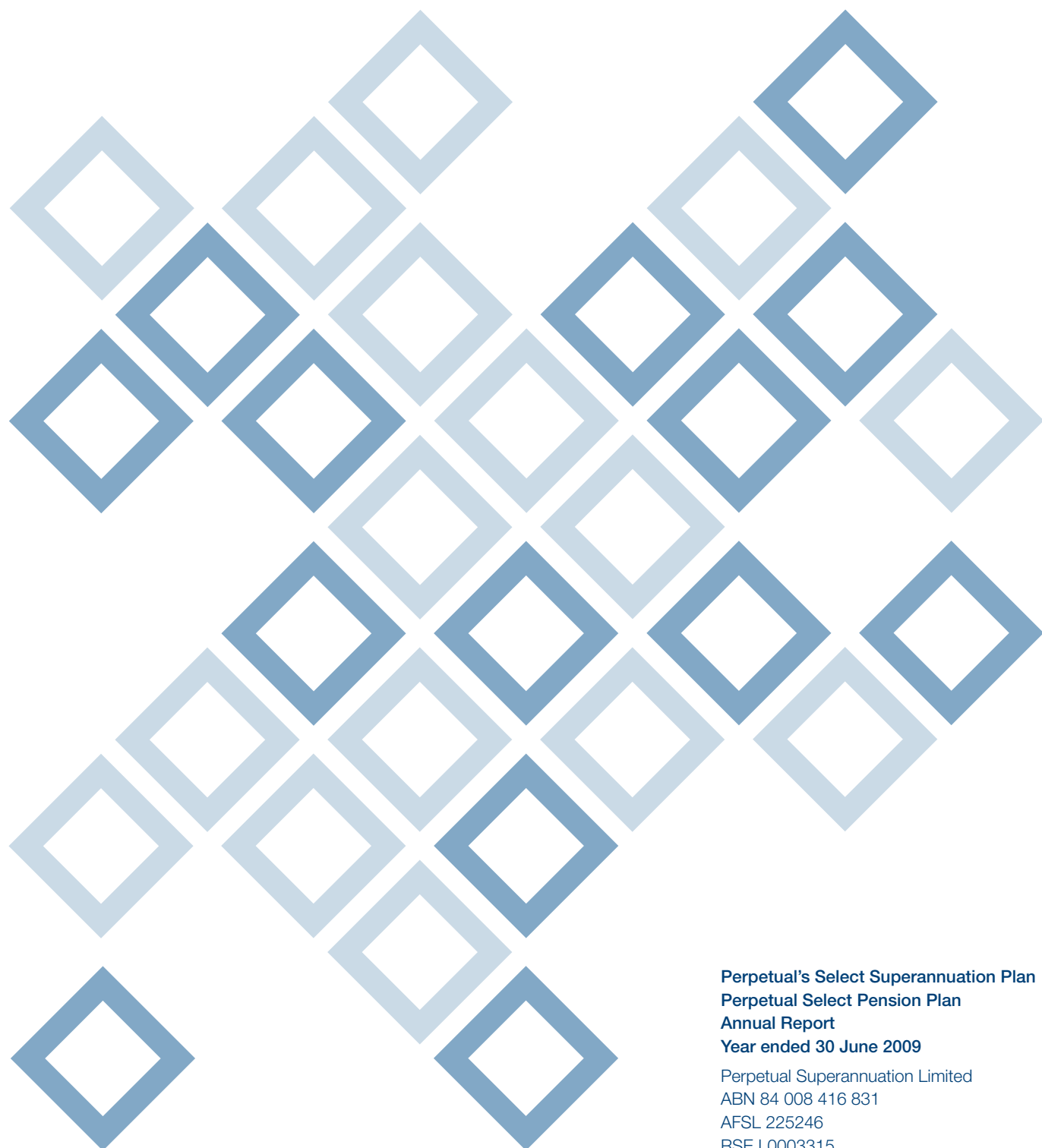




Perpetual's Select Superannuation Fund



**Perpetual's Select Superannuation Plan
Perpetual Select Pension Plan
Annual Report
Year ended 30 June 2009**

Perpetual Superannuation Limited
ABN 84 008 416 831
AFSL 225246
RSE L0003315

Directory

Fund

Perpetual's Select Superannuation Fund (Fund)
ABN 51 068 260 563
RSE R1057034

Products

Perpetual's Select Superannuation Plan (Super Plan)
SPIN PER0138AU

Perpetual Select Pension Plan (Pension Plan)
SPIN PER0279AU (Term Allocated Pension)
SPIN PER0405AU (Account Based Pension)

Issuer and Trustee

Perpetual Superannuation Limited (Trustee)
ABN 84 008 416 831
AFSL 225246
RSE L0003315

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Important notes and disclaimer

This Annual Report (Report) is a Fund Information Statement, as required to be issued under the Corporations Act, and has been prepared by the Trustee in October 2009 for members of the Fund. In this Report, 'we', 'us', 'our' and 'Perpetual Superannuation' are references to the Trustee.

