



Accountants
Super



Trustee Report 2006



Message from the Chairman 2005 - 2006

I am delighted to present my first report to you in my capacity as Chairman of your chosen super fund.

Building on our solid foundations and achievements of the past, Accountants Super has been able to meet all performance goals and targets, producing a healthy and positive result.

We have delivered top quartile investment returns, compounding asset accumulation, improved member services and have commenced the first step in an alignment strategy that will see your chosen super fund positioned as a career-spanning superannuation and retirement services provider.

This has been a most eventful year for us, with major changes occurring which will position us well to provide solutions for your superannuation needs for the years ahead.

The first change has been that of the Trustee. From 30th June 2006, Professional Associations Superannuation Ltd became your Trustee. As the name suggests, the focus of your Trustee is to support and serve members of professional associations. Our growth plans encompass working hard to build closer and stronger bonds with both large and small accounting and financial service associations.

The second change has involved Accountants Super becoming a division of Professional Associations Superannuation Fund ("PASF") (formally Recruitment Services Superannuation Fund). Recruitment Super is also a division of PASF. As a result, the Fund now serves the superannuation needs of over 335,000 members with assets of over \$1 billion.

The third change has been the introduction of RSE (Registrable Superannuation Entity) licensing. This massive change to regulatory and compliance requirements has resulted in the reduction of approved trustees able to manage super funds from 1200 to 307.

Professional Associations Superannuation rose to the challenge and was proudly granted a RSE licence in November 2005.

This significant increase in members and fund assets will provide valuable economies of scale and savings. This will further strengthen our national resources and service team, allowing us to provide even better member and employer services, education and support, and wider investment options.



The introduction of Choice of Fund has been highly positive for the Accountants Super. The initiatives we introduced, together with the growing recognition of the benefits of industry fund membership has resulted in fund growth of more than 20% in funds under management. The total value of super contributions and rollins alone increased by more than 10% on the same time last year.

Clearly, as members, you have recognised the advantages of choosing, and staying with, a fund that operates only for your benefit. One which keeps fees and charges low, so that profits are returned to you.

This is supported by the number of members who have consolidated their Super by "rolling in" their benefits to Accountants Super to not only minimise administration costs but also maximise their super asset growth and retirement benefits.

We have welcomed the changes announced by the Government to simplify your superannuation in the years ahead, particularly the removal of limits on retirement benefits and the promotion of Government Co-contributions.

Remember, the management of your superannuation is the beginning – the first important step that will ensure your long term financial security and well-being.

The goal of your Trustee is to provide you with the platform for a secure financial future. We take pride in doing so.

Ross Fisher FAICD, FRCSA (Life)
Chairman

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Trustee Information

Professional Associations Superannuation Limited (PASL) (ABN 14 056 917 303 RSE L0000352 AFSL 222590) is the Trustee of Professional Associations Superannuation Fund (PASF) (ABN 78 984 178 687 RSE R1000429) of which Accountants Super is a division.

General Advice Warning

This document is of a general nature only and does not take into account your personal objectives, situation or needs. Before making a decision about Accountants Super, you should consider your own requirements and the relevant Product Disclosure Statement. For a copy call us or visit the Accountants Super website, www.accountants-super.com.

Professional Associations Superannuation Limited ABN 14 056 917 303 RSE L0000352 AFSL 222590

Professional Associations Superannuation Fund ABN 78 984 178 687 RSE R1000429

Your Investment

Accountants Super has strong investment performance!

We're delighted to report that Accountants Super has achieved strong investment returns for the 2005/06 financial year, despite a tough final quarter for investment markets.

The earnings allocated to your Accountants Super account are based on the investment options in which your balance is held. All members have investment choice and can choose from eight investment options.

Our Managed Growth Option, which is our default option, showed returns of 12.2% for the year ending 30 June 2006. Returns for Accountants Super are calculated after taxes, investment management fees and other investment costs are deducted.

Please see pages 13 to 18 for other information for each investment option.

The returns for our investment options at 30 June 2006 are detailed in the table below.

Investment Option	1 year * to 2006 %	5 years to 2006 % (Compound)
Managed Growth	12.2	5.6
Managed Stable	6.7	5.3
Priority Growth	15.2	5.8
Cash	3.8	4.0
Fixed Interest	2.0	5.1
Property	11.5	15.3**
Australian Shares	17.2	9.7
Overseas Shares	18.0	-2.0

Of course, these figures relate to what has happened up to 30 June 2006 and may not indicate future performance.

