

2005 Annual Report

LCA
SSF



Be involved



with your



super

Fund Highlights

Earning Rates for 2005

Growth	16.89%
Growth Australian Shares	19.63%
Balanced	16.37%
Stable	10.01%
Capital Secure	4.89%
Trustee Mix	12.17%
Defined Benefit Members	15.9%

3 New investment option...
Growth – SRI

6 Insurance Flexibility improved

7 Ways to increase your super and live better in retirement

8 Contribution Splitting – Government Co-contributions

9 Website updates

From the Chairman

I am pleased to present the report for the Fund for the year ending 31 December 2005. During this year investment returns have been strong helping members grow their super accounts to provide a better retirement. The Government have also made improvements to the co-contribution arrangements to provide greater support for making contributions to superannuation to assist you in retirement.

The Trustee has also been reviewing the Fund's investment arrangements and will be introducing a new investment option aimed at concentrating on Socially responsible investing. More details are provided later.

The introduction of contribution splitting to allow people to transfer monies to their spouse's super account will provide greater flexibility for people to gain greater tax advantages and increase their retirement savings.

All these things mean that the Fund has been able to assist members plan for their retirement using the Fund with the potential to improve their superannuation savings and their standard of living in retirement.

I would encourage all members to review their super on a regular basis to make sure they are making the most of what the Fund has to offer. It's your Fund, it's your choice.



John Grocke

Chairman



Nominations

for member

representatives

Earning Rates for 2005 – Improving your super accounts

The 12 months ending 31 December 2005 has been a positive year for all share markets with strong returns for each investment option. This means that your super has grown in real terms over the last 12 months as inflation over the same period was 2.8%.

These returns have been influenced by the performance of share markets, both in Australia and overseas. All returns in this table and throughout the report are quoted net of all fees and taxes.

When comparing the returns of the Fund to

Growth – Australian Shares	19.63%
Growth	16.89%
Balanced	16.37%
Capital Stable	10.01%
Capital Secure	4.89%
Trustee Mix	12.17%
Defined Benefit members	15.9%

other funds please make sure that you are comparing returns for the same period. The returns quoted are for the year ending 31 December where many other super funds

have a 30 June year end and performance can vary significantly.

Whilst you can change your investment option at any time you should obtain appropriate advice from a licensed financial adviser before making any changes.

Past performance is not indicative of future performance so care should be taken in reading this information.

NEW INVESTMENT OPTION

Growth SRI Australian Shares (Socially Responsible Investments)

As part of our recent survey into investment issues we asked members their views in respect to a number of items. One of those items was the idea of investing monies in such a way to take account of such issues as labour standards, social, environmental and ethical issues.

As a result of the feedback provided by members in this survey, the Fund will introduce a new investment option with effect from 1 July 2006 which will allow

members to invest in an option that takes greater account of labour standards, social, environmental or ethical issues.

This new option will be invested 100% in shares on the Australian sharemarket so it may not be for everyone or for all your balance. This new investment option aims to ensure that the organisation used by the Trustee to invest monies on your behalf will take account of the above issues when making decisions about which shares to hold in the portfolio.

Further information is provided from page 12.

Be involved with your Super

As a result of the combination of the LCA Staff Superannuation Fund and the Queensland Lutheran Secondary Schools Superannuation Plan (QLSSSP), construction of the Trustee Board was reviewed and the number of trustee directors has since reduced to 10 in total.



Five of these directors are nominated and elected by the Fund members.

The term of office of all member elected directors of the Trustee expires on 30 June 2006 and we therefore request any interested members nominate for one of the five positions available. You need to lodge your nomination by Wednesday 31 May 2006 at the latest to ensure that appropriate arrangements are in place effective 1 July 2006.

For more details on the requirements please refer to page 5.

Government co-contributions

Money for Jam

As part of its initiatives to encourage people to save for their own retirement the Government will provide a co-contribution of up to \$1.50 for each \$1 that you contribute to super provided you meet certain conditions. If your income is below \$28,000 that is a return of 150% in addition to what the Fund earns for you, a pretty good investment in anyones language.



