

Another strong year of returns for Virgin Super

Virgin Super
2014 Annual Report

virgin money + super
good together



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 GPO Box 4268, Sydney
NSW 2001. Virgin Money is a subsidiary of Virgin Money Australia.

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(Superannuation) Limited ABN 49 006 421 638 AFSL 235153
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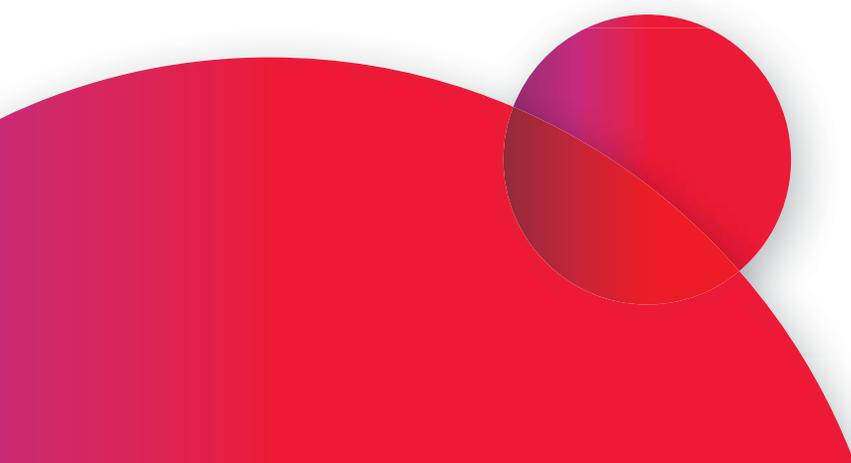
Administrator: Pillar Administration ABN 80 976 223 967
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Investment Manager: Macquarie Investment Management Limited
ABN 66 002 867 003 (Macquarie). Macquarie is the investment
manager of underlying funds in which Virgin Super invests.

Your 2014 Annual Report is for the 2013/2014 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/super.

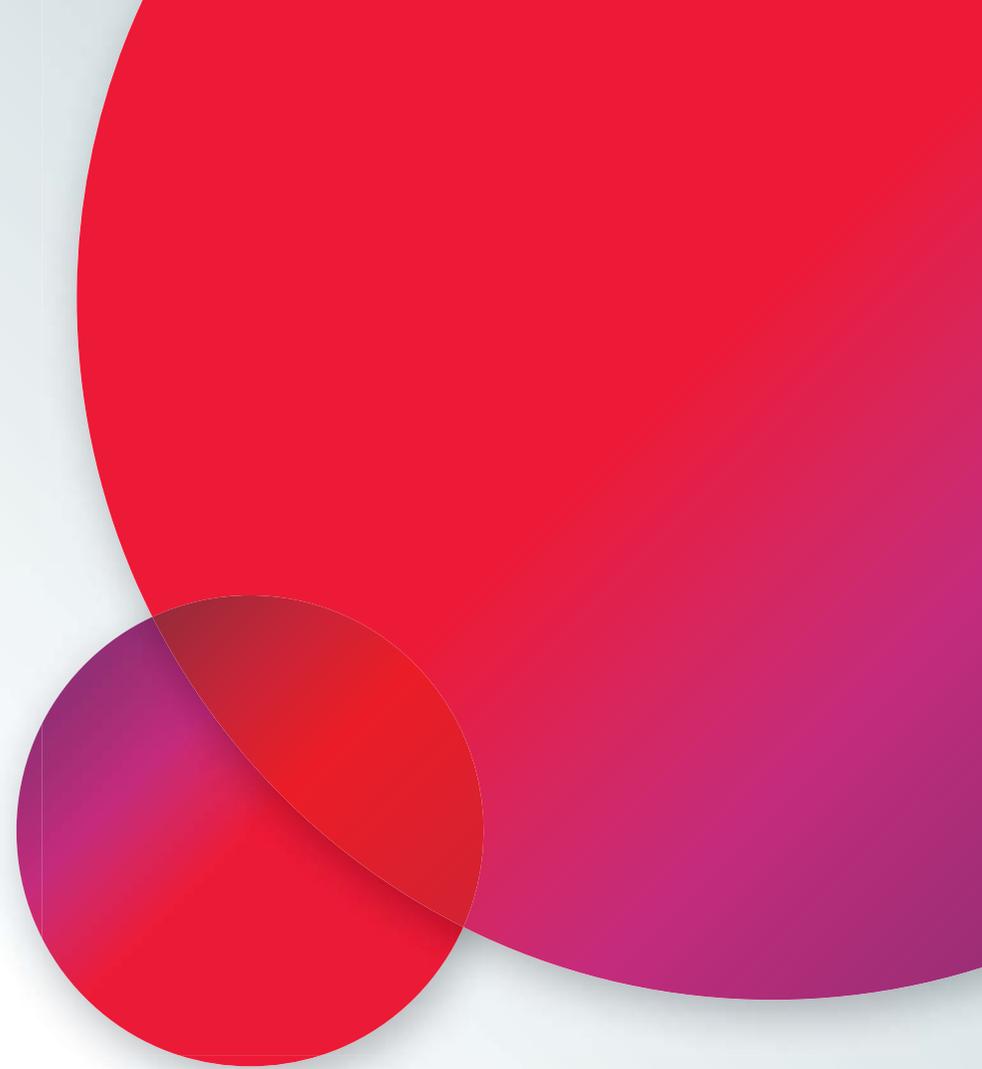
As the promoter of Virgin Super, Virgin Money will directly and through its agents (including the Virgin Super website virginmoney.com.au), provide general advice and arrange for customers to acquire products issued by The Trust Company (Superannuation) Limited in its capacity as Trustee of Virgin Super. 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