* Accountants Super generally allocates the majority of investment earnings to member accounts at 30 June each year from investment earnings which accumulated in a notional investment account. This year, due to the change in Trustee on 30 June 2006, not all investment earnings were distributed. As a result, members will receive their entitlement from the balance of undistributed earnings on 1 July 2006. Consequently, members may receive a higher investment return than that quoted above.

** The Property Option was introduced in February 2004 therefore the earnings rate is calculated from commencement to 30 June 2006.

Budget Update

The Federal Government has announced various changes to superannuation, including taxation rates on eligible termination payments (ETPs) and reasonable benefits limits (RBLs).

At this stage, these changes are proposals only and have not become law. The following summarises our understanding of these proposals.

We'll let you know when the legislation is finalised.

What about undeducted contributions?

Undeducted contributions will be restricted to \$150,000 p.a. However, the government has advised that members under age 65 may average this amount over three years to allow people to accommodate larger one-off payments.

Who can contribute?

People will be able to make contributions to their super up to their 75th Birthday, provided they meet work criteria. This is good news for older people who want to keep working and adding to their super.

Tax File Numbers (TFNs)

Where a TFN is not provided to a superannuation trustee by a member, only the taxable element of a benefit payment would be subject to withholding tax at the top marginal rate, as the exempt component is tax free.

Can members split super with their spouses?

The new rules still allow spouse contribution splitting, but there will be fewer financial benefits to the practice.

Who can claim a tax deduction?

Employees generally can't claim a tax deduction for super contributions.

Of course, salary sacrifice may be another tax effective super option.

Will RBLs still apply?

RBLs, or reasonable benefit limits, won't apply to anyone after 1 July 2007 which will make super much simpler.

Did the death benefits rules change?

Financial dependants will receive the death benefits tax-free; non-financial dependants can only receive death benefits as a lump sum which will be subject to tax.

If death benefits are paid as pensions instead of as a lump sum, the age of the person receiving the pension will have tax implications.

Is super still taxed?

Deductible contributions will still have a 15% tax applied. Super funds will also still pay 15% income tax on earnings (we deduct this before earnings reach your Accountants Super account) and 10% Capital Gains Tax.

ETP Components

The proposed arrangements would simplify lump sum payments for individuals aged under 60, with the payment being divided into only two components - an exempt component and a taxable component.

When does super stop?

There is now no compulsory exit age for super, so it's up to you! Even better, super withdrawals for the over 60s will now be tax free! Members will be able to choose how much super to take out when, and not have to include it in their tax return (if over 60).

Portability

The maximum 90 days for funds to process a fund transfer request will reduce to 30 days. As we already complete most transfers in less than 30 days as standard, this doesn't affect Accountants Super members.

All funds would also be required to use a standard form (including standardised proof of identity checks) for individuals to complete if they wish to directly arrange a transfer request.

Deductible Contributions - Employers

Employers will be able to claim a full deduction on super contributions, including Superannuation Guarantee and salary sacrifice, for any employee aged less than 75.

A contributions tax of 15% will apply to all employer contributions (regardless of the number of employers contributing).

Individuals will be taxed an additional 31.5% on any contributions above \$50,000. The individual may request a payment from the fund to pay this amount.

The minimum 9% SG contribution still applies until age 70.

What about temporary residents?

People on an eligible temporary resident visa leaving Australia and withdrawing their super benefit before meeting a condition of release will be taxed at 0% on the exempt component and 30% on the taxable component.



Accountants Super Management

Professional Management

Accountants Super is managed by PASL as Trustee. We currently use the following service providers:

Management and Marketing	<ul style="list-style-type: none">• eo financial services Pty Ltd• eo Pty Ltd
Administrator	Primary Superannuation Services Pty Ltd
Auditor	Price Waterhouse Coopers
Banker	Commonwealth Bank of Australia
Insurers	ING
Asset Consultants	Zurich, Van EYK
Custodian	National Custodian Services

Trustee Changes

In June 2006 we contacted you to tell you that there were changes to the management of the Accountants Superannuation Fund.

On 30 June 2006, all of the members of the Accountants Superannuation Fund transferred into a new division of the regulated superannuation fund Recruitment Services Superannuation Fund (RSSF). That division of RSSF is called Accountants Super.

From 1 October 2006, the name of RSSF was changed to Professional Associations Superannuation Fund (PASF). This name change does not affect the rights or benefits of members of Accountants Super and Accountants Super will continue to operate as a division in PASF.

