A small step towards big superannuation savings

Virgin Super
2012 Annual Report

SUPER RATINGS

RISING STAR FINALIST 2012

SUPERRATINGS GOLD SUPER 2012

virgin money + super
good together

Virgin money

Virgin Super (your Super Fund): Virgin Superannuation ABN 88 436 608 094

Virgin Money (the Promoter): Virgin Money Financial Services Pty Ltd ABN 51 113 285 395 AFSL 286869 PO Box R1801, Royal Exchange NSW 1225. Virgin Money is a subsidiary of Virgin Money Australia.

Trustee (the Issuer & Trustee): The Trust Company (Superannuation) Limited ABN 49 006 421 638 AFSL 235153 PO Box 361 Collins Street West, VIC 8007
T: (03) 9665 0200 F: (03) 9620 5821

Administrator: Pillar Administration ABN 80 976 223 967 AFSL 245591 PO Box 1489, Wollongong, NSW 2500
T: 1300 652 770 F: 1300 882 327

Investment Manager: Macquarie Investment Management Limited ABN 66 002 867 003. Macquarie is the investment manager of underlying funds in which Virgin Super invests.

Your 2012 Annual Report is for the 2011/2012 Financial Year and has been prepared by Virgin Money for the Trustee as Trustee of Virgin Super. Please note your Annual Report doesn't contain personal financial product advice. It contains general information that doesn't take account of your objectives, financial situation or needs so before making any decisions you may wish to consult a financial advisor having regard to your personal situation. You should also consider the current Virgin Super Product Disclosure Statement (PDS) which can be found on the website virginmoney.com.au/superannuation.

As the promoter of Virgin Super, Virgin Money will directly and through its agents (including the Virgin Super website virginmoney.com.au), provide general advice and arrange for customers to acquire products issued by The Trust Company (Superannuation) Limited in its capacity as Trustee of Virgin Super. Virgin Money provides these services under its own Australian Financial Services Licence (AFSL) and not as representative of the Trustee. The Trustee does not accept responsibility for the advice and arranging services provided by Virgin Money under its own AFSL.

You should read the current Virgin Super PDS issued by the Trustee for details of product features, investment options, fees and costs before making any decision about Virgin Super. Neither Virgin Money, the Trustee or any related entities guarantee the return of your capital or the performance of Virgin Super or its investment options.

Inside, the year that was

Why you and Virgin Super are good together

The 2011/12 Financial Year has been a busy time for everyone, and Virgin Money certainly hasn't been the exception. We've been busy working on a fresh new approach, all the while staying true to our core promise of bringing ease and simplicity to you as a member.

It's all about how you and Virgin Money can be good together for your superannuation savings.

As a Virgin Super member, you're entitled to say a big fat NO to complexity and unnecessary fees that eat away at your retirement savings. And say YES to keeping it simple and easy to understand.

Plus you can be satisfied that with Virgin Super, you're continuing to get value from your fund Virgin Super. For the third year running, Virgin Super was awarded a Gold Rating in 2012.

SUPER RATINGS

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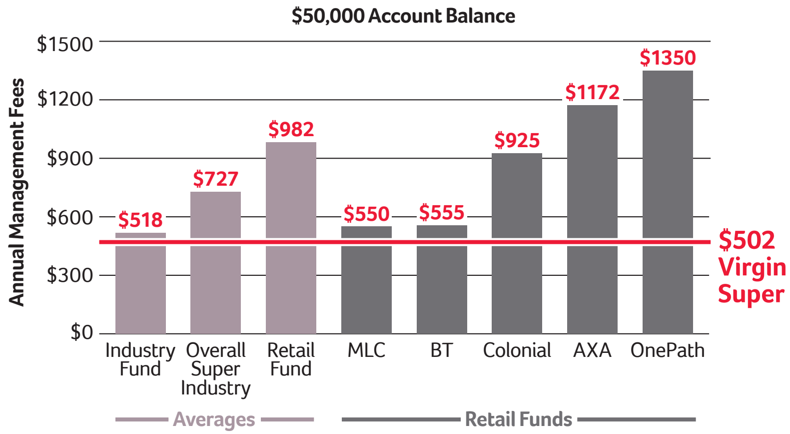
What else can you get excited about?

✓ Our management **fees are 49% lower** than the retail super fund average*. Meaning your retirement savings are not being eaten away at by high fees.



