

annual report

04

sensible

sound

simple

Members will note that this year's report is shorter and sharper than previous years. In an era of ever-changing legislation, increasing complexity and compliance we wanted to provide you with a report that sticks to the facts and provides you with the information you really need. By law, the annual report must contain certain information that you may not be familiar with. Consequently, we have structured the report to help you readily identify the areas which interest you most.

During the year the Board of AvSuper maintained its focus on core Fund issues such as investment performance and administration delivery standards, whilst also dealing with a number of challenging matters which arose as a consequence of the new Financial Services regime.

Despite patches of volatility and currency swings, a surge in share markets provided some welcome relief from the poor investment returns of the previous two years. Whilst it is pleasing for the Board to report strong results to members, it was disappointed by the continued lacklustre performance of two of the Fund's international share managers, which hampered AvSuper's ability to capitalise on the surge in the markets. As a result, the Board has terminated and replaced these managers.

One of AvSuper's primary achievements during the year was the gaining of its Australian Financial Services Licence (AFSL) which means that AvSuper now operates under the strictest legislative guidelines, and has the legal ability to provide general superannuation advice to its members. AvSuper was one of less than 100 non public-offer superannuation funds granted a licence.

The new Financial Services regime also required most of the Fund's documentation to be reviewed and reissued under new guidelines.

The coming year will provide a number of challenges and opportunities to significantly strengthen AvSuper's presence in the market place. We look forward to meeting these challenges and enhancing our service to you, our members.

**David Leggo**, Chairman

**Denis Carroll**, Chief Executive Officer



David Leggo



Denis Carroll

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## During the year AvSuper:

- welcomed 301 new members
- retained 65% of members who left employment with Airservices Australia or CASA
- successfully applied for an Australian Financial Services (AFS) Licence

### ■ achieved investment returns of:

- 11.68% for the core portfolio which underpins the defined benefit section\*
- 3.87% for the Cash option
- 8.36% for the Stable Growth option
- 11.18% for the Growth option\*
- 16.10 % for the High Growth option

\* The difference in returns between the core portfolio and Growth option is due to the 0.2% asset administration fee and timing of the unit pricing of the Growth option.

- introduced a new range of Product Disclosure Statements which set out the benefits, risks and cost of AvSuper's products and cater for the different circumstances of membership our members have
- introduced a member's Information Kit as a single source of AvSuper information
- introduced voluntary insurance cover for all AvSuper members
- terminated two fund managers: ABN AMRO and Fidelity (both international shares)
- appointed three new managers: Wellington (international shares) Investor Select Advisors (hedge funds) and Eureka Funds Management (property)
- increased the assets of the Fund from \$592,377,833 to \$691,935,887
- ceased the practice of transferring unclaimed benefits of less than \$1,000 to an eligible rollover fund (ERF)
- welcomed Mr Robert Belzer as a new Trustee Director following the resignation of Mr Stephen Mahoney.

# the products

AvSuper has both a defined benefit section and an accumulation section. The defined benefit section has been closed to all new members since 25 October 2002.

Members of the defined benefit section are Full members or CSS members.

**Number of members in the defined benefit section:**

	30 June 2004	30 June 2003
Full members	2,104	2,210
CSS members	623	663

**Full members**

You are a Full member if you have been with the Fund since it commenced in 1990 or were employed by Airservices Australia before 5 August 2002 in a non-ATS role or before 25 October 2002 in an ATS role and have not elected to transfer to the accumulation section.

Full members:

- can make voluntary contributions to both the defined benefit section and the accumulation section
- receive an automatic standard level of death, total and permanent disablement and total and temporary disablement insurance cover at no direct cost to the member
- can apply for additional insurance cover on a user-pays basis.

**CSS members**

You are a CSS member if you are employed by Airservices Australia and elected to stay in the Commonwealth Superannuation Scheme (CSS) instead of joining AvSuper. Whilst the majority of CSS members' superannuation entitlements are provided through the CSS, an employer contribution of 3% is paid into AvSuper's defined benefit section, unless you have elected to transfer to the accumulation section.

CSS members:

- can make voluntary contributions to the accumulation section only
- receive death and total and permanent disablement insurance cover through the CSS
- can apply for voluntary insurance cover through AvSuper on a user-pays basis.

