment Trust III	0.45
Macquarie Investment Management	Alternative Investment Trust IV	0.45
Macquarie Investment Management	Alternative Investment Trust V	0.91
Newbury Partners	Investment Fund II	0.15
Oaktree	Mezzanine Fund III L.P	0.23
Siguler Guff and Company	Distressed Opportunities Fund III	1.73
Wilshire Private Markets Group	Australia Fund 2	0.82
Absolute Return		
BlackRock Alternative Advisors	Q-BLK ARS III Institutional Fund	1.46
BT Investment Management	Global Return Fund	2.63
GMO Australia	Multi Strategy Trust	0.15
Unlisted Debt		
Westbourne	Yield Fund No 1.	0.72

DERIVATIVES

The Trustee has not and does not intend to invest directly in derivatives. The Fund's investment managers however do have the discretion to invest in derivatives under their existing investment arrangements with us if it is felt to be appropriate.

ASSET ALLOCATIONS

	30 June 2011	30 June 2010
Australian Shares	29.8%	29.0%
Overseas Shares	24.2%	23.4%
Private Equity	5.7%	5.7%
Property	11.7%	9.6%
Infrastructure	9.4%	9.3%
Absolute Return Strategies	4.2%	4.7%
Australian Fixed Interest	4.5%	5.0%
Overseas Fixed Interest	4.2%	5.1%
Cash	5.6%	8.2%
Unlisted Debt	0.7%	-

The Target Asset Allocations for each investment option (shown on pages 18 and 19), indicate approximately how much of that option is invested in the various asset classes (e.g. shares, property, cash, etc). The proportions shown are the Trustee's targets as at August 2011.

It is likely that these allocations may change over time, both in response to financial markets movements and as the Trustee makes small changes to the fund managers appointed. Any changes are expected to be relatively minor (i.e. within plus or minus 5% of the allocation shown).

The latest target, or benchmark, allocations will be shown on the Fund website.



Other Information

MEMBER BENEFIT PROTECTION

As required by superannuation law, Mercy Super does not generally charge members with an account balance less than \$1,000 any more in administration fees than the investment earnings credited to their account. This safeguard is designed to ensure that low account balances are not eroded by fees and is known as member benefit protection.

If you have an account balance of less than \$1,000 at 30 June in any one year, or when you leave the Fund, member benefit protection ensures that administration fees will be reduced if they exceed the investment earnings credited to your account. These investment earnings may be positive or negative. Contributions tax and insurance premiums, if applicable, will continue to be deducted from your account regardless of the account balance.

During periods when investment returns are low or even negative, member benefit protection provisions mean that members with account balances over \$1,000 effectively subsidise low balance members who must bear these additional costs. To partly offset this, Mercy Super will apply a fixed account management fee of \$10 per year to members with an account balance less than \$1,000 during times of low investment returns. This action is allowed under legislation and is consistent with industry practice.

ELIGIBLE ROLLOVER FUND

An Eligible Rollover Fund (ERF) is a facility which allows the Trustee to transfer the benefits of inactive members to a more appropriate superannuation arrangement. Fees charged by ERFs are generally lower than other funds to reflect the inactive nature of members' accounts.

The Trustee has appointed AUSfund as the Fund's ERF.

Contact details for AUSFund are:

AUSFund Administration
PO BOX 2468
Kent Town SA 5071
Phone: 1300 361 798
Fax: 1300 366 233
Email: admin@ausfund.net.au
Website: www.unclaimedsuper.com.au

If you leave the employer that makes contributions into the Fund and do not otherwise claim your benefit, and your account balance is less than \$1,500, it may be transferred to AUSFund.

If your account balance is transferred to AUSFund (or any other ERF):

- You will cease to be a member of Mercy Super
- All insurance cover under the Fund will cease
- You will become a member of the ERF and be subject to its governing rules. You should refer to the ERF's Product Disclosure Statement (PDS) for details of its features

- Fund earnings credited to your account will vary depending on the balance of your account and the crediting rate
- A different fee structure will apply. The ERF is required to 'member protect', that is, administration charges generally cannot exceed investment earnings on your account balance. You should refer to the ERF's PDS for details of the fees which may apply
- The ERF does not offer insurance benefits in the event of death or disablement.

You will be able to contact the relevant ERF at any time and request payment of your benefit (if allowed) or roll it into the fund of your choice.

SURCHARGE

Any surcharge that is required to be paid to the Australian Taxation Office on your behalf will be deducted from your benefit and is shown on your Annual Member Statement. This account has investment earnings allocated to it. The Trustee provides the flexibility to make additional contributions to offset the balance of your Surcharge Account.

Your Fund

DEFINED BENEFIT CATEGORY MEMBERS

During the last year, the Trustee's actuary completed the formal review for the three years to 30 June 2010.

This review confirmed that Vested Benefits Index at that date was below 100%. This Index assesses the capacity of the Fund to meet the leaving service and retirement benefits of all Defined Benefit members on the very hypothetical assumption that they all became payable on the same date. The Trustee is currently working with the employers that have Defined Benefit members to implement a contribution strategy to correct this position. It is expected that this option will be implemented with effect from 1 July 2011.