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Why you and Virgin Super are good together

We're delighted to report that all Virgin Super members have benefited from some strong returns in the Financial Year 2013/14. The performance of your Virgin Super account will depend on which portfolio and assets you're invested in. But there's good news for everyone with solid results across the full suite of Virgin Super portfolios, here are some highlights:

- Our LifeStage Tracker® options returned between 5.8% and 15.7% for the 12 months to 30 June 2014. Pleasingly all of our LifeStage Tracker® options continue to outperform their return target over 1, 3 and 5 years.
- Our Create Your Own® options returned between 3.7% and 18.6% for the 12 months to 30 June 2014 and have continued to outperform their return target over 1, 3 and 5 years.

Virgin Super Essentials & Virgin Super Plus

Virgin Super takes the complexity and confusion out of choosing a super solution that's right for you. Choose from two options:

- **Virgin Super Essentials** (our default product offering) – leave the hard work to us with our pre-mixed LifeStage Tracker® – Balanced investment option. It automatically adjusts your risk profile as you get older; or
- **Virgin Super Plus** – for those who'd like more control, select your own investment portfolio from our menu of investment options.

Both Virgin Super Essentials and Virgin Super Plus have won SuperRatings[^] Gold rating in 2014. That's 5 years in a row for Virgin Super.

[^] SuperRatings award reflects a funds' value for money, and is awarded based on a rating system of investment, fees and service. SuperRatings does not issue, sell, guarantee or underwrite this product. Go to www.superratings.com.au for details of its ratings criteria.

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 2013/2014 Virgin Super Annual Statement. Your 2013/2014 Virgin Super Annual Statement shows your investment option as at 30 June 2014, so if you have made any changes since then go to the website or call us.

Virgin Super Essentials

- 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+.
- With Virgin Super Essentials your investment option is called **LifeStage Tracker® – Balanced**. 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.

Virgin Super Plus

- Virgin Super Plus provides our members with more investment options and greater flexibility to mix and match their asset allocation to suit their risk profile. Options include **LifeStage Tracker® – Balanced** and **LifeStage Tracker® – Aggressive** (our pre-set investment options) or you can choose from our **Asset Classes** (Australian Equities, International Equities, Listed Property or Defensive). Members are also able to change their asset allocation and investment mix as many times as they like.