Defined benefits are calculated by a formula being: your benefit multiple x your final average salary (FAS) measured on your last three birthdays prior to leaving your employer. As your defined benefit is calculated by a formula, the Fund's investment performance does not affect your benefit.

**Fees and taxes**

The fees associated with the defined benefit section are:

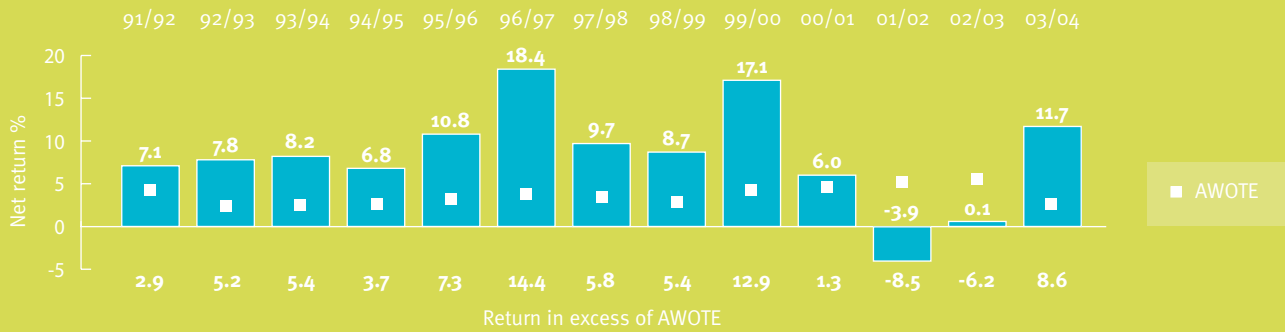
- administration costs
- investment managers and custodian fees
- insurance premiums for death and total and permanent incapacity cover (if any)
- tax on investment earnings, and
- a contributions tax of 15% on employer-paid contributions, including salary sacrifice contributions (if applicable).

These costs are deducted from Fund assets and do not affect the calculation of your defined benefit.

If you have an accumulation account as well as your defined benefit, the fees applicable to the accumulation section (see page 6) apply to your accumulation account only.

## Investment returns

The core portfolio, which underpins the defined benefit section, achieved 11.7% (after tax and fees) for the financial year ended 30 June 2004 and a compound average rate over the last five years of 6.1% pa. Investment returns vary from year to year and negative returns are possible. This chart shows how the core portfolio has performed since inception, compared with the change in Average Weekly Ordinary Time Earnings (AWOTE).



## Investment objectives, strategy and asset allocation

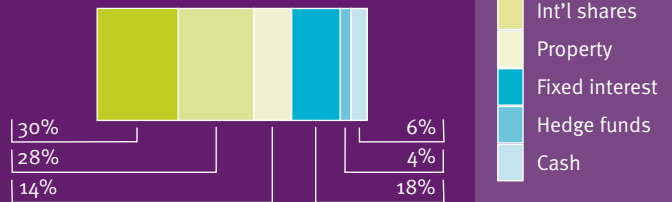
The Board reviewed the Fund's investment strategy, objectives, asset allocation and benchmarks during the year. The Board resolved to maintain the current objectives for the core portfolio, but revised its asset allocation, benchmarks and ranges.

The broad objective is to maximise long-term investment returns with a minimum of risk. More specifically, the objective is to achieve a rate of return, after fees and taxes, which exceeds Average Weekly Ordinary Time Earnings (AWOTE) by 3% over rolling five-year periods.

The strategy is to invest in the mix of assets most likely to achieve the Fund's investment objective. As part of its investment strategy, the Fund has adopted a revised strategic asset allocation, benchmarks and ranges for the core portfolio – see the charts at right which show:

- the actual percentage of the Fund invested in each asset class for the core portfolio as at 30 June 2004 and 30 June 2003, and
- the benchmark allocation, with ranges in brackets.