Trustee

The trustee of PASF is Professional Associations Superannuation Limited (PASL). PASL is a corporate Trustee, ABN 14 056 917 303, RSE L0000352.

The Board of Directors of the Trustee is made up of equal numbers of employer and member representatives. Member representatives are elected by members. Employer representatives are either nominated by participating employers and employer bodies or selected as part of an executive search program and then appointed by the whole Board.

The Trustee Directors all play an active role in managing Accountants Super. Directors have either completed the Australian Institute of Directors' course or the Chartered Secretaries' course. Directors are remunerated for their Board and Board Committee duties. Director fees amounted to \$150,769 in 2005/06.

The Trustee has an Indemnity Insurance Policy to protect both Accountants Super's assets and the Trustee Directors' personal assets.



Trustee Board of Directors

Between 1 July 2005 and 14 December 2005 the following were members of the Board of the Accountants Superannuation Fund, Accountants Superannuation Fund Nominees Ltd:

- Peter E J Jollie, A.M.
- Nancy Milne
- Lance Zarb
- Peter Whyntie

On 14 December 2005, all of the above mentioned Directors retired their positions on this Board and were replaced by:

- Ross Fisher, Chairman
- Ross Herron
- John Plummer
- Marian Bolton

On 30 June 2006 the members of Accountants Superannuation Fund were transferred to RSSF (now PASF). The Trustee Board responsible for the management of Accountants Super; a division of RSSF (PASF), became PASL. The Directors of PASL are shown below.

Employer Representatives



Mr Ross Fisher, Chairman



Mr Ross Herron



Mr John Plummer

Member Representatives



Mrs Marian Bolton



Mrs Sylvia Moreno



Ms Erica Turek

Company Secretary

Mr Gary McGrath

What's happening?

New Member Benefits

We are developing an extensive program to give you even more benefits as an Accountants Super member. You can find out more about this program on our website.

Superannuation and health are important issues that can have a big impact on your future. A corporate health plan will soon be available, offering health insurance and access to a Member Care Network as just one part of the Accountants Super Member Benefit Program.

Reduction of Member Protection Fees

From 1 July 2006, the Member Protection fee has been reduced from 0.5%pa to 0.1%pa. This charge is deducted from the assets of Accountants Super before determining unit prices, so it is benefiting all members.

Even small differences in fees and costs can have a substantial impact on your long term returns. Accountants Super operates only for the benefit of members, so fees are regularly reviewed and kept as low as possible.

New Online Services!

To help you manage your superannuation, we are pleased to announce an upgraded version of eSuper; the online services section on our website.

By clicking on the eSuper globe at the top right corner of most pages on our website, you can access eSuper and your account details.

In eSuper, you can

- check how much super you have in your account
- update your personal details
- check your contributions
- arrange regular or ad hoc contributions

To use eSuper, you will need a username and password.

To access these services, go to the Member eSuper Login Page and click on Register. You must have your Accountants Super membership details handy in order to complete the registration process.



Contractors and Salary Sacrifice

Contractors who are classified as employees under recently changed Superannuation Guarantee (SG) definitions may now be able to make salary sacrifice super contributions from their pre-tax salary the same way other employees can. If you are a contractor, visit our website for a super Fact Sheet to learn how these changes might affect you.

Accountants Super Co-Contributions Calculator

The Government provides a means tested financial incentive for people making personal contributions. Members can calculate how much Co-contribution they may be entitled to with our new calculator. It's quick and easy to use, too.

SMS Address update

If we get any mail returned in your name, and we hold a mobile number for you, we may let you know via SMS. Log onto eSuper to ensure we have your mobile number so we can keep you in touch with your Accountants Super account.

Fast Member Response

Accountants Super prides itself on excellent response standards including returning calls the same day and providing online access to accounts so that Accountants Super members and employers have ready access to relevant information.

More Choice

Previously employees covered by some state awards were not eligible for super Choice. However, from 1 July 2006 many state award employees are eligible.

If you and your colleagues are state award employees, we would be happy to visit your workplace and explain how easy Accountants Super is to understand and join.

Member Forums

"Thanks for such a valuable presentation", "An excellent start for looking at working your super harder without paying for a financial planner", "Thoroughly enjoyed it. Great staff."

These are just some of the comments we received from members who attended our member forums earlier in the year. The forums are free and relaxed sessions to help you understand your super options and investments. Future forum dates will be listed on our website.