CONTRIBUTION Splitting

The Trustee has agreed to allow members to split their contributions to their spouse with effect from 1 July 2006. This means that you can transfer some of your super into your spouse's account, either in the Fund or in another fund, and gain some potential tax advantages.

Whilst it is understandable that not everyone can afford to make contributions to superannuation, an investment of \$20 per week could potentially make a significant difference to your standard of living in retirement.

Please see page 7 for full details of the co-contribution.

You are not able to split contributions until after 30 June 2006 but this facility allows couples to potentially save tax by taking advantage of the tax free thresholds that apply to superannuation. Currently the first \$129,751 that you have in super is tax free when you get to retirement so you should consider taking advantage of this tax break.

You can also take advantage of the Fund's ability to have an account for your spouse so you can qualify for the spouse rebate for low income or non working spouses. It also provides an efficient way to be able to transfer some of your super under the contribution splitting arrangements.

For more details on contributions splitting and spouse accounts see page 8 and 9.

Insurance



Change when your circumstances change

Now you don't have to wait to change your insurance cover until either 1 July or 1 January. You can change your level of insurance cover at any time, although you will need to provide some health evidence if you are increasing your cover.

Insurance for death and permanent disablement is an important benefit that you should review regularly to make sure it meets your own personal requirements.

Please refer to page 6 for more details.

Website Updates

The Fund's website has a plethora of useful information on it ranging from latest investment performance of your investments

to information and advice about recent changes that affect you and some tips about financial matters such as salary sacrifice, contribution splitting and spouse super.

You can also sign up for our regular e-newsletter that will be emailed to you regularly to keep you informed about issues that affect you and your super. Just go to www.lcasuper.superfacts.com and have a browse around to find the information that best suits your circumstances.



www.lcasuper.superfacts.com



As part of the requirements of superannuation legislation, the Trustee Company that is responsible for the operation of the Fund must have equal representation on the Board. This means that 5 of the directors of the Trustee can be appointed by the Principal Employer (the Lutheran Church of Australia) and the other 5 must be elected by the members of the Fund.

The current term of office for the existing member elected directors expires on 30 June 2006 and we are therefore seeking nominations for the positions of Member directors.

Eligibility to Nominate as a Candidate

- Any active Member of the Fund is eligible to nominate as long as they are in active employment with a participating employer.
- All candidates must be nominated by another Member of the Fund and at least two other persons who are Members of the Fund.
- Members cannot nominate themselves. Any such nomination is invalid.
- A person is not eligible for election if they have ever been convicted of an offence in respect of dishonest conduct, or they are bankrupt or otherwise legally recognised as insolvent, or under the age of 18 years.

Directors of a superannuation fund trustee must

- act with all due care and in good faith;
- act in accordance with legislation and the Trust Deed even if they disagree with its provisions;
- act totally impartially on behalf of all Members of the Fund;
- may not make a profit from their role as a Director; and
- be willing to commit to undertake appropriate training to become competent to act as a Member director.

All information made available to the Trustee and its Directors in the course of their duties is confidential and should not be released to other parties.

To be eligible for nomination a person must satisfy the requirements by the Australian Prudential Regulation Authority placed upon all directors of trustees of "registered superannuation entities" within the meaning of the Superannuation Industry (Supervision) Act 1993 (SIS) to be a "fit and proper person" within the meaning of that legislation.

Directors are legally liable for their actions and in-actions. Members can commence proceedings against them, and the Government has introduced fines for trustees and directors of a corporate trustee who do not properly discharge their duties. In the case of fraud or dishonesty penalties could include a prison sentence.

Trustees and Directors may take out insurance against the result of any errors or omissions they make, but this insurance will not protect them if they act dishonestly or fraudulently.

Directors will be required to attend meetings as advised throughout each year of their term of office.

Any newly elected Director must meet certain standards and have attained appropriate knowledge about the Fund and Superannuation within 6 months of being appointed and commit to further training to meet appropriate standards as determined by the Trustee or regulator. Directors are not remunerated for their role as a trustee director but are eligible for reimbursement of out of pocket expenses associated with them undertaking their role.