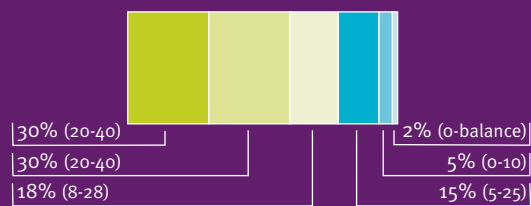
### Actual allocation at 30 June 2004



### Actual allocation at 30 June 2003



### Benchmark allocation



## Surcharge

You may incur a superannuation surcharge debt if the ATO classifies you as a high-income earner. A high-income earner is someone with an Adjusted Taxable Income (your taxable income + employer and salary sacrifice contributions + certain fringe benefits) greater than \$94,691 (for the 2003/04 year). AvSuper must pay your surcharge liability on your behalf from the Fund. The surcharge

amount (and any future surcharge amounts) is then recorded in a surcharge account in your name as a negative amount and will be deducted from your benefit when you leave the Fund. Until that time your surcharge account attracts interest at the earning rate of the Fund's core portfolio. You can offset your surcharge liability by making voluntary contributions to an accumulation account.

Any Full members and CSS members who have elected to transfer to the accumulation section and all members employed by Airservices Australia in a non-ATS role on or after 5 August 2002 or employed in an ATS role on or after 25 October 2002 belong to the accumulation section.

In addition, within the accumulation section, AvSuper offers:

**a Deferred Benefit account** – this is a rollover facility available to members who have terminated employment and elect to retain some or all of their superannuation entitlement within AvSuper.

**an Eligible Spouse account** – spouses of all AvSuper members may be eligible to open a spouse account.

**an Allocated Pension account** – an allocated pension is available to those members who have reached age 65 or have retired and reached preservation age and want to receive their entitlement as regular income payments.

**a Voluntary account** – Full members, CSS members, Family Law members, members of the PSS employed by Airservices Australia or members of the CSS and PSS employed by CASA can contribute to a voluntary account as a means of making additional superannuation contributions.

Benefits payable from the accumulation section are calculated as the sum of all contributions and investment earnings, less fees and taxes.

The Fund's investment performance directly affects your benefit.

You have a choice of four investment options (or any combination of the four) and can alter your choice at any time at no cost.

All accumulation account balances are calculated using 'unitisation' which is a way of crediting investment earnings directly to your account.

When contributions are made, you are allocated the number of units your contribution will buy at the price applying to your chosen investment option(s) on the day the contribution is received. The value of your account goes up or down according to the value of the unit prices. Investment fees and taxes are deducted before the unit price is set. Unit prices are set once a week, on a Friday.

## Fees and taxes

The fees associated with the accumulation section are:

- administration costs
- investment managers and custodian fees
- insurance premiums for death and total and permanent incapacity cover (if any)
- tax on investment earnings, and
- a contributions tax of 15% on employer-paid contributions, including salary sacrifice contributions (if applicable).

Administration costs, which include the costs associated with member investment choice, are reflected in an administration fee. This fee comprises a member fee of \$1.15 per week and an asset administration fee of 0.2% per annum of assets (ie the amount you have in your accumulation account).

The asset administration fee, investment managers and custodian fees, and tax on investment earnings are deducted during the unit price process each week. Consequently, the published unit prices are net of these costs.

The weekly member fee and contributions tax (if applicable) are deducted from your account and the insurance premium (if applicable) is deducted from the employer contribution. These charges are deducted after the unit price process and hence have not been deducted from the published unit prices.

If your account balance is less than \$1,000 at the end of the financial year, member protection legislation ensures that administration costs do not exceed the investment earnings credited to your account.

## Surcharge

You may incur a superannuation surcharge debt if the ATO classifies you as a high-income earner. A high-income earner is someone with an Adjusted Taxable Income (your taxable income + employer and salary sacrifice contributions + certain fringe benefits) greater than \$94,691 (for the 2003/04 year).

AvSuper must pay your surcharge liability on your behalf from the Fund. The surcharge amount (and any future surcharge amounts) are then recorded in a surcharge account in

your name as a negative amount and will be deducted from your benefit when you leave the Fund. Until that time your surcharge account attracts interest at the earning rate of the Fund's core portfolio. You can offset your surcharge liability by making voluntary contributions to an accumulation account.

### Number of members in the accumulation section:

	30 June 2004	30 June 2003
Accumulation members (employees)	377	168
Deferred members	847	834
Eligible spouses	171	150
Allocated pensioners	38	25
Voluntary members	1,004*	963**

\* comprising: 716 Full members with an accumulation account  
277 CSS members with an accumulation account  
5 CASA PSS members, and 6 Family Law members.