The Trustee is part of the Perpetual Group, which comprises Perpetual Limited and its subsidiaries. Although the Trustee believes the information in this Report is accurate and reliable as at the date of issue, no company in the Perpetual Group, nor any director or officer of any company in the Perpetual Group, makes any representation or warranty as to the accuracy, reliability or completeness of material in this Report. Except in so far as liability under any statute cannot be excluded, companies in the Perpetual Group and directors, officers, employees and consultants of companies in the Perpetual Group do not accept any liability (whether arising in contract, tort, negligence or otherwise) for any error or omission in this Report or for any loss or damage (whether direct, indirect, consequential or otherwise) suffered by the recipient of this information or any other person.

Some of the information in this Report is based on an interpretation of relevant laws that were current as at 30 June 2009. None of the information in this Report constitutes financial product advice. No member or any other person should act on the basis of any statement, matter or thing in this Report without first obtaining independent advice.

Neither we nor any company in the Perpetual Group guarantee that you will earn any return on your investment or that your investment will gain in value or retain its value. Investment in the Fund is subject to investment risk, including possible delays in repayment and loss of income and capital invested.



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Directors' message

Dear Member

On behalf of the Trustee of Perpetual's Select Superannuation Fund (Fund), we are pleased to present the Fund's Annual Report for the year ended 30 June 2009. The Fund consists of the following products:

- Perpetual's Select Superannuation Plan (Super Plan) and
- Perpetual Select Pension Plan (Pension Plan).

This Report should be read in conjunction with the Annual Statement for the year ended 30 June 2009, which details your specific benefit entitlements under the Fund.

This Report brings you up to date with relevant details relating to the Fund (including the Investment Options available to members). It also provides information on important changes in the superannuation environment.

Market volatility continued during the year as a result of the global financial crisis, resulting in negative returns in most investment markets. Like most other Australian superannuation funds, the Fund's Investment Options felt the impact of this volatility. However, it's important to remember that the highs and lows in investment markets are a normal part of investing and that longer-term performance tends to smooth out short-term results. The Trustee is satisfied that the Fund's investment strategy of providing a range of Investment Options with different risk/return profiles, from which all members can select investments that are suitable for their personal circumstances at any particular time, remains appropriate.

If you are a Super Plan member and have other superannuation accounts elsewhere, you may like to consider consolidating your superannuation. This should help you manage your superannuation more easily and may save you on total fees and costs. As there may be consequences of consolidating your superannuation accounts we recommend you speak with your financial adviser about whether this is appropriate to your situation.

We thank you for your continued support.

Directors, Perpetual Superannuation Limited

Superannuation changes

Temporary residents' superannuation

A departing Australia superannuation payment (DASP) refers to a lump sum super benefit paid to certain temporary residents (excluding Australian citizens, New Zealand citizens or permanent residents) who have left Australia and their visa has expired or been cancelled.

From 18 December 2008, changes apply to unclaimed super for former temporary residents, including:

- the requirement to pay unclaimed super benefits to the Australian Taxation Office (ATO) if you:
 - left Australia at least six months ago
 - no longer hold a current temporary visa
- an increase in the withholding tax rates for DASPs from 1 April 2009 to:
 - 35 per cent for a taxed element of a taxable component
 - 45 per cent for an untaxed element of a taxable component.

Former temporary residents whose benefits have been paid to the ATO can apply to the ATO at any time for their super (DASP) to be paid to them.

The Australian Securities and Investments Commission (ASIC) has granted relief from providing a final withdrawal (exit) statement to departed temporary residents whose benefit has been compulsorily paid to the ATO in this circumstance.

From 1 April 2009, restricted conditions of release apply to temporary residents' superannuation. Any person who is, or has been, a temporary resident of Australia can generally only access their superannuation under the following conditions of release:

- death
- terminal medical condition
- permanent or temporary incapacity
- leaving Australia where a temporary visa has expired (or been cancelled)
- release authority for excess contributions.

Temporary residents cannot generally commence any form of pension, including a transition to retirement pension.

The above restrictions do not apply to New Zealand citizens or temporary residents who satisfied a condition of release prior to 1 April 2009 or when the person currently holds a sub-class 405 or 410 visa.

Changes to definitions for dependants

The Same-Sex Relationship (Equal Treatment in Commonwealth Laws – Superannuation) Act 2008, which became law on 4 December 2008, represents the Government's response to the perceived discrimination against same-sex partners and children of same-sex couples in laws which govern superannuation funds. The Act has expanded the availability and concessional tax treatment of superannuation death benefits to same-sex partners and the children of same-sex couples.

For the purpose of paying a death benefit under superannuation and tax law, a member's dependant is a:

- spouse
- child (aged less than 18 under tax law)
- person who was financially dependent on you at the time of your death
- person who you have an 'interdependency relationship' with.

A member's 'spouse' now includes:

- another person (whether of the same sex or a different sex) with whom a member is in a relationship that is registered under relevant law and
- another person who, although not legally married to the member, lives with the member on a genuine domestic basis in a relationship as a couple.

A member's 'child' now includes:

- an adopted child, stepchild or ex-nuptial child
- a child of the member's spouse
- someone who is a child of the member under family law.

Federal Budget changes affecting superannuation

In its 12 May 2009 Federal Budget, the Government announced the following initiatives.

Changes to contribution limits

Concessional contributions

The concessional contributions cap has been cut from \$50,000 per annum (indexed) to \$25,000 per annum (indexed) from the 2009/2010 financial year.