Nomination Process

If you wish to nominate, a nomination form and procedures for the election of Member Elected Directors can be obtained from:

Mr David Smelt
Returning Officer
Lutheran Church of Australia Staff
Superannuation Fund
C/- GPO Box 1863
Adelaide SA 5001

Ph: 08 8110 3402
Fax: 08 8100 3499
Email: david.smelt@mercer.com

**Nominations close at 5.00pm
Wednesday 31 May 2006**

If there are more than 5 nominations for the positions an election will be held to determine the nominees to fill the positions available. The 5 nominees with the highest number of votes will be elected to the position of Member director with effect from 1 July 2006.

Should you have any questions in relation to the nomination process please contact the Returning Officer:

Insurance

Insurance options

Death and Total & Permanent Disablement insurance flexibility – you can change at anytime

Age next birthday	Insured amount per unit
up to age	\$
30	134,400
31	127,000
32	119,600
33	112,200
34	104,800
35	97,500
36	90,100
37	82,700
38	75,300
39	67,900
40	62,000
41	57,600
42	53,200
43	48,700
44	44,300
45	39,900
46	35,400
47	31,000
48	26,600
49	22,100
50	17,700
51	15,500
52	14,000
53	12,600
54	10,800
55	9,000
56	8,000
57	7,100
58	6,200
59	5,300
60	4,400
61	3,500
62	2,700
63	1,800
64	1,300
65	900

The Trustee believes that it is important for members to have insurance protection to cater for all types of accidents or illnesses.

Accordingly, the Fund provides for a choice in the level of death and permanent disablement insurance.

You are able to increase or decrease your level of insurance cover anytime to ensure that the level of benefits meets your personal needs (subject to medical evidence if required).

◀ Your level of insurance for each unit of cover

What is the maximum number of units available?

The Trustee has determined that all members will have **at least one unit** of insurance cover to provide at least a basic level of benefit should you die or become permanently disabled.

Age next birthday	Maximum number of units
Under 35	5
36 - 40	6
41 - 45	7
46 - 50	8
51 and above	9

◀ Your maximum number of units of cover is dependent on your age.

Further details about your Death and Total & Permanent Disablement benefits are contained in the Fund's PDS which is available on the website or from the Fund's Administrator.

Salary continuance

To compliment the provision of permanent disablement cover the Fund provides eligible members with salary continuance benefits. The benefit provided is an amount of 75% of salary payable for up to 24 months. You will generally receive benefits where, as a result of injury or illness, you have been absent from work for 3 months, are unable to carry out your usual occupation and are under the regular care of a medical practitioner.

Benefits will cease where the first of the following occurs:

- In the insurers' opinion, you are no longer disabled, or
- 24 monthly payments have been made, or
- you die, or
- you attain age 65, or
- you are accepted by the insurer as totally and permanently disabled, or
- you engage in or perform any occupation or work for reward.

The cost of the salary continuance is 0.35% of salary.

This salary continuance benefit is also integrated with the voluntary salary continuance arranged for Lutheran Schools and will work in conjunction with this policy. Members of

the Fund that are also in the School's policy will, subject to qualifying for a benefit, receive benefits for the first 2 years from the Fund and then from the School's policy subject to the terms and conditions of that policy.

What health conditions apply?

When you join the Fund you are generally automatically provided with one unit of death or death and permanent disability insurance cover free of health evidence. Salary continuance cover is also automatically provided as long as you are employed on a permanent basis working at least 20 hours per week. Should you wish to increase your insurance cover; you may need to provide satisfactory medical information to the Fund's insurer. Medical information is usually provided by completing an Insurer's Personal Statement. However; you may also be requested to provide additional information, or undertake a medical examination. You will be contacted should you need to provide health evidence at any time.