Moving between jobs

With Accountants Super, it has always been easy to change jobs, and even industries, without having to change your super. All you have to do is give your new employer your membership number or an Accountants Super Choice form and we'll take care of the rest!



Lost Member registries

Accountants Super will soon commence annual "SuperMatch" searches of the ATO registries using information on our data base such as name, address and Tax File Number. As a result, we may locate money held in the name of members all over Australia.

We'll let you know if we locate money held in your name, and we'll even help you transfer it to your Accountants Super account!

Trustee Elections

Have your say in Accountants Super's management!

Your Trustee, PASL is holding a general election for a member representative for the Board and you can have a say in who joins our Board in December.

What does the PASL Board do?

The Board consists of six members, equally representing members and employers.

The Board's sole purpose is to oversee the administration of the Fund so that its members are provided with financial benefits for retirement or to their dependants if the member dies.

What is the election about?

One member representative is elected every three years, and all members are welcome to apply for the role. Applicants then undergo a process to determine that they are 'fit and proper' for the role, as defined by law.

Voting is open to all members and will be conducted online to be cost effective. Full details on each nominee and the voting process are also available on our website.

How do I vote?

We've made voting quick and easy for you this year. All you need to do is visit our website, click on the banner and follow the instructions. It's that easy!

To vote, you will need to enter your membership number and date of birth for identification purposes. Then check the box beside the name of the candidate you wish to vote for.

Information about each of the candidates is listed on the next page and on our website to make it easy for you to choose the appropriate candidate.

You will need to provide an email address so that our returning officer can confirm your vote.

Of course, if you can't access the internet or would simply prefer not to, you can contact our Customer Service Centre on 1300 651 331 to arrange a postal vote kit to be sent to you.

When can I vote?

As the election is being conducted online, you can vote at any time that suits you. Voting opens on Monday 25th September and closes at 5.00pm on Friday 3rd November.

Can I vote more than once?

All members are able to place one vote each. As part of the voting process, you have to enter your membership number and date of birth which prevents anyone voting more than once or for anyone else.

Who can I vote for?

We have accepted three nominees for the 2006 election for a member representative. You can select any one of the three when you vote.

What happens next?

All votes are collected on a secure site managed by an independent Returning Officer:

After voting closes on 3rd November, the votes will be counted for each candidate and the candidate with the most votes will join our Board of Trustees.

The new member representative for the Board will be announced on our website during November. We will also notify you of the outcome during December and January.

Your Nominees

Sylvia Moreno CIPC, FRCSA(Life), MAICD

I currently serve as your member representative on the Board and seek your support to continue looking after your interests.

With 30 years experience in the recruitment profession as an owner and manager, I have been responsible for the employment wellbeing of many thousands of temporary and casual staff.

I am a member of the Australian Institute of Company Directors and have held numerous Board positions including the Institute of Personnel Consultants and the National Association of Personnel Consultants (currently the RCSA).

Apart from my substantial business and financial experience, I am continuing to develop my knowledge with courses in superannuation and trustee responsibilities as well as legislation and investment requirements.

In essence, I am well qualified to look after your interests and to ensure that your investment in retirement superannuation is well protected and grows at the fastest possible rate.

Your super fund has continued to grow and expand with fund assets now in excess of \$970 million.

As a result of your current Trustee's proven performance and experience with a competent and dedicated service to all members, your fund is one of the top 10 industry super funds in Australia.

I no longer work full time so I have the time and energy to devote myself to the best interests of members (without any conflict with employer needs as I am not employed by an employer member).

I am committed to helping you achieve financial independence as your elected member representative.

Daniel Rose

While I am relatively new to the workforce, being employed full time for under ten years, I believe that my enthusiasm for reviewing and learning from past mistakes make me an ideal candidate to sit on the PASL board as a member representative. My commitment to the education of those new to employment in the ways of the world will make a valuable contribution to the Fund and for Fund members.

I have a varied employment history within Australia's growing contact centre industry and have gathered both technical, interpersonal and management skills. I have skills and knowledge in all aspects of sales, training and contact centre operations.

During my varied employment, I have been lucky enough to work with superannuation and finance firms, as well as a range of telecommunication firms.

I care not only about personal financial security and future, but also about the security and future of Australia. My employment history has depended on my passion for investigation and communication, two elements that I believe are central to resolving any issues in life.

With a passion to involve myself in ongoing learning through life, I believe that I am a suitable candidate – and I will always be looking for ways to better tailor our future and mould our financial security.