\*\* comprising: Full members and CSS members with an accumulation account.

## options

**Investment objectives, strategies and asset allocations**

During the year, the Board reviewed the strategy, objectives, resolved to maintain all of the current objectives, but revised options. The investment objectives, strategies, asset allocations

	<b>HIGH GROWTH</b>	<b>GROWTH</b>
<b>Objective</b>	<p>The primary objective is to achieve a return, after tax and fees, which exceeds Average Weekly Ordinary Time Earnings (AWOTE) increases by at least 4% pa over rolling seven-year periods.</p> <p>A further objective is to earn a rate of return, after tax and fees, which is in excess of the median manager in a representative high growth pooled fund survey, over rolling seven-year periods. Over time, a rate of return in excess of a majority of industry fund high growth options is expected.</p>	<p>The primary objective is to achieve a return, after tax and fees, which exceeds Average Weekly Ordinary Time Earnings (AWOTE) increases by at least 3% pa over rolling five-year periods.</p> <p>A further objective is to earn a rate of return, after tax and fees, which is in excess of the median manager in the Mercer Pooled Fund Survey, over rolling five-year periods. Over time, a rate of return in excess of a majority of industry fund growth options is expected.</p>
<b>Investment strategy</b>	Invests 100% in growth assets.	Invests 80% of the portfolio in growth investments and 20% in defensive assets.
<b>Risk/return profile</b>	Share market investments can be very volatile over the short to medium term but, historically, these investments have offered the highest long-term returns.	Returns are generally less volatile than the High Growth portfolio but can still be very volatile over the short to medium term.
<b>Benchmark asset allocation</b>		
Australian shares	50%	30%
International shares	45%	30%
Property	Nil	18%
Fixed interest	Nil	15%
Hedge funds	5%	5%
Cash	Nil	2%
<b>Investment returns for 2003/04</b>	16.10%	11.18%
<p>The rates used to update accumulation accounts reflect the investment returns for each investment option, net of the asset administration fee, investment managers and custodian fees, and tax on investment earnings. The rate of return for each option is determined by the change in the option's unit price over a given period. The financial year ended 30 June 2004 was the first full financial year for these options.</p>		

asset allocation and benchmarks of each of the investment options. The Board the asset allocations, benchmarks and ranges for the Growth and Stable Growth options and performance of the investment options are shown in the table below.

## STABLE GROWTH

The primary objective is to achieve a return, after tax and fees, which exceeds Average Weekly Ordinary Time Earnings (AWOTE) increases by at least 1% pa over rolling four-year periods.

A further objective is to earn a rate of return, after tax and fees, which is in excess of the median manager in the Mercer Capital Stable Fund Survey – Low Risk Diversified Funds, over rolling four-year periods. Over time, a rate of return in excess of a majority of industry fund stable growth options is expected.

Invests 40% of the portfolio in growth investments and 60% in defensive assets.

There may be some volatility in returns in the short term but they tend to stabilise over longer periods.

15%  
15%  
10%  
30%  
Nil  
30%  
8.36%

## CASH

The primary objective is to achieve a return, after tax and fees, which exceeds Consumer Price Index (CPI) increases by at least 1% pa over rolling three-year periods.

A further objective is to earn a rate of return, after tax and fees, which is in excess of the median manager in the Mercer Australian Cash Specialist Funds Survey, over rolling three-year periods. Over time, a rate of return in excess of a majority of industry fund cash options is expected.

Invests 100% in cash.

Relatively low but stable returns.

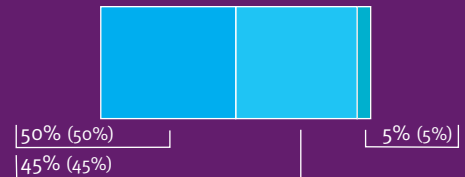
Nil  
Nil  
Nil  
Nil  
Nil  
100%  
3.87%

## Actual asset allocation

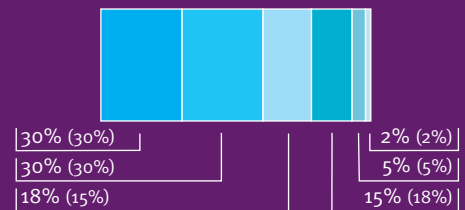
The charts below show the actual percentage of the Fund that is invested in each type of asset class for each investment option as at 30 June 2004. The actual percentages as at June 30 2003 are shown in brackets.