✓ We'll reward you with a discount on your management fees the more you save.

✓ You won't be charged joining, contribution, withdrawal or exit fees, unlike some other Super funds.

*Based on membership costs for a $50K account balance invested in the funds default or balanced investment option. Information sourced from an external provider SuperRatings Pty Ltd June 2012 and is based on a sample of funds from within the Super industry. Management fees only include investment, administration and membership fees. Figures supplied by SuperRatings Pty Ltd are: E.g. FUND ($50K balance p.a.): Virgin Super ($502), Industry Fund Average ($518), Super Industry Average ($727), Retail Fund Average ($982), AXA Simple Super ($1172), BT Super For Life – Savings ($555), Colonial First State – First Choice Personal Super ($925), OnePathOneAnswer – Personal Super ($1,350), MLCMasterKey Super Fundamentals ($550). Retail funds are defined as Retail Master Trusts. The Trustee has received permission from SuperRatings Pty Ltd to publish this information and does not endorse or accept responsibility for the accuracy or completeness of the information provided by SuperRatings Pty Ltd. You should not rely on these figures as a complete picture, as the actual fees applied to a person's account will vary depending on a number of factors such as super fund, fee structure, transactions undertaken, account balance, tax treatment, contribution amount and timings.

How your super is invested

Investing that tracks the index

In terms of the bigger picture on superannuation investing, there are two key strategies that funds use – index tracking and active fund management. Our investment options use index tracking.

Index tracking is designed to mirror the performance of a share or bond index by investing in a percentage of stocks or bonds on a particular index to closely replicate the performance of that index – so instead of trying to outperform the market like active managers, our options track (or follow) the market instead.

This strategy has a proven history of long-term performance in all the major asset classes. This is because few active managers have been able to consistently sustain above-benchmark returns after costs over the long term.

Tracking the index has another cost benefit – because the typical index fund is not actively managed, we're not paying the wages of active fund managers, our costs are lower than average management costs for actively managed funds, which means you are more likely to pay less fees.

To see the investment option you are currently in, login to your account at virginmoney.com.au, call us on 1300 652 770 or read your 2011/2012 Virgin Super Annual Statement. Your 2011/2012 Virgin Super Annual Statement shows your investment option as at 30 June 2012, so if you have made any changes since then go to the website or call us.

LifeStage Tracker®

Our LifeStage Tracker® investment options provide the potential for long-term stability by adjusting your exposure to risk at four key life stages – under 40s, 40s, 50s, over 60s+. And the great thing is that you can choose what level of risk you're comfortable with.

- Our balanced mix is for people who want mid to long-term growth while maintaining risk at a moderate level. It's made up of an investment mix that targets moderate returns – Cash & Fixed Interest, Listed Property, Australian and International Shares.
- Our aggressive mix is for people who don't mind taking on more risk for the potential of higher returns. It comprises an investment mix that targets higher growth – a greater percentage is allocated assets like Listed Property, Australian and International Shares.

Select Your Own

For people who like to have a bit more control, Select Your Own allows members to invest in one or all of the available asset classes. Each asset class has a different level of risk and return, so you can choose where you want your money invested depending on your risk profile.

Your risk profile

Your risk profile is a personal choice, but you could look at it in terms of age or life stage.

- At one end of the spectrum are workers nearing retirement with not much time left in the investment market. For these people risk is potentially tricky in that any losses incurred could be harder to recoup over a shorter timeframe.
- At the other end are the young ones with many years of work left in them. For these people risk could be less of an issue, as they've got more time to recover from share market fluctuations.

For more information about risk, read the current Virgin Super PDS.

Important info on investment options

When looking at your investment options, remember that objectives are not a promise or guarantee of a particular return. Asset allocations are indicative only and from time to time there may be some variation depending on the experience of the underlying funds, investment market fluctuations or asset allocation decisions.