Neil Mitchell-Clark

I am a Fellow of the Institute of Chartered Accountants (ICAEW) and worked with Arthur Andersen and Coopers & Lybrand (now PWC) in the UK, Europe and Australia for over 12 years.

I have also held senior positions with Thorn-EMI and Elderslie Finance.

I have expertise in domestic and international markets in financial and risk management, and corporate governance.

I complemented these skills with operational and management expertise as Chief Financial Officer and Company Secretary for Ross Human Directions. Working with the Board, I oversaw the listing and financial affairs, liaised with investors and handled investment opportunities.

I am currently an equity partner with Knight Frank Australia, a leading property industry organisation. I have played an integral key role in the development of the firm's ownership and business strategies.

Through my current and previous roles, I have developed a clear understanding of institutional markets from both an investor and fund manager perspective.

I worked closely with RecruitmentSuper (RSSF) in its infancy to establish service standards. I have retained strong links with the industry and remain a member of RecruitmentSuper.

My professional track record demonstrates my commitment to transparency, honesty, integrity and continued improvement in member services and returns.

Anything else?

If you have any other questions about the election, please contact our Customer Service Centre on 1300 651 331 or asinfo@accountants-super.com

For details about the security of our election process, please direct questions to our Returning Officer at accountantssuper@computershare.com.au

Investment Options

Did you realise that as an Accountants Super member you can choose how your super is invested?

Accountants Super investment choice enables you to choose one investment option or a combination of the eight options available. You can have your current super balance and future contributions invested identically or in different ways. The choice is yours.

Your Product Disclosure Statement (PDS) and our website detail the investment options available for you to choose from.

If you do not actively choose from among the investment options offered, your super will be automatically invested in the Managed Growth investment option.

Unitisation

Your investment in Accountants Super is unitised. You are allocated a number of units depending on your account balance and your investment option(s).

Units are allocated to you each time you make a contribution or rollover existing funds. Your unit holding reduces when you leave Accountants Super or when we deduct fees, taxes and insurance premiums from your account.

Unitisation is similar to buying and selling stocks, with prices changing frequently. The allocation price is based on that week's unit price so your regular contributions will probably convert to a different number of units each time. The buying and selling price for units may vary.

We take out investment fees and tax before setting our unit prices. You can find current and historical unit price information on our website.

Switching

You can change the way your super is invested in our investment options at any time. This is called switching. Even better; Accountants Super doesn't charge members a fee* to switch their investments!

Switching can be done by logging into eSuper or completing an Investment Choice Form available from our website or by calling our Customer Service Centre.

* Buy/sell spreads may apply.

Choosing Options

The following eight investment options are available for you to choose from. If you haven't yet made a choice, your account is invested into the Managed Growth investment option by default.

- ▲ Managed Growth
- ▲ Managed Stable
- ▲ Priority Growth
- ▲ Cash
- ▲ Fixed Interest
- ▲ Property
- ▲ Australian Shares
- ▲ Overseas Shares

The Trustee currently invests the Managed Stable, Managed Growth, Priority Growth, Australian Shares and Overseas Shares Options in an investment policy issued by Zurich Australia Limited (ZAL). ZAL invests into one or more managed investment schemes and these schemes then invest through other vehicles.

Details of the underlying investment managers for each option can be found on page 18.



▲ Managed Growth (The default option)

Objectives

To provide investors with capital growth over the medium to long-term and a modest level of income, through exposure across a range of asset classes, and by using several investment managers. The Option aims to outperform the performance benchmark over periods of five or more years.

Strategy

This Option invests in a mix of Australian and international shares, fixed interest securities, listed property trusts and cash.

The Option is designed to reduce overall portfolio risk by spreading the Option's investments across asset classes and across a number of investment managers with complementary investment management styles.

Unit Price History

Redemption Unit Price at 30 June 2005 1.2233

Redemption Unit Price at 30 June 2006 1.3920

Annualised Effective return at 30 June 2006 12.2%

Asset Type	Asset Allocation	
	As at 30 June 2005	As at 30 June 2006
Cash	6%	6%
Australian Equities	33%	34%
Overseas Equities	30%	29%
Property	7%	7%
Australian Fixed Interest	17%	17%
Overseas Fixed Interest	7%	7%

Year	Size \$M
30 June 2005	195.14
30 June 2006	232.09

▲ Managed Stable

Objectives

To provide investors with security and income while maintaining and potentially increasing the value of capital over the medium to long-term, through exposure across a range of asset classes, and by using several investment managers. The Option aims to outperform the performance benchmark over periods of three or more years.