The transitional concessional contributions cap for those aged 50 and over (applicable for the 2009/2010, 2010/2011 and 2011/2012 financial years) has been cut from \$100,000 per annum (non-indexed) to \$50,000 per annum (non-indexed). From 1 July 2012, the ordinary concessional contributions cap will apply to those aged 50 and over.

After-tax contributions

The after-tax contributions (also known as 'non-concessional contributions') cap of \$150,000 will remain at that level for the 2009/2010 financial year. Beyond then, this cap will be calculated as six times the new \$25,000 per annum (indexed) concessional contributions cap.

Temporary reductions to the Government super co-contribution

The matching rate and maximum co-contribution that is payable on an individual's eligible personal after-tax contributions has been temporarily reduced from 1 July 2009, as follows:

- for the 2009/2010, 2010/2011 and 2011/2012 financial years – the matching rate will be 100 per cent, with a maximum co-contribution of \$1,000
- for the 2012/2013 and 2013/2014 financial years – the matching rate will be 125 per cent, with a maximum co-contribution of \$1,250
- for the 2014/2015 financial year onwards – the matching rate will be 150 per cent, with a maximum co-contribution of \$1,500.

You can obtain further information from www.ato.gov.au.

Extended pension drawdown relief

The minimum payment amounts for account-based pensions and term allocated pensions have also been halved for the 2009/2010 financial year. This extends the pension drawdown relief that was provided for the 2008/2009 financial year, which was designed to assist pension account balances recover from capital losses resulting from recent financial conditions.

Payment of small and insoluble lost accounts to the ATO as unclaimed super

Lost accounts which have balances less than \$200 or have been inactive for five years and there are insufficient records to identify the owner of the account must be paid to the ATO as unclaimed super.

Any unclaimed super amounts that are paid to the ATO can be claimed back from the ATO at any time.

Legislation is expected to apply from 1 July 2010.

Trans-Tasman retirement savings portability scheme

The Government has agreed in principle to the signing of a memorandum of understanding with New Zealand to establish a trans-Tasman retirement savings portability scheme.

Currently, members of Australian superannuation funds may only transfer their retirement savings within the Australian superannuation system. The trans-Tasman portability scheme will permit transfers of superannuation savings between certain Australian superannuation funds and New Zealand KiwiSaver funds.

The scheme will have effect from a date set in accordance with the memorandum of understanding after the final details of the scheme have been settled with New Zealand.

Product update

Review of insurance cover

A review of the standard insurance cover offered to members of the Super Plan was completed during the year. We are currently in the process of implementing the changes with new options and other enhancements to be introduced later in the 2009/2010 financial year.

We will write to current Super Plan members with existing standard insurance in due course to let you know how these improvements will benefit you. The Product Disclosure Statement (PDS) for the Super Plan will also be updated at this time to include full details of the new insurance arrangements.

Indexation of fee amounts

The following amounts have been increased in line with cumulative increases in the Consumer Price Index (CPI).

Member fee

With effect from 1 July 2009, the member fee has increased from \$8.24 per month (\$98.88 annually) to \$8.44 per month (\$101.28 annually).

Management fee rebates

Historical management costs are outlined on pages 8-14 of this Report. Management fee rebates are available to members with large account balances. Qualifying levels have been increased from 1 July 2009, as follows:

Value of investment		Rebate % pa (unchanged)
Old qualifying level	New qualifying level	
\$221,500	\$227,000	Nil
\$517,000	\$ 529,800	0.50
\$738,600	\$ 756,800	1.15

Investment information

Trustee's investment objective

The Trustee's investment objective is to provide a comprehensive and suitable range of Investment Options from which all members can select investments that are suitable for their personal circumstances at any particular time.

Trustee's investment strategy

The Trustee's investment strategy is to provide a range of Investment Options with different risk/return profiles.

The variety of Investment Options offers members diversification across different asset classes, regions and markets. Most Investment Options also offer further diversification across a range of specialist investment managers.

Derivatives

Some of the investment managers with which the Fund invests may use derivatives to reduce risks in the share and bond markets and to increase or decrease their exposure to particular investment sectors or markets. While derivatives may be used for trading purposes, they are generally not used to gear investments.

Investment Options

Relevant details for each of the Investment Options available to Fund members are provided on pages 8-14 of this Report, including:

- investment objective
- investment guidelines
- option size
- historical management cost
- investment performance
- asset allocations.

Full details of the Investment Options that are currently available to all members are contained in the current PDSs for the Super Plan and the Pension Plan, both of which are available at our website or by calling us.

The latest available performance figures and fund sizes (updated each month) may be obtained at our website or by calling us.

Investment performance has been calculated net of any management fees and costs and (for the Super Plan) income tax of up to 15 per cent. No allowance has been made for contribution fees, the member fee or any fee rebates. Care should be exercised in relying on past performance. Historical performance is not a reliable guide to future performance.

The asset allocations shown on pages 8-14 are based on the Super Plan, which may in some cases differ marginally from asset allocations for the Pension Plan.

The Trustee may add, vary or withdraw Investment Options at its discretion.

Investment managers

The investment managers appointed by the Trustee to manage the various asset classes within the Investment Options are shown in the following table.

The Trustee may add, delete or replace investment managers at its discretion.