LifeStage Tracker® – Balanced

	Under 40's mix		40's mix		50's mix		Over 60's mix	
Objective: To achieve returns (after tax and fees) that exceed movements in the Consumer Price Index (CPI) by:	At least 3.5% p.a. over 5 year rolling periods		At least 3% p.a. over 5 year periods		At least 2% p.a. over 3 year periods		At least 1% p.a. over 2 year periods	
Strategic asset allocation	**Asset class:**	**Benchmark** (%)	**Asset class:**	**Benchmark** (%)	**Asset class:**	**Benchmark** (%)	**Asset class:**	**Benchmark** (%)
	Australian Equities	47	Australian Equities	38	Australian Equities	25	Australian Equities	10
	International Equities (Hedged)	16	International Equities (Hedged)	12	International Equities (Hedged)	7.5	International Equities (Hedged)	2.5
	International Equities (Unhedged)	16	International Equities (Unhedged)	12	International Equities (Unhedged)	7.5	International Equities (Unhedged)	2.5
	Australian Listed Property	6	Australian Listed Property	8	Australian Listed Property	10	Australian Listed Property	5
	Total Growth Assets	**85**	**Total Growth Assets**	**70**	**Total Growth Assets**	**50**	**Total Growth Assets**	**20**
	Australian Fixed Interest	12	Australian Fixed Interest	24	Australian Fixed Interest	40	Australian Fixed Interest	64
	Australian Cash	3	Australian Cash	6	Australian Cash	10	Australian Cash	16
	Total Defensive Assets	**15**	**Total Defensive Assets**	**30**	**Total Defensive Assets**	**50**	**Total Defensive Assets**	**80**
Potential for negative annual return	Once every 4 years		Once every 4.5 years		Once every 6 years		Once every 21 years	
Estimated number of negative annual returns over any 20 year period	5		4.4		3.2		0.9	
Risk level	High		High		Medium to High		Low	
Minimum suggested Investment timeframe	7 years		5 years		4 years		2 years	

The objectives shown above are not a promise or guarantee of any particular rate of return or benefit. Instead, the objectives are used by the Trustee to monitor the performance of Virgin Super's investments.

Important info on investment options cont.

LifeStage Tracker® – Aggressive

	Under 40's mix		40's mix		50's mix		Over 60's mix	
Objective: To achieve returns (after tax and fees) that exceed movements in the Consumer Price Index (CPI) by:	At least 4% p.a. over 7 year rolling periods		At least 3.5% p.a. over 5 year rolling periods		At least 3% p.a. over 5 year periods		At least 2% p.a. over 3 year periods	
Strategic asset allocation	**Asset class:**	**Benchmark** (%)	**Asset class:**	**Benchmark** (%)	**Asset class:**	**Benchmark** (%)	**Asset class:**	**Benchmark** (%)
	Australian Equities	65	Australian Equities	47	Australian Equities	38	Australian Equities	25
	International Equities (Hedged)	17.5	International Equities (Hedged)	16	International Equities (Hedged)	12	International Equities (Hedged)	7.5
	International Equities (Unhedged)	17.5	International Equities (Unhedged)	16	International Equities (Unhedged)	12	International Equities (Unhedged)	7.5
	Australian Listed Property	0	Australian Listed Property	6	Australian Listed Property	8	Australian Listed Property	10
	Total Growth Assets	**100**	**Total Growth Assets**	**85**	**Total Growth Assets**	**70**	**Total Growth Assets**	**50**
	Australian Fixed Interest	0	Australian Fixed Interest	12	Australian Fixed Interest	24	Australian Fixed Interest	40
	Australian Cash	0	Australian Cash	3	Australian Cash	6	Australian Cash	10
	Total Defensive Assets	**0**	**Total Defensive Assets**	**15**	**Total Defensive Assets**	**30**	**Total Defensive Assets**	**50**
Potential for negative annual return	Once every 3.5 years		Once every 4 years		Once every 4.5 years		Once every 6 years	
Estimated number of negative annual returns over any 20 year period	5.5		5		4.4		3.2	
Risk level	High		High		High		Medium to High	
Minimum suggested Investment timeframe	7 years		7 years		5 years		4 years	

The objectives shown above are not a promise or guarantee of any particular rate of return or benefit. Instead, the objectives are used by the Trustee to monitor the performance of Virgin Super's investments.

Important info on investment options cont.