Strategy

This Option invests mainly in fixed interest securities and cash with some exposure to growth assets such as Australian and international Shares.

The Option is designed to reduce overall portfolio risk by spreading the Option's investments across asset classes and across a number of investment managers with complementary investment management styles.

Unit Price History

Redemption Unit Price at 30 June 2005 1.1950

Redemption Unit Price at 30 June 2006 1.2858

Annualised Effective return at 30 June 2006 6.7%

Asset Type	Asset Allocation	
	As at 30 June 2005	As at 30 June 2006
Cash	5%	5%
Australian Equities	17%	17%
Overseas Equities	14%	14%
Property		
Australian Fixed Interest	45%	45%
Overseas Fixed Interest	19%	19%

Year	Size \$M
30 June 2005	4.16
30 June 2006	4.60

▲ Priority Growth

Objectives

To provide investors with long-term capital growth and a modest level of income, through exposure across a range of asset classes, and by using several investment managers. The Option aims to outperform the performance benchmark over periods of five or more years.

Strategy

This Option invests mainly in growth assets including Australian and international shares, listed property trusts and holds a smaller proportion of income assets including fixed interest and cash.

The Option is designed to reduce overall portfolio risk by spreading the Option's investments across a number of investment managers with complementary styles.

Unit Price History

Redemption Unit Price at 30 June 2005 1.2374
Redemption Unit Price at 30 June 2006 1.4506

Annualised Effective return at 30 June 2006 15.2%

Asset Type	Asset Allocation	
	As at 30 June 2005	As at 30 June 2006
Cash	4%	2%
Australian Equities	45%	47%
Overseas Equities	30%	32%
Property	9%	9%
Australian Fixed Interest	8%	7%
Overseas Fixed Interest	4%	3%

Year	Size \$M
30 June 2005	29.77
30 June 2006	36.82

▲ Cash

Objectives

To provide investors with security of capital over the short to medium term.

Strategy

This Option invests in a range of Australian short dated securities including bank guaranteed, government guaranteed and corporate securities.

Unit Price History

Redemption Unit Price at 30 June 2005 1.1230
Redemption Unit Price at 30 June 2006 1.1654

Annualised Effective return at 30 June 2006 3.8%

Asset Type	Asset Allocation	
	As at 30 June 2005	As at 30 June 2006
Cash	100%	100%
Australian Equities		
Overseas Equities		
Property		
Australian Fixed Interest		
Overseas Fixed Interest		

Year	Size \$M
30 June 2005	3.42
30 June 2006	3.22

▲ Fixed Interest

Objectives

To provide investors with some security over the medium term by investing in a diversified mix of Australian and international fixed interest securities. The Option aims to perform in line with the performance benchmark.

Strategy

This Option is managed with a passive investment style, investing in a broad range of Australian and international fixed interest securities issued by Government, Semi-Government and corporate entities.

Unit Price History

Redemption Unit Price at 30 June 20045	1.1878
Redemption Unit Price at 30 June 2006	1.2117

Annualised Effective return at 30 June 2006 2.0%

Asset Type	Asset Allocation	
	As at 30 June 2005	As at 30 June 2006
Cash		
Australian Equities		
Overseas Equities		
Property		
Australian Fixed Interest	80%	79%
Overseas Fixed Interest	20%	21%

Year	Size \$M
30 June 2005	2.65
30 June 2006	2.83

▲ Property

Objectives

To provide investors with modest growth over the medium to long term by investing in a geographical and sectoral spread of listed property trusts. The Option aims to perform in line with the performance benchmark.

Strategy

This Option is currently managed with a passive investment style, investing in a broad range of property trusts listed on the Australian stock exchange.

Unit Price History

Redemption Unit Price at 30 June 2005	1.2672
Redemption Unit Price at 30 June 2006	1.4131

Annualised Effective return at 30 June 2006 11.5%

Asset Type	Asset Allocation	
	As at 30 June 2005	As at 30 June 2006
Cash		
Australian Equities		
Overseas Equities		
Property	100%	100%
Australian Fixed Interest		
Overseas Fixed Interest		

Year	Size \$M
30 June 2005	0.65
30 June 2006	0.86

▲ Australian Shares

Objectives

To provide investors with capital growth over the long-term and some tax-effective income. The Option aims to outperform the performance benchmark over periods of five or more years.

Strategy

This Option invests in a range of companies listed on the Australian stock exchange. These investments may include shares and units in listed property trusts. The Option is designed to reduce overall portfolio risk by spreading the Option's investments across a number of investment managers with complementary investment management styles.

