

Annual Report 2006




AUST(Q)

Keeping it simple

RSE Licence Number: L0001168
RSE Registration Number: R1004823





“ AUST(Q) –
KEEPING
IT SIMPLE ”



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MESSAGE FROM THE CHAIRMAN

PERIOD ENDING 30 JUNE 2006

Once again I am delighted to present your AUST(Q) Annual Report for a year in which AUST(Q) has done very well for members of the Fund.

For the 12 months to 30 June 2006, AUST(Q) has returned 15% p.a to member accounts. This comprises results for the 6 months to 31 December 2005 of 13% p.a. and 16% p.a. for the six months to 30 June 2006 and brings our long term compound rate of interest to an average of 11% p.a. for each of the past 21 years. That's a fantastic result by any measure and far exceeds that offered by many other funds.

AUST(Q)'s continued commitment to ensuring positive returns for members, has not only resulted in both excellent short and long term rates of interest, but has also placed the Fund in the unique position of being one of only a few superannuation funds to have NEVER credited a negative annual crediting rate to members*.

AUST(Q) was granted a Registrable Superannuation Entity (RSE) licence by APRA in March 2006, following a thorough program, which involved the review and documenting of the Fund's corporate governance and risk management processes. This helps ensure that AUST(Q) provides a robust and secure environment for the management of members' superannuation savings.

The Fund has also been working on a number of projects, with revised insurance benefits, including Income Protection available from 1 November 2006.

The new insurance benefits will include automatic Income Protection cover of 85% of members' pre-disability income and superannuation contributions equal to a further 9% for all members. Members will also maintain their existing Death cover and be able to continue or select Total and Permanent Disablement cover.

The new benefits will ensure that one of your most valuable assets, your income, is protected when you are unable to work due to sickness or accident.

A special communication with further details about the new insurance benefits will be provided to all members.

You may have also noticed AUST(Q)'s new website, www.austq.com.au. The site provides members and employers with access to their account information and copies of the Fund's booklets, forms and other important information. Members and Employers can also use the website to communicate with the Fund directly via email.

AUST(Q) has also been busy working with a number of other Industry Super funds to develop the "Life Time of Difference" campaign (you may have seen the television or newspaper commercials) to promote the advantages of being a member of an Industry Super fund like AUST(Q). Check out the flyer enclosed with your Member Statement.

Consolidating your Superannuation

Have you got more than one superannuation fund? If so you could be paying more fees and charges than you need to. By consolidating your superannuation into one account you may reduce the amount of administration fees you pay and increase your savings for your retirement!

AUST(Q) does not charge members any fees for consolidating their superannuation. If you have been considering consolidating your super, the "Consolidate your Super" information pamphlet is all you need. Complete the transfer request and send it to AUST(Q). If you need help consolidating your accounts, our Client Service Manager – Anneke Wilson, will be happy to help you with this process. Call Anneke on (07) 3307 6450.

If you would like more information about any of the benefits or features of AUST(Q) or have a question about your account, contact our Customer Service Centre on 1800 637 698, or visit our website at www.austq.com.au.

It has been another year for AUST(Q) and these achievements were not possible without the support of our members, employers and industry sponsors and organisations.

At AUST(Q), we look forward to providing you with safe, secure and simple superannuation options for the future.

Yours faithfully



Bob Henricks
Chairman AUST(Q)

* Past investment performance is not a reliable indicator of future performance.

AUST(Q) – YOUR SUPER CHOICE

AUST(Q) IS ONE OF THE FEW SUPERANNUATION FUNDS NEVER TO POST A NEGATIVE ANNUAL CREDITING RATE SINCE ITS ESTABLISHMENT IN 1985¹.

How do we do it? By keeping things simple, and offering one single balanced investment portfolio. We rely on the advice of our professional investment consultants, and all decisions are made in line with our overall objective of achieving the best possible outcome for members.

Member focussed

AUST(Q) exists to provide low cost, high performance, no fuss superannuation for members and employers. No commissions are paid to agents or advisers.

Established in 1985, we're one of Australia's leading industry superannuation funds, with over 18,000 members and \$136.2m in members' assets. We're also committed to the ongoing development of member services. This enables us to better cater to our diverse mix of members.

Our member base

AUST(Q) is an industry fund for employees in a range of industries; predominantly those working in engineering maintenance, servicing, labour hire and major construction projects. Administration, workshop, on-site staff, and all other employees of a business can be members of the Fund.

AUST(Q) is managed by a Trustee Board, comprising equal numbers of employer and member representatives, plus one independent director who makes decisions on the day-to-day management of the Fund.

The powerful benefits of AUST(Q)¹

- Consistently strong investment performance history. AUST(Q) has never credited members with a negative annual return.
- All profits are returned to the members, which means your money works harder for you.

- Low cost administration fee of just \$1.35 per week, please refer to the Product Disclosure Statement for further details). No commissions or fees are paid to sales staff.
- Death and Total and Permanent Disablement insurance cover is automatic when you join AUST(Q). The default level of cover is \$100,000 for Death cover and \$30,000 for Total and Permanent Disablement cover. And from 1 November 2006 members will be provided with automatic Income Protection cover – please refer to page 9 for further details about insurance.
- Personal support for members and employers. Our Client Services Manager, Anneke Wilson, can assist you with any superannuation query.

To make AUST(Q) your choice, just contact our Customer Service Centre on **1800 637 698**. Or visit austq.com.au and follow the Choice of Fund links.

¹ Past investment performance should not be taken as an indication of future performance.