Select investment managers as at 30 June 2009

Asset class	Investment manager(s)
Capital guaranteed	Perpetual Investments
Cash	Perpetual Investments
Fixed income	Aberdeen Asset Management Loomis Sayles & Company Macquarie Funds Management Limited Perpetual Investments PIMCO
Real estate	Perennial Real Estate Investments Perpetual Investments Resolution Capital Limited
Australian shares	Constellation Capital Management Cooper Investors GMO Australia JM Asset Management Kaplan Funds Management Perpetual Investments Quantitative Investments Renaissance Asset Management
International shares	Acadian Asset Management AllianceBernstein Bedlam Asset Management Gryphon International Investment Corporation Johnston Asset Management Mackenzie Cundill PI Investment Management SouthernSun Asset Management
Alternative assets – defensive	Hastings Funds Management Macquarie Funds Management Limited
Alternative assets – growth	American Securities AMP Capital Investors APN Funds Management Hamilton Lane Hastings Funds Management Magellan Asset Management Palisade Partners Franklin Templeton Real Estate Advisors

Obtaining updated details on the Investment Options

Investment details

From time to time, some of the information in the PDS about the Investment Options may change. This includes details such as their:

- investment objective
- investment approach
- investment guidelines (eg asset allocation ranges).

Visit our website for up-to-date Investment Option information, together with the latest available investment performance details. Alternatively, such information may be accessed by contacting us.

Buy/sell spreads

We will not increase fees or charges without providing you with 30 days' written notice except in respect of government fees and charges. Transaction costs are normally reviewed at least annually. This review may result in changes to the buy/sell spreads on various Investment Options.

The current buy/sell spreads at the time this Report was prepared are as follows.

Investment Option	Buy/sell spread
Conservative	0.16%/0.00%
Balanced	0.30%/0.00%
Growth	0.34%/0.00%
High Growth	0.39%/0.00%
Geared High Growth	0.88%/0.00%
Cash	Nil
Fixed Interest	0.06%/0.00%
Real Estate	0.42%/0.00%
Australian Share	0.40%/0.00%
Geared Australian Share	1.02%/0.00%
Limited Share	0.40%/0.00%
International Share	0.50%/0.00%
Capital Guaranteed	Nil

Visit our website (or contact us) for details of the current buy/sell spreads at any time.

Multi-asset class Investment Options

Investment Option name	Conservative			Balanced		
Investment objective	Stable returns through investment in a diversified portfolio with an emphasis on fixed income and cash investments.			Long-term growth through investment in a diversified portfolio with an emphasis on Australian and international share investments.		
Investment guidelines		Benchmark	Ranges		Benchmark	Ranges
	Enhanced cash ¹	25%	15-35%	Enhanced cash ¹	2%	0-10%
	Fixed income ²	30%	20-40%	Fixed income ²	23%	15-35%
	Defensive alternatives	10%	0-20%	Defensive alternatives	5%	0-15%
	Real estate	8%	0-15%	Real estate	10%	0-20%
	Australian shares	12%	0-20%	Australian shares	26%	15-35%
	International shares	10%	0-20%	International shares	24%	15-35%
	Growth alternatives	5%	0-15%	Growth alternatives	10%	0-20%
Option size as at 30 June 2009	Super Plan:		\$32.6 million	Super Plan:		\$282.4 million
	Pension Plan:		\$29.9 million	Pension Plan:		\$193.1 million
Historical management cost for year ended 30 June 2009	Super Plan:		2.02% ³	Super Plan:		2.30% ³
	Pension Plan:		1.96% ³	Pension Plan:		2.13% ³
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2005	8.4%	9.2%	2005	10.7%	11.9%
	2006	9.0%	8.6%	2006	12.9%	13.2%
	2007	8.4%	10.1%	2007	11.6%	14.2%
	2008	-5.3%	-6.1%	2008	-11.7%	-14.0%
	2009	-4.0%	-4.1%	2009	-9.7%	-10.9%
	5-year compound average return to 30 June 2009			5-year compound average return to 30 June 2009		
		3.1%	3.3%		2.1%	2.1%
Asset allocations	As at 30 June	2008	2009	As at 30 June	2008	2009
	Australian shares	15%	12%	Australian shares	30%	28%
	International shares	10%	10%	International shares	24%	25%
	Real estate	4%	5%	Real estate	4%	7%
	Growth alternatives	2%	4%	Growth alternatives	4%	6%
	Fixed income ²	42%	33%	Fixed income ²	26%	28%
	Defensive alternatives	10%	11%	Defensive alternatives	4%	4%
	Enhanced cash ¹	17%	25%	Enhanced cash ¹	8%	2%

- Enhanced cash investments include cash investments (which include discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans), fixed income instruments, hybrid securities, loans and other income generating securities. The maturity dates of investments are typically longer than cash and they may have a lower credit rating than those in a money market fund, however, they are usually managed to short interest rate exposures.
- Fixed income instruments involve investing in securities issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark.
- These multi-asset class Investment Options have varying exposure to the Australian Share and International Share Investment Options, where performance fees may be payable. These performance fees are included in the management costs of the Australian Share and International Share Investment Options which form a component of the total management costs of the multi-asset class Investment Options.