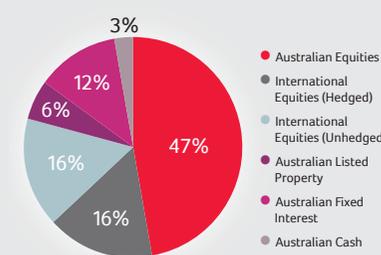
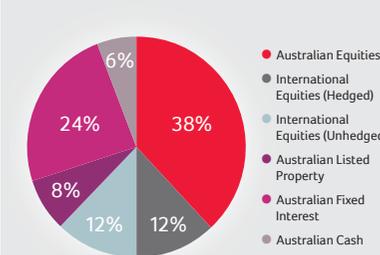
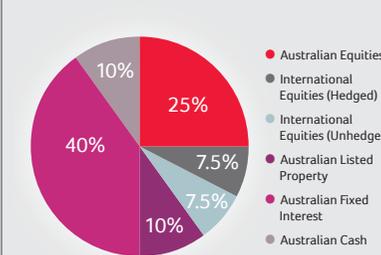
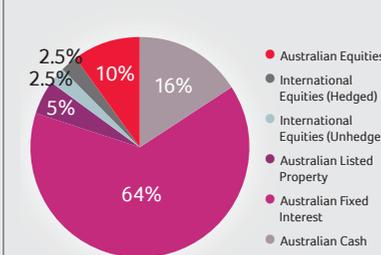
Your risk profile

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

Investment characteristics – LifeStage Tracker® Balanced (LSTB) – Virgin Super Essentials and Virgin Super Plus				
	Under 40s mix	40s mix	50s mix	Over 60s mix
Applicable to	All LSTB members aged under 40	All LSTB members aged between 40 and 50 years	All LSTB members aged between 50 and 60 years	All LSTB members aged over 60 years
Investment objective	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.0% over rolling 10 year periods	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 2.5% over rolling 10 year periods	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 2% over rolling 10 year periods	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 1% over rolling 10 year periods
Strategic asset allocation	 <ul style="list-style-type: none"> Australian Equities International Equities (Hedged) International Equities (Unhedged) Australian Listed Property Australian Fixed Interest Australian Cash 	 <ul style="list-style-type: none"> Australian Equities International Equities (Hedged) International Equities (Unhedged) Australian Listed Property Australian Fixed Interest Australian Cash 	 <ul style="list-style-type: none"> Australian Equities International Equities (Hedged) International Equities (Unhedged) Australian Listed Property Australian Fixed Interest Australian Cash 	 <ul style="list-style-type: none"> Australian Equities International Equities (Hedged) International Equities (Unhedged) Australian Listed Property Australian Fixed Interest Australian Cash
Date of inception	5 July 2005	5 July 2005	5 July 2005	5 July 2005
Standard Risk Measure Profile	Band 6: High Risk	Band 6: High Risk	Band 5: Medium to High Risk	Band 3: Low to Medium Risk
Probability of not achieving return objective	5 out of 20 years	Between 4 and 5 out of 20 years	4 out of 20 years	2 out of 20 years
Estimated Liquidity	High	High	High	High
Minimum suggested investment time period	7 years	5 years	4 years	2 years

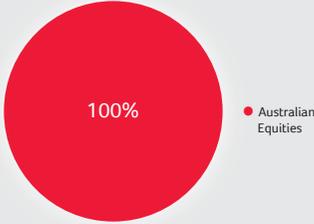
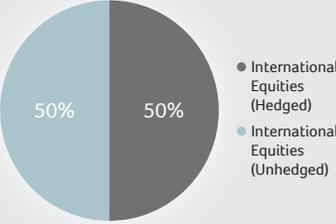
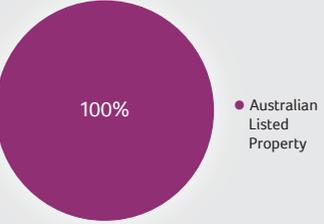
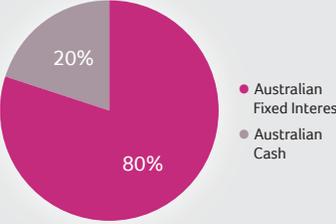
The objectives shown above are not a promise or guarantee of any particular rate of return or benefit. Instead, the objectives are used by the Trustee to monitor the performance of Virgin Super's investments.

Important info on investment options cont.