Good news about super legislation

The Federal Treasurer made several important announcements relating to superannuation in the May 2006 Budget. These proposed changes are designed to make super simpler and more flexible – no benefit taxes, no restriction on how long you can leave your money in super, and more flexible options for contributing to your super.

Some of the proposed 2006 Federal Budget changes include:

- Any super benefits paid to members aged 60 and over will be tax free, irrespective of whether they are paid as a lump sum or pension.
- Any super benefits paid to members aged 55 to 59 years will be taxed under a simplified regime. The components of any eligible termination payment ('ETP') that are exempt from tax will be broadened to include the pre-July 1983 and concessional components. The excessive component will be abolished. The remaining components of any ETP will be taxed as now, i.e. the first \$135,590 (as indexed each income year) will be tax-free with the balance taxed at 15%. Pension payments will continue to be taxed under current arrangements but will become tax free once a member turns 60.
- For those members aged under 55 years, the taxed component of any ETP will be taxed at 20%. Pension payments will continue to be taxed under current arrangements but will become tax free once a member turns 60.
- Reasonable benefit limits will be abolished – this means there will be no cap on how much concessional taxed Superannuation benefits you draw, whether as a lump sum or pension.
- The current maximum age-based limits on employer and salary-sacrificed contributions will be removed. Employers will be able to claim a deduction in full on all contributions made for employees under 75 years of age.
- However, deductible contributions will be subject to a concessional contributions tax rate of 15% up to a maximum \$50,000 limit, subject to certain transitional arrangements. Any deductible contributions made for a member beyond that limit will be subject to contributions tax at the top marginal tax rate.
- Under the transitional arrangements, until the 2012 financial year, deductible contributions of up to \$100,000 for employees aged 50 years and over will be eligible for the concessional contributions tax rate of 15% before they are taxed at the top marginal tax rate.

OUR COMMITMENT TO YOU

IT HAS BEEN ANOTHER EXTREMELY BUSY YEAR AT AUST(Q).

There have been changes and additions that continue to shape superannuation and support your needs.

Meet your Client Services Manager

Anneke Wilson, Client Services Manager, is the face of the Fund. Anneke visits employers and members at their workplace to develop strong relationships with the AUST(Q) membership.

On these regular visits Anneke educates and informs members and employers about superannuation, the impact of legislative changes, and how to get the most out of their AUST(Q) superannuation. Anneke is committed to providing a high level of service to members and employers, and to assisting the further growth of the Fund.

If you have any queries or questions about your AUST(Q) account, superannuation in general, or would like a visit to your workplace, Anneke can be contacted on **1800 637 698**.

Online convenience: SuperSite at austq.com.au

SuperSite is a secure online service that enables you to access your AUST(Q) super account balance at your convenience. Simple and easy to use, SuperSite allows you to:

- Check your account balance and view a summary of contributions
- Update account and personal information such as address details
- Minimise risk via its integrated electronic payment system to ensure prompt clearance of funds and allocation to member accounts.

To register for SuperSite and request your PIN, call the AUST(Q) Customer Service Centre on 1800 637 698.



I BELIEVE THE
SIMPLICITY OF
AUST(Q) IS WHAT
MAKES IT WORK

- From 9 May 2006, the maximum after-tax undeducted contributions permitted will be capped at \$150,000 per annum.
- However, the Government is considering averaging this cap over a 3-year period to allow for larger one-off payments. If an undeducted contribution exceeds this cap, the trustee will be required to return the excess contribution to the individual. Until repaid, any earnings on the excess undeducted contributions would be taxed at the top marginal tax rate.
- Self-employed people will be able to claim a full tax deduction on all personal superannuation contributions up to age 75 in the same way as contributions made for employees.
- Superannuation accounts can be maintained to any age – this means you no longer have to take your benefits out of the Scheme once you reach age 75, or reach age 65 and cease to be gainfully employed.
- The age-pension asset test taper rate may be halved from \$3.00 per fortnight to \$1.50 per fortnight on every \$1,000 of assets above the relevant threshold, starting at \$157,000. The 50% exemption on complying income streams is to be removed from 20 September 2007. Pensions purchased prior to this date will not be affected by the abolition of the 50% asset test exemption on complying pensions. Unless otherwise stated, the Budget changes are intended to take effect from 1 July 2007.

INVESTMENTS

AUST(Q) HAS NEVER DELIVERED AN ANNUAL NEGATIVE RESULT TO MEMBERS*, AND HAS CREDITED A COMPOUND AVERAGE RETURN OF 11% P.A. SINCE INCEPTION.

Simple does it

Our approach is to keep things simple. We recognise the hundreds of choices that super members are often presented with in order to make the right choice for their retirement. Few people are investment experts, or as busy working people, have the time to effectively assess which investment choices are right for them, and review their performance.

AUST(Q) have continued to apply the 'Keeping it Simple' philosophy in our investment strategy, offering members the benefit of a single balanced portfolio. It has an impressive 21 year track record of no negative annual returns, plus an annual compound average return of more than 11% p.a.

Crediting rate

2005/06 was another strong year for AUST(Q), with interest credited to members for 1 July to 31 Dec 2005 of 13% p.a. , and 16% p.a. for the period 1 Jan to 30 June 2006. This results in an annual return to members of 15% p.a. for the full year.

The table below shows the Fund's crediting rates compared with changes in the Consumer Price Index (CPI) over the last five years. (The CPI measures the change in the cost of living and therefore the general level of inflation.)

Please note that past performance should not be taken as an indication of future performance.