Unit Price History

Redemption Unit Price at 30 June 2005 1.4375
Redemption Unit Price at 30 June 2006 1.7271

Annualised Effective return at 30 June 2006 17.2%

Asset Type	Asset Allocation	
	As at 30 June 2005	As at 30 June 2006
Cash	2%	1%
Australian Equities	98%	99%
Overseas Equities		
Property		
Australian Fixed Interest		
Overseas Fixed Interest		

Year	Size \$M
30 June 2005	10.58
30 June 2006	14.36

▲ Overseas Shares

Objectives

To provide investors with long-term capital growth and the benefits of global diversification. The Option aims to outperform the performance benchmark over periods of five or more years.

Strategy

This Option invests in a broad selection of companies listed on foreign stock exchanges.

The Option is designed to reduce overall portfolio risk by spreading the Option's investments across a number of investment managers with complementary investment management styles.

Unit Price History

Redemption Unit Price at 30 June 2005 0.9671
Redemption Unit Price at 30 June 2006 1.1624

Annualised Effective return at 30 June 2006 18.0%

Asset Type	Asset Allocation	
	As at 30 June 2005	As at 30 June 2006
Cash	1%	10%
Australian Equities		
Overseas Equities	99%	90%
Property		
Australian Fixed Interest		
Overseas Fixed Interest		

Year	Size \$M
30 June 2005	5.35
30 June 2006	6.74

Other investment information

Investment Derivatives

All investment managers appointed to manage assets on behalf of the Trustee have provided the Trustee with a Risk Management Statement which details how they manage the risks associated with investments in derivatives and the strategies in place to ensure appropriate controls are in place.

Such investments are made to manage the market value of assets or to otherwise protect the value of the investment and are not used for borrowing, leverage or speculative purposes.

Hedging

Assets with overseas exposure are hedged to minimise exposure to movements in currency exchange rates.

5 year returns

Periods ending 30 June each year					
Investment Portfolio	2006% pa	2005% pa	2004% pa	2003% pa	2002% pa
Managed Growth	12.2	11.7	11.6	-1.8	-4.2
Managed Stable	6.7	8.4	6.5	3.6	1.4
Priority Growth	15.2	13.2	12.7	-3.0	-7.2
Cash	3.8	4.0	3.9	4.0	4.1
Fixed Interest	2.0	7.2	2.0	8.6	5.7
Property	11.5	14.5	10.6	N/A	N/A
Australian Shares	17.2	22.9	18.0	-0.8	-5.6
Overseas Shares	18.0	1.2	13.7	-16.0	-20.9

Abridged Financial Statements

The 2006 information is taken from interim accounts and is yet to be audited; the 2005 figures are audited. The audited statements and the auditor's report in relation to these accounts will be available to members upon request after October 2006.

Operating statement for the year ended 30 June 2006

	2006 \$'000's	2005 \$'000's
Contributions	53,100	48,408
Investment	34,852	25,476
Other Revenue	723	933
TOTAL REVENUE	88,675	74,817
Administration Expenses	4,679	4,518
Income Tax	5,761	5,504
Benefits	28,461	26,265
TOTAL EXPENSES	38,901	36,287
Opening Balance	252,559	214,029
	302,333	252,559

Statement of financial position at 30 June 2006

	2006 \$'000's	2005 \$'000's
Investments	301,254	254,638
Other Assets	3,998	194
TOTAL ASSETS	305,252	254,832
Amounts Payable	907	670
Tax Provision	2,012	1,603
TOTAL LIABILITIES	2,919	2,273
NET ASSETS	302,333	252,559