Investment characteristics – Lifestage Tracker® Aggressive (LSTA) – Virgin Super Plus only				
	Under 40s mix	40s mix	50s mix	Over 60s mix
Applicable to	All LSTA members aged under 40	All LSTA members aged between 40 and 50 years	All LSTA members aged between 50 and 60 years	All LSTA members aged 60 or more
Investment objective	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.5% over rolling 10 year periods	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.0% over rolling 10 year periods	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 2.5% over rolling 10 year periods	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 2% over rolling 10 year periods
Strategic asset allocation	<ul style="list-style-type: none"> Australian Equities International Equities (Hedged) International Equities (Unhedged) 	<ul style="list-style-type: none"> Australian Equities International Equities (Hedged) International Equities (Unhedged) Australian Listed Property Australian Fixed Interest Australian Cash 	<ul style="list-style-type: none"> Australian Equities International Equities (Hedged) International Equities (Unhedged) Australian Listed Property Australian Fixed Interest Australian Cash 	<ul style="list-style-type: none"> Australian Equities International Equities (Hedged) International Equities (Unhedged) Australian Listed Property Australian Fixed Interest Australian Cash
Date of inception	5 July 2005	5 July 2005	5 July 2005	5 July 2005
Standard Risk Measure Profile	Band 6: High Risk	Band 6: High Risk	Band 6: High Risk	Band 5: Medium to High Risk
Probability of not achieving return objective	6 out of 20 years	5 out of 20 years	Between 4 and 5 out of 20 years	4 out of 20 years
Estimated liquidity	High	High	High	High
Minimum suggested investment time period	7 years	5 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.

Create Your Own – Virgin Super Plus only				
	Australian Equities	International Shares	Listed Property	Cash/Fixed Interest
Applicable to	All members that select a choice of investment strategy that includes an allocation to the Fund's Australian Equities Portfolio investment option	All members that select a choice of investment strategy that includes an allocation to the Fund's International Equities investment option	All members that select a choice of investment strategy that includes an allocation to the Fund's Australian Listed Property investment option	All members that select a choice of investment strategy that includes an allocation to the Fund's Australian Cash/Fixed Interest investment option
Investment objective	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.5% over rolling 10 year periods	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.0% over rolling 10 year periods	Achieve returns (after fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.5% over rolling 10 year periods	Achieve returns (after fees and taxes) that achieve movements in the Consumer Price Index (CPI) over rolling 10 year periods
Strategic asset allocation	 <p>100% ● Australian Equities</p>	 <p>50% 50% ● International Equities (Hedged) ● International Equities (Unhedged)</p>	 <p>100% ● Australian Listed Property</p>	 <p>20% 80% ● Australian Fixed Interest ● Australian Cash</p>
Date of inception	5 July 2005	5 July 2005	5 July 2005	5 July 2005
Standard Risk Measure Profile	Band 6: High Risk	Band 6: High Risk	Band 6: High Risk	Band 3: Low to Medium Risk
Probability of not achieving return objective	6 out of 20 years	5 out of 20 years	6 out of 20 years	4 out of 20 years
Estimated liquidity	High	High	High	High
Minimum suggested investment time period	7 years	7 years	5 years	1 year

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.

2013/2014 Market Review

Note: This information is based on market commentary provided by Macquarie Investment Management Limited (AFSL 237492) and is published in this report with its consent. It is very important to note it relates to investment markets generally and not this product or its investments specifically. 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

Unprecedented central bank support, with interest rates lingering at the zero bound in all major developed economies and significant quantitative easing programmes in the US and Japan, continues to be the main theme in financial markets. The start of the financial year 2014 was characterised by volatility within global bond markets, primarily driven by the prospect of 'tapering' of the US\$85bn per month asset purchase program by the US Federal Reserve (Fed). In December the Fed announced a \$US10bn per month reduction in their asset purchase program from \$US85bn to \$US75bn. This ultimately surprised the market which had anticipated the tapering announcement to occur early in 2014. Bonds sold off with the announcement, though the size of the immediate sell off was relatively contained considering the significance of the policy change by the Fed. Notably the forward guidance for interest rates from the Fed was strengthened with a commitment to leave interest rates near zero until 'well past the time that the unemployment rate declines below 6.5%'. January 2014 commenced with a bout of global risk aversion after speculation that some emerging market countries may be inadequately positioned to handle capital outflows and the broader effects of Fed tapering. This caused bonds to be

bid, however, yields remained fairly range bound. The trend of lower bond yields continued through to the end of 2014 as geopolitical tensions came to the forefront of market attention in addition to soft US data and more dovish comments coming from the European Central Bank (ECB).