Investment objectives

AUST(Q) aims to deliver an annual crediting rate to members which exceeds the CPI rate of increase in most years. Of course, the risks and short-term market fluctuations associated with investing generally must be taken into account. Occasionally, negative earnings may be incurred for the purpose of making longer-term gains. Our investment objectives also consider applicable legislation and regulations, which from time to time may influence the style of investments of the Fund.

Investment strategy

The investment strategy of AUST(Q) is based on long term asset allocation within ranges set by the Trustee. Professional investment managers are appointed to actively manage the mix of funds under their management within the Fund's overall asset allocation, and their pre-determined ranges.

The Directors regularly monitor the Fund's aggregate asset allocation. The Fund does not have direct derivative exposure as it invests in Pooled Investment Trusts.

Interim crediting policy

The interim crediting rate is generally determined by reference to the prevailing crediting rate of the AMP Capital Guaranteed investment, less 1%. However, the Trustee may vary the interim crediting rate at anytime, while being mindful of the performance of the Fund.

Reserving and crediting rate policy

The Fund maintains an Investment Fluctuation Reserve that is used in periods of poor investment markets to increase the crediting rates to members. The funds for this Reserve are saved during periods of above-average returns.

The rate credited to members' accounts is decided by the Trustee. It depends on the Fund's actual return after tax and expenses have been paid, and the amount in the Reserve. The Trustee may also take into account other factors relevant to the maintenance of equity in the Fund. Interest will be credited at the applicable interim-crediting rate if benefits are paid at other times.

6 months ending	Credited six monthly (p.a.)	Year ended 30 June (p.a.)	CPI for year ended 30 June
30 Jun 06	16.00%	15.01%	4.00%
31 Dec 05	13.00%		
30 Jun 05	14.00%	13.41%	2.40%
31 Dec 04	12.00%		
30 Jun 04	16.00%	12.30%	2.40%
31 Dec 03	8.00%		
30 Jun 03	2.52%	1.25%	2.70%
31 Dec 02	0.00%		
30 Jun 02	0.00%	0.00%	2.80%
31 Dec 01	0.00%		

* Past performance is not an indication of future performance.

AUST(Q) level of reserves

Year Ending	Amount	% of Members Funds
30/6/02	\$1,288,418	2.09
30/6/03	\$1,187,723	1.75
30/6/04	\$1,089,117	1.30
30/6/05	\$2,122,517	2.05
30/6/06	\$3,257,426	2.54

Asset allocation

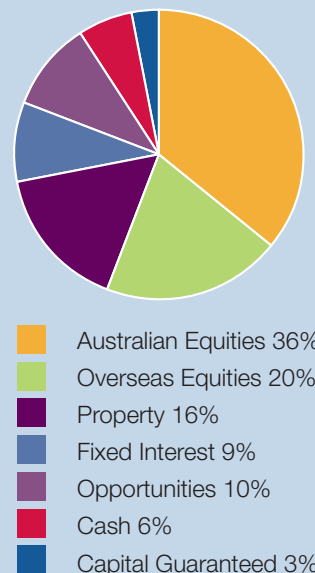
The following table sets out the strategic asset allocation and the target ranges of the Fund. The target ranges act to control the exposure to various asset classes:

Sector Strategic Asset Allocation

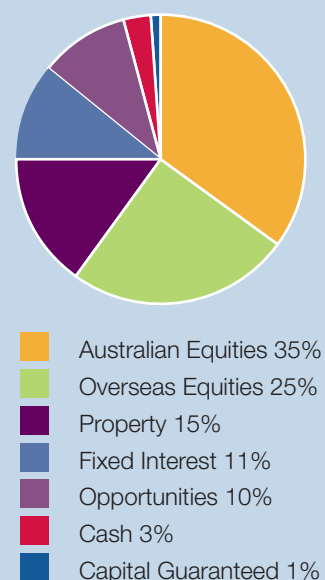
SECTOR	STRATEGIC ASSET ALLOCATION	RANGE	
		LOW	HIGH
Australian equities	30%	25%	45%
Overseas equities	20%	10%	25%
Opportunities	10%	5%	15%
Property	15%	5%	20%
Growth Assets	75%	50%	80%
Capital Guaranteed	5%	0%	15%
Fixed interest	15%	5%	30%
Cash	5%	0%	15%
Defensive Assets	25%	20%	50%

This asset allocation is balanced by investments in multi-asset class funds (e.g. balance funds and capital stable funds) and other approved investment vehicles (e.g. sector funds). The directors adjust the proportion of cash flow directed to these types of funds to maintain the asset mix.

Asset allocation as at 30 June 2005



Asset allocation as at 30 June 2006



BUILD YOUR FUTURE

HAVE YOU CONSIDERED HOW MUCH MONEY YOU MAY NEED TO ACHIEVE YOUR DESIRED LIFESTYLE WHEN YOU RETIRE?

Employers are required to contribute a minimum of 9% of your ordinary time earnings into a complying superannuation fund. This is a healthy start towards saving for your retirement, but it may not be adequate to keep you through your retirement years.

You can top up your super in a number of ways:

1. **Consolidate** your other super accounts into AUST(Q) and you could save on fees.
2. **Salary sacrificing** may reduce your tax bill.
3. **Voluntary contributions** may give you up to \$1,500 p.a. from the Government under its co-contribution arrangements.
4. **Spouse contributions** may also give you tax benefits.

Before making a decision to top up your superannuation, you should consider your own circumstances, and you may wish to seek financial advice.

Salary sacrifice

Salary sacrifice is pre-tax payments (or contributions) into your superannuation account. That is, your employer takes out the contribution before they apply tax to your pay. For many people this can be both a convenient and tax-effective means of saving for retirement.