As a result of the impact of the Global Financial Crisis many, if not most, funds with Defined Benefit components have found themselves in a similar position. It is important to stress that the Fund's financial position currently exceeds the Minimum Requisite Benefit level by an acceptable level. This benchmark, which is intended to equate with benefits provided under the Superannuation Guarantee system, is the core test of solvency for funds offering Defined Benefits.

TRUSTEE INDEMNITY INSURANCE

As Trustee of the Fund, Mercy Super Pty Ltd holds suitable Trustee Indemnity insurance to compensate members and their beneficiaries, directors and employees of the Fund for the insured events specified in the policy. This includes loss or damage attributable to breaches of any relevant legislative obligations by Mercy Super Pty Ltd or any of its representatives.

These arrangements satisfy the compensation requirements of section 912B of the Corporations Act 2001.

TRUST DEED

The Trust Deed is the Fund's governing document. It contains the rules by which the Trustee operates the Fund for the benefit of members. From time to time, changes will be made to the Trust Deed, usually to reflect amendments in the legislation covering superannuation funds. No such changes were required during the 2010/11 financial year.

A copy of the Trust Deed is available upon request.

LOST SUPER – IS SOME OF IT YOURS?

The Federal Government announced that the total savings held in lost superannuation accounts reached \$18 billion during the 2010/2011 financial year. Some of this lost money could be yours. There are around 5.8 million lost accounts meaning the average balance is over \$3,000. That's an amount well worth a few minutes of your time.

If you find super that's yours, you can consolidate it into your existing Mercy Super account. By putting all your super in one fund you could pay just one set of fees and make managing your super easier.

The Tax Office looks after lost super accounts and you can locate your lost funds at their website. Simply go to www.ato.gov.au/super and select the SuperSeeker Online service. All you need is your Tax File Number.



Financial Statements

The Financial Statements are currently being audited by BDO. The Trustee does not expect any material changes to the information contained in the interim details provided below. The Trustee expects a full audited copy of the Fund's accounts to be available in late October 2011.

The level of reserves for the last 3 years is shown below		
Year ending 30 June	Reserve as a % of Accumulation Section Assets	Reserve \$'000
2011	0.65%*	2,941*
2010	0.42%	1,932
2009	0.27%	783

* Subject to audit confirmation

STATEMENT OF NET ASSETS

	2011	2010
	\$'000	\$'000
Investments		
Cash and Short-term Investments	29,108	35,679
Fixed Interest	44,461	43,812
Property	60,137	41,388
Infrastructure	48,460	41,383
Private Equity	29,149	25,506
Australian Shares	152,306	129,693
International Shares	123,521	97,813
Absolute Return Strategies	21,854	21,167
Unlisted Debt	3,715	-
Socially Responsible Investment	2,028	1,864
Unsettled Purchases/Sales	363	136
Total Investments	515,102	438,441
Other Assets		
Cash and Cash Equivalents	12,017	9,942
Receivables	14,732	11,607
Deferred Tax Asset	8,177	7,843
Contributions Accrual	0	84
Other Assets	45	40
Total Other Assets	34,971	29,516
Total Assets	550,073	467,957
Less: Liabilities		
Benefits Payable	-	4
Income Tax Payable	3,784	3,611
No Tax File Number Tax Payable	16	(5)
Provision for Tax Surcharge	1	(1)
Other Payables	2,013	1,087
Total Liabilities	5,814	4,696
NET ASSETS AVAILABLE TO PAY BENEFITS	544,259	463,261

STATEMENT OF CHANGES IN NET ASSETS

	2011	2010
	\$'000	\$'000
NET ASSETS AVAILABLE TO PAY BENEFITS AT 1 JULY	463,261	379,785
Revenue		
Net Investment Revenue	42,735	40,613
Contributions Revenue		
– Employer Contributions	46,901	44,134
– Members' Contributions	22,543	20,840
– Co-contributions	722	1,458
– Members' Transfers	39,421	21,158
Proceeds from term insurance policies	770	1,239
Interest	234	217
Insurance Rebate	-	10
Sundry Income	-	9
Total Revenue	153,326	129,678
Benefits and Expenses		
Benefits Paid	56,026	30,731
General Administration Expenses	2,198	1,764
Group Life Insurance Premiums	3,006	2,254
Investment Expenses	215	214
Total Benefits and Expenses	61,445	34,963
Surplus / (Deficit) Before Income Tax	91,881	94,715
Income Tax Expense	10,867	11,244
No Tax File Number Tax Payable	16	(5)
Surplus (Deficit) After Tax	80,998	83,476
NET ASSETS AVAILABLE TO PAY BENEFITS AT 30 JUNE	544,259	463,261

SERVICE PROVIDERS

Accounting

Independent Fund
Administrators & Advisers Pty Ltd

Actuarial Consultant

Sunsuper Financial Services

Administration Software and Support

Independent Fund
Administrators & Advisers Pty Ltd

Financial Planning

Industry Fund
Financial Planning

Group Life Insurer

MLC Ltd

Investment Consultant

Frontier Investment Consulting

Investment Managers

For a full list of the investment managers used by the Fund, please refer to page 20.