Note that the actual asset allocations are reweighted back to benchmark each month.

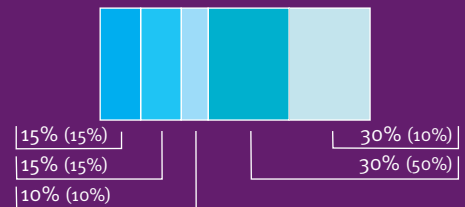
### High Growth



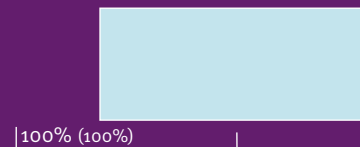
### Growth



### Stable Growth



### Cash



Financial markets once again delivered a surprise for investors, this time on the positive side. Despite patches of volatility and currency swings throughout the year, markets rebounded with particularly strong showings in both international and Australian shares as well as listed property.

However, due primarily to the disappointing performance of its international share portfolio, AvSuper was unable to fully maximise returns from this experience.

As a result, both ABN AMRO and Fidelity were terminated and replaced with Wellington and GMO, who was appointed in July 2004. The timing of this transaction meant that funds which should have been allocated to the incumbent international share managers were held back until appointment of the new managers. As a result, AvSuper was unable to fully participate in the strong performance of international shares.

Members will be aware, however, that outright performance is not the only factor that AvSuper focuses on when making its investment decisions. Considerable attention is also paid to the risk associated with achieving that performance. In this regard, AvSuper has been most successful in achieving its performance with a minimal amount of risk, placing AvSuper as one of the least risky funds relative to its peers.

The AvSuper Board has undertaken considerable analysis of its performance over the 2003/04 financial year and is currently implementing strategies to maximise the risk/return rewards available.

Whilst performance over the 2003/04 financial year has been somewhat disappointing, the Board is comforted by the evidence that it is a stable and responsible investor over the long term.

In addition to the appointment of Wellington and GMO, AvSuper also appointed Investor Select Advisors as a hedge fund manager during the year and Eureka Funds Management as a property manager just prior to the end of the financial year.

### Going forward

AvSuper is exploring new areas of investment as an extension to the traditional asset classes and which are designed to deliver superior performance without exposing the Fund to excess risk.

## Investment manager summary

Asset sector	Fund manager	Net return %	Asset allocation			
			30 June 2004		30 June 2003	
			\$m	%	\$m	%
Australian shares	Maple-Brown Abbott	22.5	103.1	14.9	82.6	14.3
	Westpeak	19.1	102.7	14.9	76.1	13.2
International shares	BIAM	14.2	74.0	10.7	46.3	8.0
	Wellington	5.9	64.7	9.4	commenced 18 Mar 2004	
	Fidelity	16.2	48.0	7.0	40.3	7.0
	Colonial First State (hedge fund)	16.5	16.2	2.3	13.6	2.6
	Investor Select Advisors (hedge fund)	-4.21	14.3	2.1	commenced 1 Dec 2003	
	ABN AMRO	2.8	funds withdrawn 26 Mar 2004		52.7	9.1
Listed property	HSBC	13.5	23.1	3.3	19.7	3.4
Unlisted property	Colonial First State:					
	– Property Diversified	8.0	33.2	4.7	30.4	5.2
	– Opportunistic Plan	-0.1	1.7	0.3	commenced 18 Jul 2003	
	– C'wealth Property Fund	8.6	13.9	2.0	21.7	3.8
	– C'wealth Property Office Fund	8.5	5.8	0.7	7.3	1.4
	– C'wealth Property Hotel Fund	11.5	16.4	2.4	14.7	2.6
	Fiduciary	-1.0	1.3	0.2	0.8	0.1
Eureka Funds Management	N/A	appointed 30 June 2004 – not yet funded				
Fixed interest	Loomis Sayles	4.3	125.1	18.1	149.1	25.9
Cash	Barclays	4.4	43.2	6.2	11.0	1.9
	Super Member Home Loans	2.1	2.6	0.4	2.6	0.5
Currency	Lee Overlay Partners	-0.3	2.6	0.4	5.7	1.0