Salary sacrifice contributions are only taxed at 15%. That's a lot less than the highest income tax rate of 45% (plus Medicare levy).

You can discuss a salary sacrifice arrangement with your employer.

Voluntary contributions

Voluntary contributions are after-tax payments into your superannuation account. You can make these contributions at any time into your super. You can make voluntary contributions via payroll deduction (contact your employer), direct debit or cheque. To find out more, call the AUST(Q) Customer Service Centre on **(07) 3307 6444** (country callers 1800 637 698).

Co-contribution scheme

By making voluntary contributions you may also be eligible to benefit from the Federal Government's co-contribution scheme. This is designed to assist saving for retirement by those who earn up to \$58,000 p.a.

For every \$1 you put into super in 2006/07, the Government will put in \$1.50, up to a maximum of \$1,500 for the financial year 2006/07.

For example, if you earn \$30,000 'total income' in a year, and make a \$500 voluntary contribution to super, you may be eligible to receive a \$750 co-contribution from the Government.

If you are eligible:

1. Make a voluntary contribution.
2. Lodge your tax return.
3. The Australian Taxation Office (ATO) will determine your co-contribution entitlement.

The Government will then pay the appropriate co-contribution amount directly to AUST(Q).

Spouse contributions

Have you thought about contributing to your spouse's superannuation account? AUST(Q) can accept super contributions on behalf of your spouse. The benefits include:

- A tax rebate of up to \$540, where your spouse earns less than \$13,800 p.a.
- No tax on withdrawal.
- The ability to split assets and income streams (on retirement).
- Access to separate Reasonable Benefit Limits (RBLs).
- Access to separate tax-free thresholds.
- You can contribute as much as you want, as frequently as you want on behalf of your spouse.

To open a spouse account, call us on (07) 3307 6444 (country callers 1800 637 698). An initial contribution, or minimum account balance of \$1000 is required, however additional contributions of any amount can be made at any time.

Consolidate your super

Consolidating your super simply means rolling all your super accounts into one. Having more than one superannuation account may mean you are paying more fees than you should be! It can also be difficult to keep track of what's happening with your super.

AUST(Q) lets you roll all your other superannuation accounts into your account free of charge. The advantages include:

- Paying one low set of fees may help the growth of your retirement benefit.
- You will know exactly where your superannuation is.
- No entry fees for rolling over a benefit into AUST(Q). Simply complete the *Member's Authorisation to Rollover* form available at austq.com.au and return it to AUST(Q).

Go to austq.com.au to find out more about topping up your super.

INSURANCE

Although it's not something anyone likes to think about, it's important to consider how you and your family would be supported if you were injured, or even to die.

Every AUST(Q) member automatically receives Death and Total & Permanent Disablement (TPD) insurance cover. It could help protect you and your family's financial security and wellbeing.

Your Death and TPD benefits as at 30 June 2006 are shown on your benefit statement. They include your account balance plus any insured benefit for which you may be eligible. The insured benefit is based on your age on 30 June 2006 and may vary if you have had a birthday since that date. At all times your eligibility for insurance cover is subject to your employer contributions being paid when due.

Preferred beneficiary

It is very important to ensure that AUST(Q) always has up-to-date details for your preferred beneficiary. This is the person or persons who you nominated on your Application to receive your insurance benefit and superannuation in the event of your death.

This information is shown on the benefit statement and can be easily amended by contacting us.

The Death benefit is normally payable to a member's dependants (including financial dependants) or legal representative. A dependant generally means one or more of the following people:

- The spouse of the member (including a de facto spouse);
- Any child of the member - including any step child, any child recognised by the member as an adopted child, and any child of the member born after the member's death;
- Any person who the Trustee considers to have been wholly or partially financially dependent on the member at the time of the member's death; or

- Any person who the Trustee considers to have been in an 'interdependency relationship' with the member at the time of the member's death.

A financial dependant does not necessarily rely on you totally for financial support. They may be your dependant, even if you partially support them financially. Financial dependency may include payments of bills, rent, maintenance payments, and shared financial commitments, such as a mortgage.

The Trustee can only pay a Death benefit as permitted by the Superannuation Industry (Supervision) Act and the Fund's Trust Deed.

Insurance cover for members is provided through a group risk policy with CommInsure. (CommInsure is a registered business name of The Colonial Mutual Life Assurance Society. ABN 12 004 021 809).

To find out more about insurance, download the *Member Handbook* from www.austq.com.au

New insurance benefits

Due to increasing demand from members and employers, AUST(Q) will introduce new insurance benefits from 1 November 2006. The new benefits will include the current Death cover and default Income Protection cover for all members. Total & Permanent Disablement cover will also be available to existing and new members.

The new Income Protection benefits provide cover of 85% of your regular income with a further 9% paid as superannuation contributions.

These new benefits are designed to assist members to protect one of their most valuable assets, their income. Imagine if you suffered an injury or illness and your income stopped!

These new benefits ensure that members are supported when they need it most!

Detailed information on the changes and their impact will be sent to all members.

NEW BENEFITS
ENSURE THAT MEMBERS
ARE SUPPORTED
WHEN THEY NEED IT
THE MOST



UNDERSTANDING YOUR STATEMENT

Current members

Your benefit statement is for the six months to 30 June 2006. This statement shows all contributions received and allocated in the period 1 January to 30 June 2006 and any lump sums transferred from other superannuation funds. It also shows deductions made for administration, insurance (where applicable), taxation and surcharge tax (if applicable), plus interest credited and your total account balance. If your account is below \$1000 your statement may show a member protection rebate.