Investment Option name	Growth			High Growth		
Investment objective	Long-term growth through investment in a diversified portfolio with a strong emphasis on Australian and international share investments.			Long-term growth through investment in a diversified portfolio of Australian and international shares and growth alternative investments.		
Investment guidelines		Benchmark	Ranges		Benchmark	Ranges
	Enhanced cash ¹	2%	0-10%	Enhanced cash ¹	2%	0-12%
	Fixed income ²	13%	5-25%	Australian shares	48%	35-60%
	Real estate	10%	0-20%	International shares	35%	25-45%
	Australian shares	32%	20-40%	Growth alternatives	15%	0-25%
	International shares	28%	20-40%			
	Growth alternatives	15%	0-25%			
Option size as at 30 June 2009	Super Plan:		\$236.8 million	Super Plan:		\$58.3 million
	Pension Plan:		\$133.8 million	Pension Plan:		\$11.9 million
Historical management cost for year ended 30 June 2009	Super Plan:		2.26% ³	Super Plan:		2.31% ³
	Pension Plan:		2.19% ³	Pension Plan:		2.25% ³
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2005	11.7%	12.9%	2005	12.6%	14.6%
	2006	14.7%	15.5%	2006	17.8%	17.5%
	2007	13.1%	16.1%	2007	15.4%	19.1%
	2008	-14.0%	-17.1%	2008	-16.6%	-18.7%
	2009	-13.7%	-15.5%	2009	-14.1%	-15.6%
	5-year compound average return to 30 June 2009			5-year compound average return to 30 June 2009		
		1.4%	1.2%		1.9%	1.9%
Asset allocations	As at 30 June	2008	2009	As at 30 June	2008	2009
	Australian shares	38%	34%	Australian shares	46%	50%
	International shares	30%	29%	International shares	38%	39%
	Real estate	5%	9%	Growth alternatives	4%	8%
	Growth alternatives	5%	11%	Fixed income ²	2%	0%
	Fixed income ²	13%	16%	Enhanced cash ¹	10%	3%
	Enhanced cash ¹	9%	1%			

1 Enhanced cash investments include cash investments (which include discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans), fixed income instruments, hybrid securities, loans and other income generating securities. The maturity dates of investments are typically longer than cash and they may have a lower credit rating than those in a money market fund, however, they are usually managed to short interest rate exposures.

2 Fixed income instruments involve investing in securities issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark.

3 These multi-asset class Investment Options have varying exposure to the Australian Share and International Share Investment Options, where performance fees may be payable. These performance fees are included in the management costs of the Australian Share and International Share Investment Options which form a component of the total management costs of the multi-asset class Investment Options.

Investment Option name	Geared High Growth (Super Plan only)		
Investment objective	Enhanced long-term growth through borrowing (gearing) to invest in a diversified portfolio of Australian and international shares and growth alternative investments.		
Investment guidelines		Benchmark	Ranges
	Enhanced cash ¹	2%	0-12%
	Australian shares	48%	35-60%
	International shares	35%	25-45%
	Growth alternatives	15%	0-25%
	Gearing level		0-50%
Option size as at 30 June 2009	Super Plan:		\$5.5 million
Historical management cost for year ended 30 June 2009	Super Plan:		3.43% ³
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	
	2005	n/a	
	2006	n/a	
	2007	n/a	
	2008	-28.4%	
	2009	-28.3%	
	Compound average return since inception to 30 June 2009		
	(April 2007)	-25.7%	
Asset allocations	As at 30 June	2008	2009
	Australian shares	53%	52%
	International shares	39%	33%
	Growth alternatives	0%	15%
	Enhanced cash ¹	8%	0%
	Gearing level	52%	30%

1 Enhanced cash investments include cash investments (which include discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans), fixed income instruments, hybrid securities, loans and other income generating securities. The maturity dates of investments are typically longer than cash and they may have a lower credit rating than those in a money market fund, however, they are usually managed to short interest rate exposures.

3 These multi-asset class Investment Options have varying exposure to the Australian Share and International Share Investment Options, where performance fees may be payable. These performance fees are included in the management costs of the Australian Share and International Share Investment Options which form a component of the total management costs of the multi-asset class Investment Options.

Single asset class Investment Options

Investment Option name	Cash			Fixed Interest		
Investment objective	Capital stability through investments in deposits, money market and fixed income securities.			Capital stability through investment in a diversified portfolio of Australian and international fixed income investments and mortgages.		
Investment guidelines	Cash	Benchmark 100%	Ranges n/a	Fixed income ² and mortgages	Benchmark 100%	Ranges 90-100%
				Cash	0%	0-10%
Option size as at 30 June 2009	Super Plan: \$49.1 million		Pension Plan: \$26.7 million	Super Plan: \$9.3 million		Pension Plan: \$4.7 million
Historical management cost for year ended 30 June 2009	Super Plan: 1.69%		Pension Plan: 1.64%	Super Plan: 1.87%		Pension Plan: 1.83%
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2005	3.6%	4.0%	2005	6.7%	7.8%
	2006	3.8%	4.2%	2006	0.6%	1.2%
	2007	3.6%	4.7%	2007	3.2%	3.7%
	2008	1.3%	2.8%	2008	3.6%	3.5%
	2009	1.7%	1.8%	2009	6.2%	7.1%
	5-year compound average return to 30 June 2009			5-year compound average return to 30 June 2009		
		2.8%	3.5%		4.0%	4.6%
Asset allocations	As at 30 June	2008	2009	As at 30 June	2008	2009
	Cash	100%	100%	Fixed income ²	91%	99%
				Cash	9%	1%

² Fixed income instruments involve investing in securities issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark.