Select Your Own

	Australian Equities		International Shares*		Listed Property		Cash / Fixed Interest	
Objective: To achieve returns (after tax and fees) that exceed movements in the Consumer Price Index (CPI) by:	At least 3.5% p.a. over 7 years rolling periods		At least 3.5% p.a. over 7 years rolling periods		At least 2.5% p.a. over 5 years periods		At least 0% p.a. over 1 year periods	
Indicative asset allocation	Australian Shares	100%	International Shares	100%	Australian Listed Property	100%	Autralian Cash Australian Fixed Interest	20% 80%
Potential for negative annual return	Once every 3.5 years		Once every 3.5 years		Once every 3.5 years		Once every 11 years	
Estimated number of negative annual returns over any 20 year period	5.6		5.7		5.6		1.7	
Risk level	High		High		High		Low to Medium	
Minimum suggested Investment timeframe	7 years		7 years		5 years		1 year	

* International Shares (50% hedged/50% unhedged).

2011/2012 Market Review

Note: This information is based on market commentary provided by Macquarie Investment Management Ltd (AFSL 237492) and is published in this report with its consent. It is very important to note it relates to investment markets generally. It does not constitute financial advice and is of a general nature only without taking into account a person's individual circumstances or needs. Past performance is not indicative of future performance. The opinions, estimates and other forward looking statements are subject to various risks and uncertainties.

Cash and Fixed Interest

The beginning of FY12 was characterised by an increase in volatility due to negative market sentiment. Notable events during this period included the downgrade of the US government, fiscal concerns in peripheral Europe and the slowdown in the US economy leading to Operation Twist. Domestically the softer conditions led to rate cuts totalling 125bps. The December quarter continued to display heightened volatility, particularly driven by the sovereign and banking concerns in Europe. With regards to the Greek debt crisis, a plan was delivered at the conclusion of the EU summit that saw banks take a voluntary 50% haircut on Greek bonds and enabled the European Financial Stability Facility (EFSF) to be leveraged up to 4-5 times. This caused risk markets to rally, however, this was short lived as markets became increasingly sceptical of the ability of the plan to be implemented. This was reflected in further widening of Italian and French bond yields which hit new post-Euro highs.

The second half of the financial year began with a more positive tone as markets were driven higher on the back of upcoming European Long Term Refinancing Operations (LTRO) funding and possible restructure of the Greek debt issue. However, this was short lived as the results of Greek elections and fears surrounding Spain's financial system troubled the market. Reflecting these concerns, the yield on Spanish government bonds rose above 7% for the first time – above the level that previous sovereign bailouts had taken place. Both the Fed and the RBA adopted a more balanced tone as they maintained their wait and see approach in regards to further stimulus and rate cuts. Towards the end of the financial year, however, market sentiment softened and the credit markets erased much of the previous quarter's gains. Meanwhile, yields in the US, Germany and Australia all fell to record low levels, as investors sought the perceived safety of these markets.

In Australia, the December quarter saw the RBA cut the cash rate two more times bringing the official cash rate to 4.25%. The RBA then cut rates again in May (50bps) and June (25bps) due to Australian CPI printing weaker and further evidence of a slowdown in global growth (especially in Europe and China). The yield on the 10 year government bond fell to 2.87% in June 2012, versus over 4% in April 2012. Contrary to the global trend, however, Australian economic data started to surprise to the upside causing an increase in domestic selling pressure. However, this was tempered by the weakness in the overall global economic data, leading Australian bond yields to being fairly contained in a range in the last few months of the financial year. Looking ahead, the fundamental driver of market sentiment will continue to be the longer term trend of global economic data, which has softened over recent months.

2011/2012 Market Review cont.

Listed Property

The Australian listed property sector outperformed the broader equity market by 17.8% in FY12, up 11% in absolute terms. This was only its second year of outperformance since FY03. Over the past three years, following the horrible performance of the REITs in the GFC, the REITs have delivered cumulative outperformance of 24.0%.

The outperformance of the REIT sector was concentrated in the second half of the year, with 13.5% of the outperformance coming in the June 2012 quarter. This was partially driven by WDC, which makes up roughly 30% of the sector, as well as GMG and WRT.

Despite global challenges, the debt markets remain open for the REITs with $6.3bn of new debt/refinancing completed in the last year at an average term of 6.0 years and average margin of 230bps. Base debt costs fell sharply through FY12, with the BBSW and five year swap rate falling 143bps and188bps respectively, versus a ~50bps rise in debt margins.

Transaction markets were healthy in FY12, with $11.4bn of assets trading hands (>$30m). Office was the most active, representing 55% of sales, with retail activity picking up in 2012 and providing 26% of sales. The main source of buying came from offshore with $2.3bn of net acquisitions, and domestic unlisted institutional investors (+$1.3bn), whilst the major sellers were REITs with $2.8bn of net sales.