Domestically, the bond market was generally driven by offshore events throughout the year, with events in the US being the key driver. In August, the Reserve Bank of Australia (RBA) cut the cash rate by 0.25% to the historical low of 2.50% which was maintained for the rest of the year. Rhetoric from the central bank throughout the first half of the year was perceived by the market as having a neutral outlook for the medium term, with the key takeaway being that they 'neither close off the possibility of reducing rates further, nor signal an imminent intention to do so'. The first quarter of 2014 saw the RBA remove their dovish bias on the back of a strong Consumer Price Index release which caused the Australian bond market to underperform compared to global bond markets, but recovered to outperform for the overall period. Towards the end of the year, the domestic bond market was largely led by offshore moves as the RBA remained consistent in its rhetoric that interest rates are likely to be unchanged for the foreseeable future.

2013/2014 Market Review cont.

Australian Listed Property

The S&P/ASX 200 A-REIT Index (+11.1%) underperformed the broader S&P/ASX 200 Index (+17.4%) by 6.3% in FY2014, reversing some of the almost 20% outperformance from the prior two years. All of this underperformance happened in the first half of the financial year as investors started to price an earnings recovery into equity valuations. In the second half, REITs outperformed as investors started to question the strength of the recovery due to low consumer confidence as a result of tightening in the federal budget. This also made the yields available from REITs more highly sought.

The best performers among the REITs were largely due to corporate actions. No S&P/ASX 200 A-REIT Index members fell during the year.

Australian Equities

The 2013/2014 financial year was positive for stocks thanks to low volatility, low interest rates and the low base set by a weak end to FY13. The S&P/ASX200 returned +17.4% in accumulation terms. The price index (+12.4%) hit a post-crisis high in April and had twice as many up months as down during the year. A strong global backdrop helped, with the S&P500 Index (+22.0%) hitting new all time highs in each month of FY14. For much of the year the local bourse was handicapped by its heavier exposure to Mining, but a low starting point meant that the Materials sector was among the winners (+18.1% accumulation). Banks (+22.3%) also outperformed while defensive sectors including Telcos (+16.3%), REITs (+11.1%) and Health Care (+11.2%) lagged.

Reporting seasons were characterised by companies benefitting from cost cutting and falling net interest expense. Completed M&A activity totalled \$15.8bn in total deal value with the two largest deals being TSX listed Baytex Energy's acquisition of Aurora Oil & Gas for \$2.2bn and the acquisition of Commonwealth Property Office Fund for \$3.3bn by Dexus and Canadian Pension Plan Investment Board. The stronger market meant that there was also a noticeable return to new listings after a lack of supply in the prior years.

In economic news, the RBA cut the cash rate by 25 basis points in August but left policy on hold for the rest of FY14 as the non-mining economy showed signs of improving. The US Fed retained the funds target rate range at 0–0.25% throughout FY14 but began 'tapering' asset purchases in January. The ECB, however, eased policy amid concerns about deflation risk. The Liberal-National Coalition formed a new Federal government in September and in its first budget in May announced tax increases and spending cuts. This impacted consumer confidence late in the financial year.

International Equities

Global equity market performance remained solid in the 2014 financial year after a stellar rally in the year prior. This year was marked by the uncertainty from the tapering of the US Federal Reserve's quantitative easing program, geopolitical tension between Russia and Ukraine, and the slowdown of the Chinese economy growth. Despite all the concerns and volatility, equity market managed to climb higher backed by a low interest environment, coordinative central bank monetary policies, rising investor confidence and firm economic recovery in US and Japan.

2013/2014 Market Review cont.

In the US, economic recovery in the private sector was strong, benefitting from the low interest environment and Federal Reserve's quantitative easing program, except in Q1 2014 when the economy was impacted by the severe weather condition. The macroeconomic data painted a rosy picture in the world's largest economy: unemployment rate fell to the lowest level; and leading indicators such as consumer confidence, purchasing manager index (PMI) were all pointing to further expansion. As the recovery took place, the Federal Reserve announced its plan to taper the quantitative easing program, albeit remaining committed to maintaining an accommodative monetary policy.

In the eurozone, conditions were softer and economic recovery took place at a much slower pace. Nevertheless, the European countries managed to exit recession and entered into a phase of long grinding slow growth. The political environment was not conducive in the year, with hostility erupting between Russia and Ukraine. In the face of slow recovery and political uncertainty, not surprisingly, the ECB continued their hawkish stance, announcing a new round of easing, firstly lowering the benchmark rate to 0.25%, with further easing to 0.15% later in the year.