Investment Option name	Real Estate			Australian Share		
Investment objective	Income and long-term capital growth through investment in a diversified portfolio of Australian listed property trusts, international real estate investment trusts and unlisted property trusts. ⁴			Long-term capital growth and income through investment in a diversified portfolio of Australian shares. ⁵		
Investment guidelines		Benchmark	Ranges		Benchmark	Ranges
	Real estate	100%	90-100%	Australian shares	100%	90-100%
	Cash	0%	0-10%	Cash	0%	0-10%
Option size as at 30 June 2009	Super Plan:		\$6.1 million	Super Plan:		\$32.6 million
	Pension Plan:		\$1.2 million	Pension Plan:		\$12.1 million
Historical management cost for year ended 30 June 2009	Super Plan:		2.25%	Super Plan:		2.18% ⁶
	Pension Plan:		2.20%	Pension Plan:		2.15% ⁶
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2005	11.9%	11.8%	2005	20.3%	23.7%
	2006	15.1%	15.3%	2006	20.3%	22.3%
	2007	15.9%	19.9%	2007	21.7%	26.9%
	2008	-27.7%	-33.6%	2008	-13.8%	-17.0%
	2009	-31.9%	-37.1%	2009	-13.2%	-14.9%
	5-year compound average return to 30 June 2009			5-year compound average return to 30 June 2009		
		-6.0%	-8.4%		5.7%	6.3%
Asset allocations	As at 30 June	2008	2009	As at 30 June	2008	2009
	Australian shares	90%	93%	Australian shares	89%	99%
	Cash	10%	7%	Cash	11%	1%

4 Also permitted to be included are company shares, unit trusts and other securities that are expected to have a return related to property investments or management as their dominant underlying assets.

5 As per the investment manager's investment guidelines, securities listed on overseas exchanges may be purchased subject to limits agreed by the Trustee.

6 Performance fees are part of the specialist investment manager remuneration. The total performance fee component payable to the specialist investment managers was 0.011%.

Investment Option name	Geared Australian Share (Super Plan only)			Limited Share		
Investment objective	Enhanced long-term capital growth through borrowing (gearing) to invest in a diversified portfolio of Australian shares. ⁵			Long-term growth through investment in Australian industrial and resource shares across generally less than 50 companies.		
Investment guidelines		Benchmark	Ranges		Benchmark	Ranges
	Australian shares	100%	90-100%	Australian shares	100%	90-100%
	Cash	0%	0-10%	Cash	0%	0-10%
	Gearing level		0-60%			
Option size as at 30 June 2009	Super Plan: \$2.1 million			Super Plan: \$10.9 million Pension Plan: \$5.0 million		
Historical management cost for year ended 30 June 2009	Super Plan: 3.34% ⁶			Super Plan: 2.04% Pension Plan: 1.99%		
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan		Year ended 30 June	Super Plan	Pension Plan
	2005	n/a		2005	18.4%	19.8%
	2006	n/a		2006	22.0%	24.5%
	2007	n/a		2007	20.9%	23.1%
	2008	-30.2%		2008	-8.7%	-8.1%
	2009	-29.0%		2009	-11.8%	-16.2%
	Compound average return since inception to 30 June 2009 (April 2007)			5-year compound average return to 30 June 2009		
		-25.6%			7.0%	7.2%
Asset allocations	As at 30 June	2008	2009	As at 30 June	2008	2009
	Australian shares	91%	100%	Australian shares	94%	99%
	Cash	9%	0%	Cash	6%	1%
	Gearing level	41%	36%			

⁵ As per the investment manager's investment guidelines, securities listed on overseas exchanges may be purchased subject to limits agreed by the Trustee.

⁶ Performance fees are part of the specialist investment manager remuneration. The total performance fee component payable to the specialist investment managers was 0.011%.

Investment Option name	International Share			Capital Guaranteed (closed to new members)		
Investment objective	Long-term growth through investment primarily in a diversified portfolio of global shares. ⁷			Returns and security through investment in: <ul style="list-style-type: none"> a deposit or product issued by an Approved Deposit taking Institution (ADI) or cash funds, or other pooled structured funds that are supported by a guarantee. 		
Investment guidelines		Benchmark	Ranges		Benchmark	Ranges
	International shares	100%	90-100%	Bank deposits or cash funds supported by a guarantee	100%	n/a
	Cash	0%	0-10%			
Option size as at 30 June 2009	Super Plan:		\$11.0 million	Super Plan:		\$51.8 million
	Pension Plan:		\$1.6 million	Pension Plan:		\$3.3 million
Historical management cost for year ended 30 June 2009	Super Plan:		2.50% ⁸	Super Plan:		1.67%
	Pension Plan:		2.46% ⁸	Pension Plan:		1.56%
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2005	3.6%	2.8%	2005	2.5%	2.4%
	2006	14.9%	18.7%	2006	3.6%	3.8%
	2007	8.3%	9.5%	2007 ⁹	8.1%	7.9%
	2008	-20.1%	-22.7%	2008	2.6%	4.6%
	2009	-17.1%	-19.7%	2009	3.1%	4.5%
	5-year compound average return to 30 June 2009			5-year compound average return to 30 June 2009		
		-3.1%	-3.7%		4.0%	4.6%
Asset allocations	As at 30 June	2008	2009	As at 30 June	2008	2009
	International shares	91%	99%	Cash	100%	100%
	Australian shares	1%	0%			
	Cash	8%	1%			

7 As per the investment manager's investment guidelines, securities listed on the Australian Securities Exchange may be purchased subject to limits agreed by the Trustee.