While delivering a solid return over FY12, listed property securities were impacted by macroeconomic concerns. Along with much of the market, issues including ongoing uncertainty over the American economy, European sovereign creditworthiness and China's continued expansion all dampened business and consumer sentiment. With property sectors – retail, office, industrial and residential – all reliant to some degree on a confident consumer and an expanding business sector, demand softened somewhat over the year. The prospect of continued interest rate cuts through FY13 may provide some respite for property trusts in an uncertain global economy.

Australian Shares

The Australian equities market underperformed in FY12, providing an absolute return of -6.71% (S&P/ASX 200 Accumulation Index). Macroeconomic issues continued to play a pivotal role in the direction of the equity markets as investors juggled concerns of a European debt crisis, a slowing Chinese growth story, and the hope that a US recovery will remain on track.

The sovereign debt crisis in the periphery of the Eurozone deepened over FY12. The Greek government agreed to a restructuring of its privately-held debt with holders accepting a combination of new Greek debt and European Financial Stability Fund bonds. Fears of a Greek exit from the European monetary union were heightened by a strong election showing by anti-austerity parties in May, though a June re-election brought a centrist coalition government to power.

Domestically, FY12 has been a year of structural change as local manufacturing and tourism operators suffer a higher AUD, retailers and media companies adapt to an increasingly digital world, and a more prudent consumer both borrows and spends less. The problem with structural change is that no cut in interest rates or taxes can arrest its affect. Despite the Reserve Bank of Australia (RBA) cutting interest rates by 1.25% this FY, and tipped by the futures market to have another 75bps of cuts to come, Australian businesses will have to fight to remain relevant in an increasingly global economy. The AUD fluctuated against the greenback, dipping below the parity mark in the second quarter, before closing at US$1.02.

2011/2012 Market Review cont.

Sector performance across the ASX200 this financial year highlights a defensive investor bias. Telcos ended the year up +27%, along with utilities +10% and healthcare +8%. The materials sector is off almost 30% this FY, with the fear of a hard landing in China remaining front of mind, ahead of their once in a decade leadership change. The People's Bank of China (PBOC) cut interest rates for the first time since 2008, unnerving markets as Premier Wen Jiabao predicted economic growth of 7.5% in FY12, the slowest annual pace since 2004. Unsurprisingly BHP (-25.8%) and RIO (-30%) were big detractors of performance on the local bourse.

International Shares

The MSCI World Ex Australia Index returned -0.5% over 12 months ending 30 June 2012. The continuation of issues in Europe and signs of weakening economic growth in both Developed and Emerging markets ensured a volatile year.

The European sovereign debt crisis continued to roil with a seemingly never ending string of inconclusive summits and bailout packages. A notable slowdown of German PMI manufacturing and service numbers, as well as a fall in Euro Consumer Confidence reiterated widespread market fears that the Euro is headed for choppy waters, which triggered France, Spain, Italy, Greece and Belgium, to impose short selling bans to stabilise the markets. Populist backlash over imposed austerity measures further compounded issues, prompting governmental changes in both Greece and Italy, with former members of the European Central Bank taking charge of the nations' future. S&P downgraded thirty-four Italian banks after reducing the nation's ratings, and Moody, similarly, cut debt ratings on six European countries including Italy and Spain and placed the UK and France on risk alert.

UK GDP disappointed expectations, tipping the local economy officially back into recession, the first double dip since 1975. Ongoing discussion by European leaders to find a permanent solution to looming contagion risks finally resulted in additional aid allocated to endangered countries, with the European Union (EU) Summit in late June finally producing a degree of political agreement, buoying markets.

This came as particularly good news for periphery economies such as Spain and Italy, which had seen their debt spreads widen considerably since the start of 2012.

US markets were naturally influenced by the issues across the Atlantic, with additional complications stemming from bureaucratic paralysis, a looming Presidential election and their first ever S&P credit downgrade, to AA+ level. Some positive sentiment ensued towards the end of 2011 with the upward revision of the GDP based on strong consumer spending and deployment of Fed Chairman Ben Bernanke's Operation Twist, the third in a series of major policy responses by the Fed to stimulate the economy, aimed at lowering the interest rate on longer term bonds.

Economic momentum slowed considerably in China with the data uniformly disappointing, notably with home prices declining in more than half of the biggest cities. While this partly reflects the slowdown intended by Chinese policymakers, the market was nonetheless concerned over the risk of a hard landing.