In Asia, the Japanese economy showed signs of rapid improvement after the government adopted aggressive reflation policies and began the asset purchasing program. Not only did the equity market perform well, fundamentals of the broader economy appeared buoyant with strong readings of retail sales, M2 supply growth, and a very low unemployment rate. In China, the economic growth continued to decelerate, as central government remained determined to switch the economy away from the investment-led asset intensive growth model.

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 2014

	30-Jun-14	30-Jun-13
Macquarie Treasury Fund	\$20,253,892	\$21,935,844
Macquarie True Index Australian Fixed Interest Fund	\$79,092,271	\$79,571,252
Macquarie True Index Listed Property Fund	\$34,755,399	\$31,898,459
Macquarie International Index Equity Fund (Unhedged)	\$73,940,712	\$61,387,067
Macquarie International Index Equity Fund (Hedged)	\$73,456,230	\$59,018,449
Macquarie True Index Australian Equity Fund	\$212,855,909	\$189,415,885
Cash and short term deposits	\$14,783,673	\$6,972,991
Total	\$509,138,086	\$450,199,947

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.

[^]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 2014

In case you didn't know

Past performance is not a guarantee of future returns. All investments carry some risk and performance may vary from time to time

	Net Earnings*			
LifeStage Tracker® – Balanced	1 Year (% pa)	3 year compound average (% pa)	5 year compound average (% pa)	Compound average since Inception^ (% pa)
Under 40s (85% growth)	13.7	9.8	9.6	5.8
40s mix (70% growth)	11.7	8.8	8.6	5.5
50s mix (50% growth)	9.0	7.5	7.3	5.1
Over 60s (20% growth)	5.8	5.5	5.4	4.4

	Net Earnings*			
LifeStage Tracker® – Aggressive	1 Year (% pa)	3 year compound average (% pa)	5 year compound average (% pa)	Compound average since Inception^ (% pa)
Under 40s (100% growth)	15.7	10.2	10.3	6.2
40s mix (85% growth)	13.7	9.8	9.6	5.8
50s mix (70% growth)	11.7	8.8	8.6	5.5
Over 60s (50% growth)	9.0	7.5	7.3	5.1

	Net Earnings*			
Create Your Own Portfolios	1 Year (% pa)	3 year compound average (% pa)	5 year compound average (% pa)	Compound average since Inception^ (% pa)
Australian Shares	14.0	8.4	9.3	6.4
International Shares	18.6	13.9	12.1	5.7
Listed Property	8.7	11.8	11.0	2.3
Cash & Fixed Interest	3.7	4.2	4.2	4.2

Source: Atchison Consultants, 30 June 2014. Past performance is not an indicator of future performance.

* Net earnings: Directly relates to the investment performance of each investment option based on unit price movements, after relevant fees, costs and taxes have been deducted (see the current Product Disclosure Statement for more information). The rate of net earnings applicable to your investment option(s) is the basis for the amount of money added to your account (if rates of return have been positive) or subtracted from your account (if rates of return have been negative). The amount allocated to your account is also influenced by things such as when you joined the Fund, when you made contributions or withdrawals or if you switched investment options.

^ In case you didn't know, "since Inception" refers to the earliest date that Virgin Super began investing into each investment portfolio. For Life Stage Tracker® and Create Your Own options, inception date is 5 July 2005.

A word about performance: The returns shown are the returns of the Fund's investment options, not the returns of your investment in the Fund that were actually allocated to your account. The returns of the Fund and the returns allocated to your account can be different for reasons including that:

- You were invested in one or more different investment options during the period; and
- The unit prices change daily, and so investment performance depends on the day you've invested and when your money moves in or out of your account.

A note from our legal team: This Performance Snapshot needs to be read in conjunction with your Annual Statement as it forms part of your member periodic statement. Prepared by Virgin Money Financial Services Pty Ltd ABN 51 113 285 395, AFSL 286869 for The Trust Company (Superannuation) Limited ABN 49 006 421 638, AFSL 235153, RSE L0000635 as Trustee for Virgin Superannuation ABN 88 436 608 094.

You should consider our Product Disclosure Statement which can be found on our website. Please note this information does not constitute personal financial product advice, and you may wish to consult your financial adviser before making a decision about whether Virgin Superannuation fits your objectives, financial situation and needs.

Performance to 30 June 2014 cont.