Legal Advisors

McCullough Robertson
G. Banner Consulting Pty Ltd
Holding Redlich

Client Service and Administration

Mercy Super Pty Ltd

Trustee Indemnity Insurer

Chubb Insurance Company
of Australia Limited

General Information

ENQUIRIES AND COMPLAINTS

The Trustee works hard to ensure that all Mercy Super members are treated in a fair and professional manner. However, we recognise there will of course be occasions when members have questions and in some cases complaints about the Fund.

The Trustee resolves all complaints through the Fund's internal complaints system.

By law it is required that a set of identified steps are followed by the Fund when dealing with enquiries and complaints. All enquiries and complaints must be dealt with within 90 days of receipt. However, responses are generally provided to members within a much shorter time-frame.

Enquiries and complaints should be directed to the Fund's Chief Executive Officer, who can be contacted at:

PHONE 1300 368 891 / (07) 3163 8867
FAX (07) 3163 2421
EMAIL information@mercysuper.com.au
WEBSITE www.mercysuper.com.au

PO Box 8334
Woolloongabba QLD 4102

If you lodge a complaint and it has not been resolved within 90 days of receipt, or you are not satisfied with the final decision, you may be able

to lodge a complaint with the Superannuation Complaints Tribunal, a body established and funded by the Federal Government.

The Tribunal considers superannuation-related complaints by members, former members and their beneficiaries. Access to the Tribunal is available to you only after you have first employed the Fund's internal complaints procedure, or where that procedure has failed to achieve an adequate response within 90 days.

If a complaint relates to a matter the Tribunal can respond to, it will attempt to resolve it by conciliation. This involves assisting both parties to come to a mutual agreement. If this is not successful, the Tribunal will review the matter and hand down a decision binding on all parties.

The Superannuation Complaints Tribunal can be contacted on 1300 884 114 or via its website www.sct.gov.au

COMPLAINTS ABOUT ADVICE

Mercy Super is able to provide advice under the licence held by Independent Fund Administrators & Advisers (IFAA) (AFSL 238507). If you ever have a problem with the financial advice provided by Mercy Super staff under IFAA's licence, then you should contact:

General Manager, Operational Services

IFAA
PO Box 1917
Milton QLD 4064
Phone: (07) 3238 1200

IFAA will address your concerns and try to resolve them quickly and fairly. IFAA aims to resolve any complaints as soon as possible, but no longer than 45 days from the date of receipt. If you are dissatisfied with the handling of your complaint, you have the right to contact the Financial Ombudsman Service (FOS).

FOS is an independent body that has been established to provide free advice and assistance to consumers to help them in resolving complaints relating to members of the financial services industry.

Financial Ombudsman Service (FOS)
GPO Box 3
Melbourne VIC 3001
1300 780 808
www.fos.org.au



GENERAL ENQUIRIES

For general administration enquiries, including questions about your benefits, please contact the Fund directly:

Whitty Building
Mater Health Services
Raymond Terrace
South Brisbane QLD 4101

PHONE 1300 368 891 / (07) 3163 8867

FAX (07) 3163 2421

EMAIL information@mercysuper.com.au

WEBSITE www.mercysuper.com.au

OR

PO Box 8334
Woolloongabba QLD 4102

AUSTRALIAN FINANCIAL SERVICES LICENCE

The Trustee is currently in the process of applying for its own Australian Financial Services Licence (AFSL). Having its own AFSL will enable the Trustee to take full control of how we respond to members. Further details will be provided over the coming months in our newsletter and on the Fund website.

FURTHER INFORMATION

This Report covers the highlights of the Fund's activities during the year. For information about benefits to which you will or may become entitled, please refer to the appropriate Member Booklet.

If you are interested, you may obtain further information about the Fund from the following documents:

- The Trust Deed
- The Fund Financial Statements
- The latest Actuarial Valuation Report.

If you would like to view these documents you should contact:

The Chief Executive Officer
Mercy Super
PO Box 8334
Woolloongabba QLD 4102

PHONE (07) 3163 8867

FAX (07) 3163 2421

EMAIL information@mercysuper.com.au

PRIVACY POLICY

The Trustee of the Fund operates within the rules set out in the Privacy Amendment (Private Sector) Act 2000. This Act specifies ten National Privacy Principles that the Fund must adhere to. These Principles are reflected in our Privacy Policy. The Policy is designed to protect the accuracy and integrity of your personal information, to ensure that it is only used for proper purposes, and is available only to those with a valid reason.

From time to time, we may use your personal information to send you information about Fund services or benefits we think may be useful to you. If you do not wish to receive this information, please let us know. We are very conscious of our obligation not to send such direct marketing material to members who do not wish to receive it. Mercy Super will never provide your information to third parties (other than as required to manage your superannuation account) without your express permission.

The Fund's Privacy Policy is available at our website: **www.mercysuper.com.au** or on request.

Keep in touch

IN PERSON

Whitty Building
Mater Health Services
Raymond Terrace
South Brisbane QLD 4101

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Always for you

mercy
super