It is in your best interest to check your statement to see if the correct contribution amounts are shown. If you think your contributions are incorrect please talk to your employer.

Benefit statements have been designed to enable you to:

- Identify your opening balance, together with the preserved and non-preserved contributions.
- Identify your accumulated benefits.
- Easily check the payments that have been received by the Fund on your behalf.
- Advise of any changes affecting your membership, e.g. change of name, address or your preferred beneficiary.
- Advise if you wish to claim a benefit.

New members

New members to AUST(Q) are provided with a copy of the latest Annual Report upon joining the Fund. Under relevant industrial awards and/or the Superannuation Guarantee Legislation your employer is required to make superannuation contributions for you into a fund such as AUST(Q).

The Trustee has established an arrears procedure to ensure late payments are followed up. Refer to page 13.

Please remember that contributions for a given month, even though due on the last day of the month, are not normally received until the 14th day of the following month.

Types of contributions

Superannuation Guarantee

Your employer is required to pay a minimum level of superannuation under the Superannuation Guarantee Legislation.

For the 2005/06 year that level was 9% of your ordinary time earnings. Contributions made under an industrial award or industrial agreement count towards this minimum level.

Award Superannuation

If you are covered by an industrial award, your employer may be required to pay a set percentage of your wage/salary as a contribution for you.

Industrial Agreements

Where you work for an employer that has an enterprise or industrial agreement, your employer may be required to pay the rate set out in that agreement.

Personal details

On your benefit statement there is a coupon to fill in if you wish to notify us of a change to your name, address or your preferred beneficiary.

If our records are out of date, please advise the AUST(Q) Customer Service Centre as soon as possible.

If you wish to notify us of a change to your name, address or your preferred beneficiary, fill in the coupon on your benefit statement or contact the AUST(Q) Customer Service Centre on 1800 637 698.

STATEMENT EXAMPLE

1. Statement details

This is a summary showing your opening balance, the interest earned since your last statement and your closing balance as at 30 June 2006.

2. Beneficiary

Your preferred beneficiary is whom you want your super benefit to go to in the event of your death. You may change your preferred beneficiary at any time.

3. Insurance cover

Your statement shows your insured amount for Death and Total & Permanent Disablement cover as at 30 June 2006. Your Insurance cover is only valid if your contributions have been received from your employer on time. Your insured benefits are based on your age at 30 June 2006.

4. Preserved money

Contributions that cannot be accessed until at least age 55 and you retire from the workforce or upon death or total & permanent disablement.

5. Unrestricted non-preserved money

This money can be withdrawn as cash (less tax) at any time.

6. Restricted non-preserved money

This money can be withdrawn as cash (less tax) if you leave your employer.

7. Contributions

This is the total funds received and allocated by AUST(Q) on your behalf during the financial year. If you think contributions are missing from this statement, contact your employer.

Please remember that contributions for a given month, even though due on the last day of the month, are not normally received until the 14th day of the following month. AUST(Q) has established an arrears procedure to follow up employers with outstanding contributions.

8. Charges and tax

Your account is debited with administration charges, the cost of the insurance cover (if applicable) and Federal Government contributions tax.

9. Other Management Costs and Total Fees You Paid

Other Management Costs are management costs that are not paid directly out of your account. They include investment management fees and member protection fees. They are deducted from gross investment returns before earnings are allocated to your account. This is not a new fee. On your previous statements, Other Management Costs were only reported as percentage amounts. Under new Government legislation, these costs are now shown as an approximate dollar amount. This is to help you understand their effect on your account balance.

Total Fees You Paid is an approximate amount of total fees a member has paid during the statement period.

STATEMENT DETAILS

1 OPENING BALANCE*	INTEREST APPLIED SINCE LAST STATEMENT*	ACCOUNT BALANCE AS AT 30/06/06*
\$16,610.81	+ \$803.94	\$17,385.60

*Full details of your account, including credits and deductions, are shown on the opposite page.

INTEREST CREDITED TO YOUR ACCOUNT - 16% p.a.

AUST(Q) continues to be one of only a few superannuation funds to have never declared a negative annual crediting rate*, and in fact has delivered an average crediting rate of 11% p.a. over the Fund's 21 year history.

With an outstanding result of 16% p.a. for the six months to 30 June 2006, AUST(Q) is continuing to provide members with safe, simple and secure superannuation options for the future.

*Past investment performance is not a reliable indicator for future performance.

2 PREFERRED BENEFICIARIES

JANE CITIZEN

3 DEATH AND TOTAL AND PERMANENT DISABLEMENT

Death Benefit	TPD Benefit
\$100,000	\$30,000
Account Balance	\$17,385.60
Total Benefit Payable On Death or TPD	\$47,385.60

*Payment of any insured benefits is also subject to receipt of up-to-date employer contributions and the conditions explained on the reverse of this statement.

4 YOUR BENEFITS AS AT 30/06/06

Preserved \$14,041.07 **5** Unrestricted Non-Preserved \$0.00 **6** Restricted Non-Preserved \$3,344.53

7 TRANSACTIONS

Transaction Date	Employer Name	Payment Period	Employer Agreed (\$)	Salary Sacrifice (\$)	Member (after tax) (\$)	Total (\$)
31/12/2005	Opening Balance		\$7,444.11	\$0.00	\$8,166.70	\$16,610.81
			\$7,444.11	\$0.00	\$8,166.70	
30/06/2006	Account Balance					\$17,385.60

8 OTHER MANAGEMENT COSTS

Administration Fees	Interest Applied
-\$29.15	\$803.94

9 OTHER MANAGEMENT COSTS

This approximate amount has been deducted from your investment and includes all the other management costs that were not paid directly out of your account: \$54.48

TOTAL FEES YOU PAID

The approximate amount includes all the fees and costs, which affected your investment during the period: \$85.63

*See over page for more details on these fees and costs.