8 Performance fees are part of the specialist investment manager remuneration. The total performance fee component payable to the specialist investment managers was nil.

9 The Capital Guaranteed Investment Option formerly had an investment reserve to protect against any potential falls in the value of investments held. During the year ended 30 June 2007, there were redemptions of a number of underlying investments as well as applications into more secure cash-based investments. This reduced the likelihood that the investments held within this Investment Option would fall in value, allowing a large portion of the investment reserve to be released. While this increased the Investment Option's return for the year ended 30 June 2007, we believe this to be a 'one-off' event that is unlikely to be repeated in future years.

Underlying investments

The following table provides details of the Fund's underlying investments in unlisted managed investment schemes that had a value in excess of five per cent of the Fund's total assets as at 30 June 2009.

Underlying investments	Value of investment (\$m)	Percentage of total Fund assets
Perpetual's Select Australian Share Fund	\$333.345	27.33%
Perpetual's Select International Share Fund	\$264.347	21.68%
Perpetual's Select Australian Fixed Interest Fund	\$111.165	9.12%
Perpetual's Select International Fixed Interest Fund	\$107.128	8.78%
Perpetual's Select Real Estate Fund	\$74.833	6.14%
Perpetual's Growth Alternatives Pool Fund	\$76.083	6.24%
Perpetual Cash Management Fund	\$78.709	6.45%
Sub-total	\$1,045.610	85.74%
All other	\$173.933	14.26%
Total Fund assets	\$1,219.543	100.00%

Fund information

The Fund

The Fund is a regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993 (SIS). The Trustee operates, and intends to continue to operate, the Fund as a complying superannuation fund.

The Fund's growth

The Fund commenced in May 1989. By 30 June 2009, the Fund had grown as follows:

	Super Plan	Pension Plan	Total
Number of personal members	15,808	1,524	17,332
Number of employer sponsored members	16,582	n/a	16,582
Total members	32,390	1,524	33,914
Participating employers	3,591	n/a	3,591
Funds under administration	\$789 m	\$423 m	\$1,212 m

Indemnity insurance

Professional indemnity insurance has been effected by the Trustee.

Trust Deed

The Trust Deed dated 1 March 1989 (as amended) is a legal document that sets out the provisions governing the operation of the Fund and the rights and obligations of members and the Trustee. The Trustee is responsible for ensuring that the Fund operates according to the Trust Deed and the accompanying Rules, and that the Fund complies with all relevant laws.

Members may inspect the Trust Deed at any time by arrangement with us.

Policy Committees (Super Plan only)

For the Super Plan, a Policy Committee consisting of equal numbers of member and employer representatives is required to be established for all employer sponsored arrangements of 200 or more members, and employer sponsored arrangements with up to 49 members if at least five members write to the Trustee. The Policy Committee must meet at least once a year to discuss various business such as investment returns, benefit design and administration issues.

For relevant employer sponsored arrangements in the Super Plan, elections are held at regular intervals to select member representatives for the Policy Committee. The sponsoring employer will advise all members in their plan the names of all Policy Committee members for the ensuing period (including employer appointed representatives) shortly after the completion of each election process.

Inquiries and complaints

The Trustee has established procedures for dealing with member inquiries and complaints. If you have an inquiry or a complaint, you can either phone us on 1800 003 001 during business hours (Sydney time) or write to:

The Manager, Service & Operations
Perpetual Select
GPO Box 4171
Sydney NSW 2001

We will endeavour to respond to your inquiry within 30 days and must respond to complaints within 90 days.

If you are dissatisfied with a decision of the Trustee which affects you, and your complaint has not been resolved to your satisfaction, you may have a right to lodge a complaint about the decision with the Superannuation Complaints Tribunal (SCT). The SCT is an independent body established by the Commonwealth Government to review certain types of trustee decisions. You can phone the SCT from anywhere in Australia on 1300 780 808.

Eligible rollover fund

The Trustee reserves the right to transfer Super Plan accounts of less than \$1,000 to an eligible rollover fund (ERF) where the member has not contributed to that account in the previous two years.

The Trustee will pay any money required to be paid to an ERF into the Australian Eligible Rollover Fund (AERF). The trustee of the AERF is Perpetual Superannuation Limited.

Being transferred to an ERF may affect your benefits because:

- you will cease to be a member of the Fund and will no longer have any insurance benefits
- you will become a member of the AERF and be subject to its governing rules
- an ERF is required to 'member protect' your benefit (this generally means that administration fees charged to your account cannot exceed investment earnings on your account in a reporting period)
- government taxes will still be deducted
- the AERF will invest your benefit according to its investment strategy.