Investment Managers

As at 30 June 2006	Managed Stable %	Cash %	Managed Growth %	Priority Growth %	Australian Shares %	Int'l Shares %	Fixed Interest %	Property %
Australian Equities								
Deutsche Australian Equities Alpha Fund	3.6	0.0	7.3	10.0	21.2	0.0	0.0	0.0
Tyndall Australian Equity Fund	3.0	0.0	5.9	8.2	11.3	0.0	0.0	0.0
AXA Bernstein - Australian Equity - Value Fund	3.9	0.0	7.8	10.7	22.7	0.0	0.0	0.0
Macquarie True Index - Australian Shares Fund	0.9	0.0	1.7	2.4	5.0	0.0	0.0	0.0
Suncorp Wholesale Australian Equities Fund	4.1	0.0	8.2	11.2	23.7	0.0	0.0	0.0
Concord Capital Australian Share Fund	1.6	0.0	3.3	4.5	9.6	0.0	0.0	0.0
International Equities								
AXA Alliance Capital Wholesale Global Equity Growth Fund	2.4	0.0	5.0	5.3	0.0	16.6	0.0	0.0
Barclay Global Investors Fission Int'l. Equity Index Fund	1.3	0.0	2.6	2.8	0.0	8.8	0.0	0.0
NCIT - Capital International Global Share Trust	0.7	0.0	1.4	1.4	0.0	4.5	0.0	0.0
GMO Global Equity Trust	1.3	0.0	2.7	2.9	0.0	9.0	0.0	0.0
Perpetual Wholesale International Share Fund	1.2	0.0	2.4	2.6	0.0	8.2	0.0	0.0
Macquarie Walter Scott Global Equity Fund	2.3	0.0	4.6	4.9	0.0	15.4	0.0	0.0
Zurich Investments International Share Fund	3.5	0.0	7.6	8.2	0.0	26.8	0.0	0.0
BT International Fund (AQR Capital Management)	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0
SPI Futures	0.1	0.0	0.3	0.3	0.0	0.9	0.0	0.0
Property Securities								
Macquarie True Index Listed Property Fund	0.0	0.0	3.6	4.7	0.0	0.0	0.0	0.0
Zurich Investments Property Securities Fund	0.0	0.0	3.6	4.7	0.0	0.0	0.0	0.0
SSgA Australian Listed Property Index	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Australian Fixed Interest								
Macquarie True Index Australian Fixed Interest Fund	19.1	0.0	7.5	3.1	0.0	0.0	0.0	0.0
Zurich Investments Australian Fixed Interest Fund	25.4	0.0	9.9	4.1	0.0	0.0	0.0	0.0
SSgA Australian Fixed Income Index	0.0	0.0	0.0	0.0	0.0	0.0	80.0	0.0
International Fixed Interest								
Macquarie True Index Global Bond Fund	19.1	0.0	7.4	3.1	0.0	0.0	0.0	0.0
SSgA Global Fixed Income Index	0.0	0.0	0.0	0.0	0.0	0.0	20.0	0.0
Cash								
Zurich Investments Australian Cash Fund	6.6	0.0	7.2	5.0	0.4	10.0	0.0	0.0
ING Cash	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Other Information

If we lose contact or your account becomes inactive

If we can't contact you and/or your account becomes inactive, the balance of your account may be transferred out of Accountants Super. No transfer fees apply to such transfers, and we will contact you in writing to advise you of the transfer.

Your super account will be rolled over into an eligible rollover fund.

Our Eligible Rollover Fund (ERF) is called Super Safeguard. In Super Safeguard:

- Your benefit may receive interest
- Administration charges will not exceed interest credited, except in years of low investment returns, where a fee of up to \$10 p.a. may be charged
- No insurance or investment choice is available
- Your benefit is available for withdrawal under the same conditions as in Accountants Super.

If you return to Accountants Super; you can have your Super Safeguard account transferred into your new account. Super Safeguard checks for new accounts each year and will contact you if relevant.

To obtain a Product Disclosure Statement, contact Super Safeguard at:

GPO Box 3426
Melbourne VIC 3001
Phone 1300 135 181



Nominated beneficiaries

Don't forget to check your annual statement to ensure you have nominated beneficiaries. Beneficiary nomination forms are available from our website, or contact us to request a copy.

Tax

We deduct 15% federal government tax from your employer contributions, including those from your pre-tax pay, upon receipt of such contributions.

The payment of superannuation surcharge tax will also be deducted from member accounts.

eSuper

Accountants Super offers free online services to all members, and you can even register online!

To register online, simply go to www.accountants-super.com and follow the links to eSuper. You'll be asked to confirm some personal details as part of our routine security check, and you'll be able to choose a password for your account. If you have any difficulties registering, you can contact our Customer Service Team on 1300 651 331 who will be happy to help you to register.

eSuper provides you with the following features:

- Quick and easy online registration
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- Modify your investment options and view your insurance arrangements
- Increase your retirement savings, and potentially become eligible for the Government Co-contribution by making a personal contribution online.

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Staying in touch

Have you moved? Got married? Changed mobile phones?

If you need to change any of your details with us, you can download a Change of Member Details Form, log into eSuper or contact us directly from the details below.

Contact us

Phone **1300 651 331**

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Email asfinfo@accountants-super.com

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