Monies allocated to 30/06/06 are on this Statement. Future allocations will be on the next Statement. While all care is taken to make this information correct, neither the Trustee nor the Fund Administrator accept liability for any misprint.

Benefit Statement

for period 01/01/06 to 30/06/06

Membership No: 1000000

0364510/N/1000115 01-0-29-7
MR P CITIZEN
5 BRISBANE CRT
MOUNT SMITH QLD 4999

3 DEATH AND TOTAL AND PERMANENT DISABLEMENT

4 YOUR BENEFITS AS AT 30/06/06

Preserved \$14,041.07 **5** Unrestricted Non-Preserved \$0.00 **6** Restricted Non-Preserved \$3,344.53

7 TRANSACTIONS

Transaction Date	Employer Name	Payment Period	Employer Agreed (\$)	Salary Sacrifice (\$)	Member (after tax) (\$)	Total (\$)
31/12/2005	Opening Balance		\$7,444.11	\$0.00	\$8,166.70	\$16,610.81
			\$7,444.11	\$0.00	\$8,166.70	
30/06/2006	Account Balance					\$17,385.60

8 OTHER MANAGEMENT COSTS

Administration Fees	Interest Applied
-\$29.15	\$803.94

9 OTHER MANAGEMENT COSTS

This approximate amount has been deducted from your investment and includes all the other management costs that were not paid directly out of your account: \$54.48

TOTAL FEES YOU PAID

The approximate amount includes all the fees and costs, which affected your investment during the period: \$85.63

*See over page for more details on these fees and costs.

Monies allocated to 30/06/06 are on this Statement. Future allocations will be on the next Statement. While all care is taken to make this information correct, neither the Trustee nor the Fund Administrator accept liability for any misprint.

If you wish to change any details, please cut off this section and return it to AUST(Q) Administration. You will find the address on the back of this Statement.

MR P CITIZEN
Membership No: 1000000
Date of Birth: 12/12/1952

A. Please change my personal details to:

Name: _____
Address: _____
State: _____ Postcode: _____
Date of Birth: / / Year _____

B. I would like to roll over my other superannuation into AUST(Q).

Please tick the box above and we will send you a rollover form. You need a separate form for every account you wish to roll over to this Fund. (A photocopy is acceptable.)

Please keep me up to date with services and products offered by other companies to AUST(Q) members YES NO

C. Are your beneficiaries correct (as shown above)?
I wish to change the preferred beneficiary/ies to:

Name: _____ Relationship to me (optional): _____ % share: _____

Please note that the final decision as to whom a death benefit is to be paid will be made by the Trustee.

D. I would like information about making contributions on behalf of my spouse. (Please tick box)

E. My email address is: _____
My contact numbers are: Phone _____ Mobile _____

Please sign here if you have changed your details or requested information.

Signature: _____ Date: _____

ACCOUNTS AND AUDIT

Abridged Financial Information for the year ended 30 June 2006

The following information has been taken from the latest accounts for AUST(Q) that are presently being audited. The Fund does not expect any material changes to be made to the accounts. If you wish to obtain a copy of the audited accounts or the Audit Report on the Fund for 2005/2006 once finalised, or a previous year, contact the Fund administrator.

OPERATING STATEMENT

	30 June 06	30 June 05
REVENUE - INVESTMENTS		
Interest	363,661	623,156
Dividends	11,497,615	7,794,700
Changes in net market value	7,257,136	4,942,108
Other income	-	1,573
Direct investment expenses	(114,401)	(94,894)
Total net revenue - investments	19,004,011	13,266,643
REVENUE - CONTRIBUTIONS		
Employer	17,138,587	14,891,668
Member	695,050	727,736
Government Co Contribution	122,864	43,109
Transfers from other superannuation funds	5,482,487	2,798,601
Total revenue - contributions	23,438,988	18,461,114
REVENUE - OTHER		
Proceeds from Reinsurance	530,500	603,500
Interest on cash at bank	49,996	35,197
Sundry income	1,718	1,436
Total revenue - other	582,214	640,133
TOTAL REVENUE	43,025,213	32,367,890
EXPENDITURE		
Members Group Life Insurance Premium	1,243,585	877,710
Administration	1,338,907	1,292,206
Surcharge	63,720	38,963
TOTAL EXPENDITURE	2,646,212	2,208,879
Benefits accrued before tax	40,379,001	30,159,011
Income tax expense	4,401,557	3,037,893
BENEFITS ACCRUED AFTER TAX	35,977,444	27,121,118

STATEMENT OF FINANCIAL POSITION

	30 June 06	30 June 05
INVESTMENTS	134,365,204	106,764,767
OTHER ASSETS		
Cash at Bank	500,590	414,272
Contributions receivable	1,301,062	1,124,079
Other receivables	52,756	57,904
Fixed assets	1,190	0
Total other assets	1,855,598	1,596,255
Total Assets	136,220,802	108,361,022
LIABILITIES		
Income tax payable	2,230,514	1,289,953
Deferred tax liability	1,593,906	1,233,165
Accounts payable	261,722	297,858
Benefits payable	670,871	199,046
Total Liabilities	4,757,013	3,020,022
NET ASSETS AVAILABLE TO PAYMENT BENEFITS	131,463,789	105,341,000
Represented by:		
Members' funds	128,206,363	103,464,442
Reserves	3,257,426	1,876,558
LIABILITY FOR ACCRUED BENEFITS	131,463,789	105,341,000

OTHER INFORMATION

Member Protection

From 1 July 1995, account balances less than \$1000 must be protected from erosion by fees. This means that administration fees applied to a member's account cannot exceed the interest credited to the balance. An exception to this is for periods where the Fund's total investment returns are below the Fund's total administration costs. If this occurs, administration fees up to a maximum of \$10 may be charged by the Fund during this period. Deductions for insurance cover and the Government's compulsory contributions tax remain payable and are not included in administration fees. Some members of AUST(Q) will notice an entry appearing on their statement, described as a Member Protection Rebate. This rebate adds back any fees and charges (not government taxes and insurance deductions) that exceed the amount of interest credited.