Contact details for the AERF are as follows:

Australian Eligible Rollover Fund
Locked Bag 5429
Parramatta NSW 2124

Phone: 1800 677 424

Lost members

A member is taken to be a lost member if:

- the fund has never had an address for them or
- at least one written communication has been sent to their last known address and returned unclaimed or
- their account has been inactive for five years.

Members who are classed as lost may also have their investment transferred to the AERF, unless your account is required to be paid to the ATO as unclaimed super (see 'Small and insoluble lost accounts' below).

Unclaimed super

Under the unclaimed super legislation, a member's benefit will be paid to the ATO if:

- the member has reached age 65 and
- the member's account has been inactive for at least two years and
- after the end of five years since the last contact, the Trustee has been unable to contact the member again after making reasonable efforts.

Small and insoluble lost accounts

Lost accounts which have balances less than \$200 or have been inactive for five years and there are insufficient records to identify the owner of the account must also be paid to the ATO as unclaimed super.

Departed temporary residents

If you are a temporary resident and don't claim your super benefit on departure, it will become unclaimed and paid to the ATO six months after you have departed Australia and no longer hold a visa.

Any unclaimed super amounts that are paid to the ATO can be claimed back at any time.

Abridged financial information

The general purpose financial report for the Fund has been prepared in accordance with the requirements of the Trust Deed, the accounting and disclosure requirements of Australian Accounting Standard AAS 25 – 'Financial Reporting by Superannuation Plans', other applicable Accounting Standards, the requirements of SIS and other relevant legislative requirements.

Abridged financial statements are provided in Appendix 1 for the information of members. Copies of the full audited financial statements and auditor's report are available upon request.

Allocation of earnings

All income, including realised and unrealised capital gains, losses and expenses, are brought to account for each Investment Option and are fully reflected in the unit price of that Investment Option. Provision for income tax, as appropriate, is allowed for in the unit price for each Investment Option.

Investment reserves

The Trustee formerly maintained an investment reserve to smooth the investment returns of the Capital Guaranteed Investment Option (see page 14 for further details). The table below details the financial position of the investment reserve over the last three financial years.

Year ended 30 June	Reserve peak	Reserve position at 30 June
2007	\$2.4 million	\$0.2 million
2008	\$0.2 million	\$0.03 million
2009	\$0.03 million	nil

Interest earned on application and withdrawal accounts

Application money and proceeds of withdrawal requests (including pension payments) are held in trust accounts before they're processed. A member of the Perpetual Group retains any interest earned on these accounts.

Suspension of applications, switches and withdrawals

In certain emergency situations which impact on the effective and efficient operation of a market for an asset in an Investment Option or in circumstances where we otherwise consider it to be in the interests of members, we may choose to suspend the processing of all applications, switches or withdrawals for that Investment Option until we are able to properly ascertain the value of that asset. If this occurs, in determining the value of an asset, we will use the asset values determined when the suspension is lifted.

The Investment Option may suspend withdrawals when the underlying fund suspends applications and withdrawals, according to the underlying fund's constitution.

For the Geared High Growth and Geared Australian Share Investment Options (Super Plan only), this may include suspending withdrawals if the underlying geared fund's gearing level exceeds 60 per cent and 70 per cent respectively due to extreme market volatility. If a suspension occurs, the gearing level in the underlying funds will be promptly reduced to 50 per cent or lower and 60 per cent or lower respectively. The suspension will be lifted once the gearing level in the underlying fund has been reduced to these levels. Withdrawal requests received during the suspension will be processed using the exit price applicable when the suspension is lifted.

Continuous improvement program

You may have received correspondence during the year concerning the rectification of certain valuation and unit pricing errors. The continuous improvement program we have in place aims to ensure that our operations are constantly under review, so that any issues which are identified can be dealt with in a proper and timely manner. This includes the payment of fair compensation to any members who have been materially adversely impacted by any errors that are detected.

Appendix 1:

Abridged financial statements

Operating statement for the year ended 30 June 2009

	2009 \$000	2008 \$000
Income		
Contributions – employer	82,667	88,220
Contributions – member	59,346	89,930
Co-contributions	208	1,125
Transfers from other funds	90,520	361,214
Dividends/distributions	29,617	53,058
Interest	614	1,682
Changes in net market value of investments	(193,025)	(274,273)
Other income	4,969	13,728
Total income	74,916	334,684
Expenses		
Trustee fees	3,071	3,742
Other expenses	8,414	9,670
Total expenses	11,485	13,412
Benefits accrued as a result of operations before income tax	63,431	321,272
Income tax expense/(benefit)	(51)	(5,847)
Benefits accrued as a result of operations	63,482	327,119
Benefits and pensions paid	(259,035)	(531,627)
Liability for accrued benefits at beginning of year	1,407,406	1,611,914
Liability for accrued benefits allocated to members' accounts	1,211,853	1,407,406

Statement of financial position as at 30 June 2009

	2009 \$000	2008 \$000
Assets		
Cash and cash equivalents	10,445	13,494
Investments	1,165,242	1,352,174
Distributions receivable	11,134	24,678
Interest receivable	15	39
Deferred tax asset	32,496	20,102
Other receivables	211	317
Total assets	1,219,543	1,410,804
Liabilities		
Sundry creditors and accruals	1,733	1,481
Current tax liabilities	5,957	1,917
Total liabilities	7,690	3,398
Net assets available to pay benefits	1,211,853	1,407,406

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