More investment information

Derivatives and their use

While the Trustee doesn't directly invest in derivatives, the managers of the underlying investments may use derivatives indirectly as a hedging device to help protect the value of assets against a significant decline in investment markets.

(Derivatives are a type of security that derive their value from other security types, like futures and options. They're often used to increase returns while minimising the risk of losing money.)

How we value your super and pass on investment earnings

When you invest in Virgin Super, you don't buy actual assets – instead, you are allocated units in the investment option your money goes into.

Your account balance is calculated by multiplying the number of units you have by the applicable unit price (at any particular time). Your account balance will reflect that unit prices may fluctuate from day to day based on the value of underlying investments after taking into account any investment earnings and relevant fees, costs and taxes. Each investment option has a different unit price, because they grow at different rates. Unit prices may fall as well as rise and in this way investment earnings (negative or positive) are passed on to members.

There is a difference between the unit price we use when you put money into an investment option and the one we use when you take money out, this is called a buy/sell spread. Unit prices are usually calculated daily, based on the latest available market price at the end of each business day. The unit price is normally calculated the next business day. (For more information on buy/sell spreads^, read the current Virgin Super PDS.)

How the Fund was invested at 30 June 2012

	30-Jun-11	30-Jun-12
Macquarie Treasury Fund	$14,920,892	$20,541,094
Macquarie True Index Australian Fixed Interest Fund	$61,713,782	$75,165,368
Macquarie True Index Listed Property Fund	$22,657,918	$25,678,675
Macquarie International Index Equity Fund (Unhedged)	$43,358,002	$44,509,431
Macquarie International Index Equity Fund (Hedged)	$45,445,030	$45,806,030
Macquarie True Index Australian Equity Fund	$157,999,141	$154,763,123
Macquarie Cash Reserve	$35,837	$9,410
Tax Provision*	$2,227,858	$2,385,851
Total	$348,358,460	$368,858,981

Note: Macquarie True Index Australian Fixed Interest Fund, Macquarie True Index Listed Property Fund, Macquarie International Index Equity Fund (Unhedged), Macquarie International Index Equity Fund (Hedged) and Macquarie True Index Australian Equity Fund each represented more than 5% of the Fund's total assets.

* Tax Provision is the money that's set aside to pay the Contributions Tax to the Tax Office each year. For further information, refer to the "Key Fund Information" section of this report.

^A Buy price applies when acquiring units (for example, when you join the Fund or switch into a new investment option). A Sell price applies when selling units (for example, when you leave the Fund or switch out of an investment option). Buy/sell spreads can change from time to time.

Performance to 30 June 2012

LifeStage Tracker® – Balanced	Net Earnings* 1 Year (% pa)	3 year compound average (% pa)	5 year compound average (% pa)	Compound average since Inception^ (% pa)
Under 40s (85% growth)	-1.36	5.95	-2.32	2.74
40s mix (70% growth)	0.86	6.16	-0.74	3.32
50s mix (50% growth)	3.65	6.44	1.43	4.13
Over 60s (20% growth)	6.74	6.42	4.50	5.05

LifeStage Tracker® – Aggressive	Net Earnings* 1 Year (% pa)	3 year compound average (% pa)	5 year compound average (% pa)	Compound average since Inception^ (% pa)
Under 40s (100% growth)	-4.57	5.42	-3.83	2.33
40s mix (85% growth)	-1.36	5.95	-2.32	2.74
50s mix (70% growth)	0.86	6.16	-0.74	3.32
Over 60s (50% growth)	3.65	6.44	1.43	4.13

Select Your Own Portfolios	Net Earnings* 1 Year (% pa)	3 year compound average (% pa)	5 year compound average (% pa)	Compound average since Inception^ (% pa)
Australian Shares	-6.85	4.88	-3.80	3.15
International Shares	-0.16	6.48	-3.89	0.67
Listed Property	8.89	9.93	-10.14	-3.10
Cash & Fixed Interest	8.61	6.36	6.41	5.57

Source: Atchison Consultants, 30 June 2012. Past performance is not an indicator of future performance.

* Net earnings are calculated after the deduction of applicable taxes, fees and costs. Refer to the current Virgin Super PDS for more information about taxes, fees and costs.