Where AUST(Q) is no longer able to continue member protection for a member, AUST(Q) will transfer those members to an Eligible Rollover Fund (ERF). Members who have a current address will be given 28 days notice to nominate their own rollover fund rather than the ERF selected by AUST(Q).

Surcharge Tax

AUST(Q) must report to the ATO details of all contributions received for its members. The ATO then assesses the member's liability to pay the surcharge and advises AUST(Q) of any surcharge which applies. The surcharge amount is then deducted from the member's super account.

Lost Members Register

The Australian Taxation Office (ATO) has established a 'lost members register' to record details of superannuation accounts that funds are holding for members they cannot locate, and for certain members whose contribution payments have ceased. This means that you can make enquiries at the ATO in your state on 13 10 20 if you have lost contact with a fund and are entitled to a benefit.

Unclaimed benefits

Since April 1998, the Government has had a process in place to collect unclaimed superannuation benefits. In Queensland, the benefits are to be collected by the Registrar of Unclaimed Monies and held by the Public Trustee. All superannuation funds in Australia, including Eligible Rollover Funds, are required to transfer members' accounts to the relevant collection agency in either one of the following circumstances:

- Where a member has reached age 65, a lump sum is payable, and the Trustee cannot find the member to pay the benefit.
- Where a member has died, and the Trustee is unable to make payment of the benefit to the beneficiaries as they cannot be located.

All enquiries and claims for Queensland unclaimed monies should be directed to:

The Public Trustee of Queensland
444 Queen Street, Brisbane QLD 4000
Telephone: (07) 3213 9288
Facsimile: (07) 3213 9484

Eligible Rollover Fund

Federal Government legislation (SIS) allows superannuation funds to nominate an Eligible Rollover Fund (ERF) where benefits may be paid if the member has become a 'lost member'. A member is classified as 'lost' if the Fund does not receive contributions for the member for a period of 12 months or longer and the account balance is less than \$1000. The ERF chosen by AUST(Q) is AUSfund, Australia's Unclaimed Super Fund. AUSfund is an Eligible Rollover Fund where all accounts are member protected. Accounts transferred to AUSfund continue to receive interest, but insurance cover is not provided. You may be advised that your account will be transferred to AUSfund if contributions do not recommence.

AUSfund is committed to transferring the small or lost super accounts it receives into peoples' most active super account – for free. AUSfund has transferred almost \$136 million to 330,000 members' active super, and has helped locate 710,000 previously lost members. You can find out more about AUSfund on 1300 361 798, write to them at PO Box 2468, Kent Town SA 5071, or go to unclaimedsuper.com.au

Making a claim

If you are eligible to claim a benefit, contact AUST(Q) administration for a claim form.

Make sure that you send all necessary documents listed on the claim form, as this avoids unnecessary delays in receiving your benefit.

Arrears procedure

What happens if your employer doesn't pay your super contributions? AUST(Q)'s Trustee has implemented procedures to follow-up employers who do not pay contributions on time.

The procedures are:

- A letter is sent to the employer 15 days after the date the payment was due. The letter advises that a payment has not been received and requests payment.
- If the payment is not received, a second letter is sent 10 days after the first letter requesting immediate payment.
- If payment is not received, the arrears is forwarded to a debt collector and phone contact immediately commences.
- If payment is not received 17 days after the first letter, a third letter is produced and forwarded to the debt collector.
- If the payment is not received 7 days after the third letter, a solicitor's letter is sent.
- A legal action request from the debt collector is referred to AUST(Q), if payment is not received within 7 days of the solicitor's letter.

WHO MANAGES AUST(Q)

A Trustee company, A.U.S.T. (QUEENSLAND) Pty Ltd, ABN: 65 010 677 013 is responsible for managing AUST(Q). The company has five Directors. Of these, two Directors have been nominated by participating employer associations and two by employee unions. One independent Director makes up the total of five.

All Directors are appointed for a term of four years. The term of each Director's appointment may be varied by the relevant sponsoring organisation at any time. The Board has developed a Corporate Governance Policy that incorporates a Code of Conduct for all Directors.

The Directors at 30 June 2006 were:

Employee Representatives:

Bob Henricks (Chairperson)

Former Secretary, Queensland Branch, Electrical Division of the CEPU (the ETU in Qld), Trades Union (Director since July, 1985)

Ian McComb

Former State Organiser, Qld Branch, Australian Manufacturing Workers Union (Director since October, 1986)

Employer Representatives:

David Whiting

Former Director – Queensland, Australian Industry Group (Director since January 2000)

Mark Vining

Human Resources Manager, Barclay Mowlem (Director since August 1998)

Independent Director:

John Jones (Fund Secretary) Principal, Jones Ross Pty Ltd (Independent Director since March, 1992)

The Directors have renewed the Trustee Liability Insurance Policy from 4 December 2005.