Fund Reserves

The fund operates two Reserve Accounts:

1. Expense Reserve Account (ERA)

The ERA is an expense reserve used to fund strategic projects, regulatory projects and the Operational Risk Financial Requirement reserve.

2. Operational Risk Financial Requirement (ORFR)

The ORFR was established in 2013 to comply with the new Super regulations as a contingency reserve to protect the Fund for losses that might arise from operational risk events.

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. All reserve amounts are held in cash unless otherwise determined by the Trustee. The following movements occurred in the reserve over the period:

	2013-2014	2012-2013
Expense Reverse Account		
Opening Balance	\$88,451	\$9,390
Deposits	\$2,242,489	\$1,888,561
Withdrawals	\$1,078,342	\$1,809,500
Transfer to ORFR	\$360,000	\$0
Closing Balance	\$892,598	\$88,451
Operational Risk Financial Reserve		
Opening	\$0	\$0
Deposits	\$83,973	\$0
Transfer from ERA	\$360,000	\$0
Withdrawals	\$0	\$0
Closing Balance	\$443,973	\$0

Key fund information

Deduction of tax from contributions

Contributions Tax is deducted from your taxable contributions (eg. 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.

Superannuation Surcharge Tax (where applicable) may also apply to some members. While the superannuation surcharge was abolished with effect from 1 July 2005, the ATO may still issue assessments in relation to previous years. Any assessments received in relation to individual members of Virgin Super are paid to the ATO by deducting the surcharge amount from the relevant member's account balance.

The Trustee

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

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.

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.

Key fund information cont.

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 one year.

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 \$2,000 (and you become a lost member) or your account balance falls below \$1,000 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 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 or on phone number listed 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 audited accounts) which shows how financially healthy we were at 30 June 2013. If you would like a copy of our full audited accounts and auditor's report, they will be available on request from 16 November 2013 through our Customer Care Team on 1300 652 770.

Statement of net assets	30-Jun-14 (\$)	30-Jun-13 (\$)	Statement in changes in net assets	2014 (\$)	2013 (\$)
Assets			Income		
Investments	494,354,413	443,226,956	Trust Distribution Income	18,036,833	20,727,902
Cash at Bank	14,783,673	6,972,991	Interest	62,963	98,602
Sundry Debtors	9,276	10,705	Other Investment Income	68,714	58,988
Deferred Tax Assets	4,108,854	3,804,392	Changes in Net Market Value of Assets	50,637,391	49,234,148
GST Receivable	85,098	75,663	Investment Expense	-606,373	-552,101
Total Assets	513,341,314	454,090,707	Net Investment Revenue	68,199,528	69,567,539
			Plus Contributions and Other Revenue		
Less Liabilities			Employer Contributions	45,888,835	47,439,759
Benefits Payable	771,696	1,195,845	Member Contributions	3,336,967	4,014,971
Administration Fees Payable	657,494	332,736	Transfers In	11,063,495	12,017,864
Insurance Premiums Payable	160,627	73,658	Other Revenue	5,632	4,334
Unsettled Transactions	401,979	1,210,188	Government Co-Contributions	183,168	368,250
Other Amounts	0	92	Low Income Superannuation Contributions	602,303	0
Income Tax Payable	921,813	1,560,793	Group Life Insurance Proceeds	718,543	0
Deferred Tax Liabilities	9,507,116	1,130,596	Total Income	129,998,471	133,412,717
Total Liabilities	12,420,725	5,503,908			
Net Asset Available to Pay Benefits at 30 June	500,920,589	448,586,799	Less Outgoings		
			Group Life Insurance Expense	1,743,353	896,716
Represented by: Liabilities for Accrued Benefits			Administration Expenses	5,101,207	4,427,860
Allocated to Members Accounts	493,731,841	439,705,315	Superannuation Contribution Surcharge	0	2,858
Unallocated	5,852,177	8,881,484	Operating Expenses	1,087,866	1,823,504
Operational Risk Reserve	443,973	0	Total Outgoings	7,932,426	7,150,938
Expense Recovery Reserve	892,598	0	Benefits Accrued before Income Tax	122,066,045	126,261,779
Total	500,920,589	448,586,799	Less Income Tax Expenses	13,287,769	13,170,501
			Benefits Accrued after Income Tax	108,778,276	113,091,278

virgin money + super
good together