^ "Since inception" means the earliest date that Virgin Super began investing into each investment portfolio. For LifeStage Tracker® options, the inception date is 4 July 2005, for Select Your Own options it is 5 July 2005.

In case you didn't know

Performance can go up and down and there's no guarantee which way it will go. So you might get back less than what you first put in because of fluctuations in investment returns and the deduction of applicable taxes, fees and insurance premiums.

Key fund information

ERA Reserve

The Trustee established an expense reserve in March 2011 to meet operational expenses and to fund other strategic projects. The Trustee considers the investment strategy of the Fund when investing reserve amounts. The reserve is held in cash unless otherwise determined by the Trustee. In the management of the reserve, the Trustee reviews the appropriateness of the amount of the reserve and ensures that payments from the reserve are limited to those purposes for which the reserve was established. In accordance with the Trustee's expense reserve policy the following movements occurred over the period.

Financial Year	2010-2011	2011-2012
Opening Balance	$0	$35,490
Deposits	$35,490	$1,695,167
Withdrawals	$0	$1,721,267
Closing Balance	$35,490	$9,390

Deduction of tax from contributions

Contributions Tax is deducted from your taxable contributions (e.g. employer contributions), put into an account and forwarded to the ATO once a month (we call this the 'Tax Provision').

The Trustee has determined that the interest accrued on this account be used to pay certain extraordinary fund expenses, such as the cost of upgrading administration systems to ensure they comply with legislative change.

In the future, the Trustee may determine to use any remaining interest on this account to reimburse certain expenses, properly incurred by the Trustee, in the administration and management of the Fund.

The Trustee

The Trustee is The Trust Company (Superannuation) Limited (ABN 49 006 421 638, AFSL No. 235153, RSE L0000635).

It's the Trustee's job to keep Virgin Super running smoothly and working the best it can for you so that Virgin Super remains compliant under super and other relevant laws. The Trustee is also responsible for the issue of this Annual Report. The Trustee has engaged various service providers to assist with the management and operation of the Fund, and the issue of this report.

Key fund information cont.

Approved Guarantee

The Trustee satisfies its capital requirements under Section 29 DA (3) of the Superannuation Industry (Supervision) Act through an Approved Guarantee in the sum of $5 million. A copy of the Approved Guarantee is available for review at the Trustee's offices (see the Trustee's contact details at the beginning of this report).

The Trustee's insurance

Should any claims be made against the Fund, the Trustee has taken out professional indemnity insurance. This protects the directors and the Fund from any liabilities that might arise subject to the terms of the insurance policy. Like most insurance, not all claims are covered.

Lost member, a definition

You're classed as a lost member if we:

- receive one piece of unclaimed mail returned from your address, or
- have no details of your current address, or
- haven't received any contributions or rollovers for you in five years.

It's easy to become a lost member, but just as easy not to. If you're moving house please let us know by calling 1300 652 770 otherwise your benefits may be transferred to the Tax Office or our nominated eligible rollover fund.

The Eligible Rollover Fund (ERF)

Our nominated ERF is Super Safeguard. The ERF is the fund used should we decide to move a member's super money elsewhere. So, if we lose contact with you and your balance is less than $2000 (and you become a lost member) or your account balance falls below $1000 we may transfer your super into the ERF we've chosen unless we are required to pay your lost account to the Tax Office.

If it's the latter, we'll try to contact you first to see if you'd like to top up your account and stay with Virgin Super.

A few things happen if your super is transferred to the ERF:

- you stop being a member of Virgin Super
- you'll need to talk directly with the ERF about your super (see contact details below)
- the investments and fees are different to Virgin Super
- any insurance cover you have with Virgin Super will stop.

The Administrator
Super Safeguard
GPO Box 3426
MELBOURNE VIC 3001
Tel: 1300 135 181
Fax: 1300 135 191

The Trust Company (Superannuation) Limited is also the trustee of Super Safeguard and receives remuneration in this capacity.

Key fund information cont.