## Derivatives

During the 2003/04 financial year, AvSuper did not directly purchase, sell or hold any option, futures positions or other synthetic investments. Investment managers are permitted to use these and other derivative instruments to help manage the Fund's assets. However, derivatives may only be used when they form part of the investment strategy of the Fund as a whole, having regard to the risk/return characteristics of all assets in the portfolio. The Trustee Board expects that in the long term, the use of derivatives will increase the Fund's investment returns and reduce risk, although the effect will vary from year to year. Derivatives are managed in accordance with strict guidelines set down by the Australian Prudential Regulation Authority (APRA).

## Other assets

The Trustee Board is required to notify members of any single investment that exceeds 5% of the value of the Fund's assets. The Trustee Board confirms that AvSuper does not have any investments that fall into this category. In addition, none of the assets of the Fund are invested in your employer (ie Airservices Australia or CASA) or other related bodies.

This is a summary of the Fund's financial statements for the years ended 30 June 2004 (unaudited) and 30 June 2003 (audited). The full audited financial statements for the year ended 30 June 2004, including the audit report, will be available by the end of October 2004. Copies will then be available on request from the Fund's staff, whose contact details are shown on page 14.

### Statement of change in net assets

	2004 \$	2003 \$
<b>Opening balance at 1 July</b>	<b>592,377,833</b>	<b>541,942,600</b>
Plus		
<b>Income</b>		
Net investment revenue	78,735,352	-1,018,074
Employer contribution (including salary sacrifice)	45,612,683	81,137,095
Member contributions	4,381,017	3,412,093
Transfers from other funds	5,615,708	3,698,083
Proceeds from group life insurance policies	971,011	1,039,749
Group life profit-sharing rebate	-	306,028
Other income	23,164	41,982
<b>Total income</b>	<b>135,338,935</b>	<b>88,616,956</b>
Less		
<b>Outgoings</b>		
Benefits paid	17,158,245	21,735,777
General administration expenses	1,880,735	1,906,366
Group life insurance premiums	1,240,666	826,906
Income tax expense	13,357,511	11,606,954
Superannuation contributions surcharge	2,143,724	2,105,720
<b>Total outgoings</b>	<b>35,780,881</b>	<b>38,181,723</b>
Equals		
<b>Net assets at 30 June available to pay benefits</b>	<b>691,935,887</b>	<b>592,377,833</b>

### Statement of net assets at 30 June

<b>Assets</b>		
Investments	689,866,578	575,648,239
Other assets	8,163,988	25,768,890
<b>Total assets</b>	<b>698,030,566</b>	<b>601,417,129</b>
Less		
<b>Liabilities</b>		
Benefits payable	-	89,870
Provision for income tax	3,877,845	5,419,253
Provision for deferred tax	1,131,993	2,754,676
Other liabilities	1,084,841	775,497
<b>Total liabilities</b>	<b>6,094,679</b>	<b>9,039,296</b>
Equals		
<b>Net assets available to pay benefits</b>	<b>691,935,887</b>	<b>592,377,833</b>



(left to right)  
 Robert Belzer,  
 Ben Firkins,  
 David Arnott,  
 Hisham El-Ansary,  
 Ron Entsch,  
 Tom Grant,  
 George Fishlock,  
 David Leggo.

The Fund's Trustee is AvSuper Pty Ltd ACN 050 431 797, AFS licence number 239078. The Directors of the Trustee Board manage the Fund and are responsible for making sure it is run in accordance with the Trust Deed (the legal document governing the Fund) and superannuation law. There were no amendments made to the Trust Deed during the last financial year.

There are eight Trustee Directors – four are appointed by the principal employer, Airservices Australia, and four are appointed by the ACTU.

#### Airservices Australia-appointed

**Hisham El-Ansary**  
 Chief Financial Officer and  
 General Manager Corporate Services

**Ron Entsch**  
 Board Member Airservices Australia

**Tom Grant**  
 General Manager Organisation Development  
 and Corporate Secretary

**David Leggo**  
 Operations Manager – Chairman  
 AvSuper Pty Ltd

#### ACTU-appointed

**Ben Firkins\***  
 CPSU

**George Fishlock\***  
 CAOAAA (Civil Air)

**Robert Belzer**  
 CPSU

**David Arnott**  
 United Firefighters Union

\* Mr Firkins and Mr Fishlock are authorised  
 by AvSuper Pty Ltd to provide general financial  
 product advice about superannuation.