Election of Member Representative Directors

In accordance with the Constitution of A.U.S.T.(QUEENSLAND) Pty Ltd the members of the Fund are represented by Directors nominated and elected by the industrial unions of employees forming the Scheme Member Body. The industrial unions are the Automotive, Metals, Engineering, Printing and Kindred Industries Industrial Union of Employees, Queensland: the Electrical Trades Union of Employees of Australia, Queensland Branch and the Federated Ironworkers Association of Australia (Queensland Branch) Union of Employees.

These industrial unions collectively have the power to elect two Directors to represent the members. They also have the power to replace or remove any Director elected by them.

Election of Independent Director

In accordance with the Constitution of A.U.S.T. (QUEENSLAND) Pty Ltd, the Scheme Member Body (the industrial unions) and the employer body (the Australian Industry Group and QMBA) may jointly appoint one person to the position of independent Director. This appointment shall be upon such terms and conditions as the Directors

determine. The Fund currently has an independent Director appointed in accordance with this procedure.

Appointment of Employer Representative Directors

The employers of the Fund are represented by Directors nominated and elected by the Australian Industry Group - Queensland and the Queensland Master Builders Association.

These employer organisations collectively have the power to elect two Directors to represent the employers. They also have the power to replace or remove any Director elected by them.

Administration of AUST(Q)

Superpartners Pty Ltd (ABN 57 078 907 883, AFSL 238761) is the administrator contracted by AUST(Q) to provide services to AUST(Q) members and employers. Superpartners handle the day-to-day administration of the Fund. As a major provider of multi-employer superannuation administration services in Australia, Superpartners holds a license to provide general financial advice in respect of superannuation. For more information on Superpartners just visit superpartners.com.au

Regulated Fund

AUST(Q) is a Regulated Fund, under legislation known as the Superannuation Industry (Supervision) Act 1993 (SIS). As a Regulated Fund, AUST(Q) is eligible for concessional tax rates. This means that the Fund qualifies for concessional tax treatment through lower tax rates.



“PEOPLE WHO KNOW YOUR INDUSTRY”

ENQUIRIES AND PRIVACY

Enquiries/complaints

If you wish to make an enquiry about the Fund, or if you have any concerns about its operation or management, please contact the Fund administrator at the address shown in this Annual Report.

If you telephone, in most cases you will receive an immediate reply, but some issues may need further investigation. Any written enquiry or complaint will be acknowledged promptly and in most cases responded to in detail within 28 days. Legislation requires that all complaints are appropriately resolved within 90 days.

AUST(Q) strives to provide excellent service to its members and employers. If you are not satisfied that your enquiry or complaint has been satisfactorily answered, you should write to the Complaints Officer at the Fund administrator's office. Your concerns will be referred to the Trustee for consideration.

If you are not satisfied with the Fund's handling of your complaint, or the Trustee's decision, you may contact the Superannuation Complaints Tribunal (SCT). The SCT is an independent body set up by the Federal Government to assist members or beneficiaries in resolving certain superannuation complaints. You may only approach the SCT if you have made use of the Fund's internal complaints handling process. If the SCT agrees to review your complaint, it will attempt to resolve the matter by conciliation, which involves helping you and the Fund to come to a mutual agreement.

If you wish to find out whether the SCT can handle your complaint and the information you will need to provide, please phone the SCT directly on 1300 780 808 (from anywhere in Australia for the cost of a local call).

Privacy statement

AUST(Q) respects your privacy. Protecting your personal information has always been important to us and is now required by law. Changes to the Commonwealth Privacy Act mean that we must now handle your personal information in accordance with a set of National Privacy Principles.

At AUST(Q), we only collect information that is necessary to administer your fund membership. By this we mean managing your account and keeping you up to date with opportunities available to you as a fund member.

AUST(Q) encourages you to check the AUST(Q) website privacy statement regularly as it may change from time to time as we enhance our site. If you have any suggestions or concerns that are not addressed in this privacy statement, please contact us.

AUST(Q) has appointed a specialist administrator, plus insurers, and some other organisations to provide services to you on our behalf. They are authorised to use your personal information only to administer your fund membership, under the strictest confidence.

Your personal information will not be used or disclosed for any other purpose without your consent, except where required by law. For example, AUST(Q)'s administrator is required to report certain information to the Australian Taxation Office for tax related purposes.

The personal information collected by AUST(Q) from you, or through your employer, includes your contact details, date of birth and Tax File Number (if you have chosen to quote it). Over time, this will be supplemented with financial and other information necessary to administer your fund membership.

Additional information may be collected from medical practitioners or from your employer for the purpose of assessing your eligibility for insurance cover or the assessment of a claim. We would only seek to collect such information with your consent.

We have stringent security measures in place, and the staff who handle your personal information have the knowledge, skills and commitment to protect it from unauthorised access or misuse.

As a member of AUST(Q), you may ask to see the information we hold about you and to have it corrected if required.

AUST(Q)

RSE Licence Number: L0001168
RSE Registration Number: R1004823
SFN: 268339
SPIN: AUTO100AU

FUND ADMINISTRATOR**Superpartners**

ABN: 57 078 907 883
AFSL: 238761

PO Box 329,
Spring Hill QLD 4004

Level 11,
120 Edward Street,
Brisbane QLD 4000

Telephone (07) 3307 6444
Country callers 1800 637 698
Facsimile (07) 3210 0088

www.austq.com.au

CLIENT SERVICES MANAGER**Anneke Wilson**

Telephone (07) 3307 6450

PO Box 329,
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Level 11,
120 Edward Street,
Brisbane QLD 4000