Temporary residents

If you enter Australia on a temporary visa you are entitled to receive your superannuation benefit once you leave Australia permanently and your visa has expired (except for certain visa sub-classes). This type of payment is known as a Departing Australia Superannuation Payment (DASP). Under Federal Government (Unclaimed Money) legislation, a former temporary resident's superannuation benefit must be paid to the Australian Taxation Office as unclaimed money where it has been at least six months since they have departed Australia and their visa has lapsed AND the Australian Taxation Office issues a notice to the Fund requesting the benefit be paid to the Australian Taxation Office. If this happens, you have a right, under the Government's legislation, to claim your super money directly from the Australian Taxation Office (subject to the applicable tax rates). For more information go to www.ato.gov.au

If you are a former temporary resident whose superannuation benefits are transferred to the ATO as unclaimed money, you may not be notified of this or receive an exit statement after the transfer occurs. The Trustee will rely on relief provided by the Australian Securities & Investments Commission (ASIC) Class Order [CO 09/437] which says, in effect, that the trustee of a superannuation fund is not obliged to meet certain disclosure requirements in relation to non-residents that have ceased to hold an interest in the fund as a result of the payment of unclaimed superannuation to the Commissioner of Taxation. If you require any further information, contact the Administrator on 1800 336 911.

How to resolve a complaint

As you'd expect, we're dedicated to providing the best service we can. If there comes a time that you're not happy, please write to us at the address below. We'll try to resolve your issue within one week and will write to you with the outcome. If the issue is complicated please allow up to 90 days to hear from us.

Resolutions Manager
Virgin Money
PO Box 1489
Wollongong NSW 2500
T: 1300 652 770

If you should make a complaint and you're not happy with the outcome or you don't hear from us in 90 days, you can contact the Superannuation Complaints Tribunal (SCT) at the address below. (The SCT is an independent body set up by the Federal Government to help super members resolve their complaints.)

Superannuation Complaints Tribunal
Locked Bag 3060
Melbourne VIC 3001
T: 1300 884 114
W: sct.gov.au

Here to help

For general inquiries including information about investments, insurance and contribution options available to you or any other information about Virgin Super, refer to the current Virgin Super PDS, contact our Customer Care Team on 1300 652 770 or email us at expert@virginsuperannuation.com.au

Virgin Super's financials

The following tables contain the Fund's abridged financial information (based on unaudited accounts) which shows how financially healthy we were at 30 June 2012. If you would like a copy of our full audited accounts and auditor's report, they will be available on request from 16 November 2012 through our Customer Care Team on 1300 652 770.

Statement of net assets	30-Jun-11 ($)	30-Jun-12 ($)	Statement in changes in net assets	2011 ($)	2012 ($)
Assets			**Changes in Net Assets**		
Investments	348,358,460	368,859,982			
Cash at Bank	4,897,549	3,679,498	**Plus Income**		
Sundry Debtors	14,652	29,478	Trust Distribution Income	19,033,779	15,720,784
Deferred Tax Assets	7,511,913	9,121,903	Interest	195,274	115,674
GST Receivable	80,608	68,597	Other Investment Income	75,333	91,715
Total Assets	360,863,182	381,759,458	Changes in Net Market Value of Assets	12,427,552	(15,552,274)
			Employer Contributions	45,603,543	46,838,692
Less Liabilities			Member Contributions	3,793,848	3,578,559
Benefits Payable	397,920	136,346	Transfers In	17,512,962	13,101,636
Administration Fees Payable	12,161	126,490	Insurance Proceeds	–	–
Insurance Premiums Payable	155,777	89,912	Government Co-Contributions	720,738	493,452
Cash Clearing Account	986,371	641,580	Total Income	99,363,028	64,388,238
Other Amounts	157	57	**Less Outgoings**		
Income Tax Payable	2,966,697	1,259,215	Insurance Premiums	813,495	854,162
Deferred Tax Liabilities	1,366	855	Administration Expenses	4,073,671	4,028,215
Total Liabilities	4,520,450	2,254,455	Superannuation Contribution Surcharge	1,670	1,617
Net Asset Available to Pay Benefits at 30 June	356,342,732	379,505,003	Other Expenses	19,453	1,733,543
			Total Outgoings	4,908,288	6,617,537
Represented by: Liabilities for Accrued Benefits			**Benefits Accrued before Income Tax**	94,454,739	57,770,701
Allocated to Members Accounts	354,142,133	377,441,952	**Benefits Paid before Income Tax**	30,964,570	29,979,815
Unallocated	2,200,599	2,063,051	Less Income Tax Expenses	8,902,568	4,628,615
Total	356,342,732	379,505,003	**Net Assets Available to Pay Benefits at 30 June**	356,342,732	379,505,003

virgin money + super
good together

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