### Advisers to AvSuper

AvSuper employs a number of specialist consultants and advisers to ensure the Fund operates as efficiently as possible. These are:

**Actuary** cHr Consulting Pty Ltd

**Auditors** Ernst & Young

**Legal adviser** Freehills

**Fund administrator** Mercer Human Resource Consulting Pty Ltd

**Communication consultant** Aon live wire

**Compliance consultant** SUNAdvice

**Group life insurer** ING

**Taxation adviser** PricewaterhouseCoopers

**Master custodian** National Custodian Services

**Asset consultant** Mercer Investment Consulting Pty Ltd

**Investment managers** Refer to page 11

### Indemnity insurance

The Trustee has taken out trustee indemnity insurance to protect the Board, its Directors, and the Fund.

At 30 June 2004, this was provided through Chubb Insurance Company of Australia Limited.

### AvSuper staff

The AvSuper team members are Denis Carroll, Leeanne Turner, John Hackett and Marie O'Shea. Each member of the team is responsible for the efficient ongoing operation of the Fund and is there to provide support to the Trustee Directors and members. All members of the team are authorised by AvSuper Pty Ltd to provide you with general financial product advice about superannuation.



#### Denis Carroll

Chief Executive Officer

Denis is responsible for overseeing all of AvSuper's operations. He provides direction on strategic and administrative matters and also provides advice and support to the Trustee Board of the Fund.



#### Leeanne Turner

Executive Officer

Leeanne is the Fund's Compliance Officer and Communications Officer. She ensures AvSuper complies with all necessary legislation and looks after the communication needs of the Fund.



#### John Hackett

Administration Manager

John is responsible for the day-to-day administration of the Fund. He is the contact officer for all member enquiries.



#### Marie O'Shea

Administration Officer

Marie supports Denis, Leeanne and John in their roles and assists the management team and Board of Trustees to function effectively and smoothly.

### How to contact us

If you have any questions, comments, suggestions or complaints about the Fund or its benefits, you can contact AvSuper by post, phone, fax or email.

**Post** The Administration Manager  
AvSuper  
GPO Box 367  
Canberra ACT 2601

**Phone** (02) 6268 4722 or 1800 805 088

**Fax** (02) 6268 4469

**Email** [avsinfo@avsuper.com.au](mailto:avsinfo@avsuper.com.au)

**Website** [www.avsuper.com.au](http://www.avsuper.com.au)

### Privacy policy

AvSuper is committed to protecting personal information and is bound by the Privacy Act 1988. AvSuper abides by Privacy Law and our Privacy Policy Statement is available at [www.avsuper.com.au](http://www.avsuper.com.au) or by telephoning (02) 6268 4402.

The Board is very pleased that AvSuper has gained approval from the principal employer to broaden its reach and grow its asset base by offering AvSuper membership to people other than Airservices and CASA employees. In a choice of fund environment, which comes into effect on 1 July 2005, this will ensure that AvSuper remains of sufficient size and substance to maximise the efficiencies and systems it has in place to best serve you.

We are also very excited about the appointment, in the new financial year, of a financial planner dedicated to the needs of AvSuper members. For some time, the Board has been concerned about the availability of impartial and unbiased financial advice and has now identified a structure through which this can be provided at the lowest possible rates to members.

We must also obtain yet another licence. The new Superannuation Safety Amendment Act commenced on 1 July 2004 with a two-year transition period. During this time all superannuation funds must obtain a 'Registrable Superannuation Entity' (RSE) licence in order to operate.

The RSE licence is not the same as the AFS licence we were issued by ASIC. Some requirements for each licence overlap marginally, but each licence has a different focus and enables the licensee to conduct different operations.

Needless to say the new financial year poses some exciting new challenges for the Board and staff of AvSuper. We look forward to meeting these challenges and providing positive outcomes and even better services for you, our members.

the future

The future looks challenging  
but very exciting.

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