Ex-QLSSSP members

As part of the transfer to the Fund on 1 June 2003, ex-QLSSSP accumulation members were provided with the same benefit arrangements that previously existed in QLSSSP. As a result you have retained your existing level of death and permanent disablement cover and the ability to vary your level of cover:

Ex-QLSSSP Insurance Cover

Age at date of death	Based on wky premium of \$0.32 (1 unit)
15 – 29	\$50,000
30	\$47,500
31	\$45,000
32	\$42,500
33	\$40,000
34	\$35,000
35	\$32,500
36	\$30,000
37	\$27,500
38	\$25,000
39	\$22,500
40	\$20,000
41	\$17,500
42	\$15,000
43	\$12,500
44	\$11,500
45	\$10,500
46	\$9,500
47	\$8,500
48	\$7,500
49	\$6,500
50	\$5,500
51	\$4,500
52	\$4,000
53	\$3,500
54	\$3,000
55	\$2,500
56	\$2,300
57	\$2,100
58	\$1,900
59	\$1,700
60	\$1,500
61	\$1,300
62	\$1,100
63	\$900
64	\$700
65	nil

You can select to have 1, 2 or 3 units of cover:

The amount of cover is based on the number of units you have selected and the age scale shown in the table.

The cost of your insurance cover is \$0.32 cents per week for each unit of insurance cover for death and total and permanent disablement and \$0.21 cents where death only cover applies.

The Government matches your after tax contributions to super

The co-contribution is a contribution by the Government to match personal after-tax member contributions paid to a superannuation fund.

The amount of the co-contribution you will get depends on your income* and the personal after-tax contribution you have made during the financial year. The Government contributes up to \$1.50 for each \$1.00 of personal contributions. The maximum amount of co-contribution for a financial year is \$1,500 and is available to people whose income is \$28,000 or less. This maximum (or cap) then phases down by 5 cents for each dollar of additional income and cuts out completely for incomes of \$58,000 or more. You also need to meet other conditions to be eligible for the co-contribution – these are set out below.

For example, if your income* is \$28,000 or less and you make a personal after-tax contribution of \$1,000 (and you meet the other conditions set out below) you will be eligible for a co-contribution of \$1,500. If your income is \$40,000 the maximum co-contribution is \$900.

Your total income	Maximum co-contribution available	Contribution required by you to obtain maximum co-contribution
Under \$28,000	\$1,500	\$1,000.00
\$30,000	\$1,400	\$933.33
\$35,000	\$1,150	\$766.67
\$40,000	\$900	\$600.00
\$45,000	\$650	\$433.33
\$50,000	\$400	\$266.67
\$55,000	\$150	\$100.00
\$57,000	\$50	\$33.33
\$58,000	\$0	\$0

The table shows the after tax contribution required by you to gain the maximum level of co-contribution from the Government based on various income levels. The actual amount of co-contribution you receive will depend on your actual income* and the level of contribution you make.

* *Income is your assessable income plus your reportable fringe benefits.*

Eligibility for the Government co-contribution

The co-contribution will only be available to people who earn at least 10% of their income from employment as an employee, even if there is no entitlement to employer superannuation contributions and will not be available to self-employed persons who are able to claim a tax deduction for their contributions.

You must also be under age 71 at the end of the financial year. It is not available to most temporary residents.

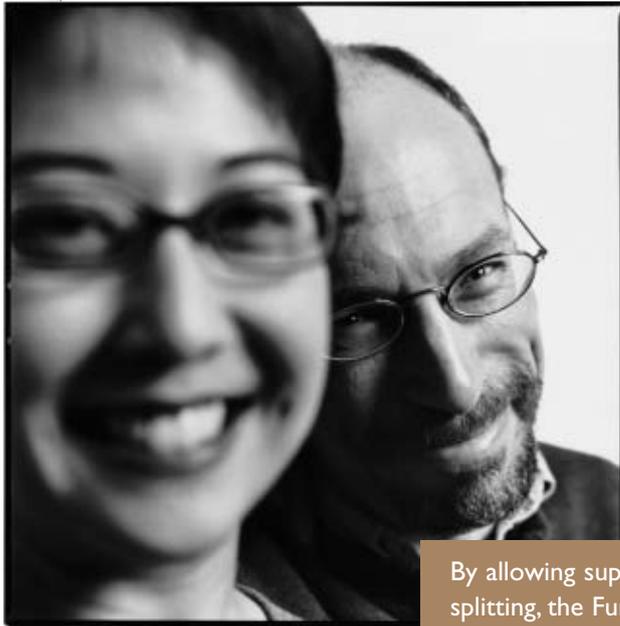
Claiming the contribution – you don't need to do anything other than make the required contributions

Each year, the Trustee gives the Tax Office information about your contributions and those made by your employer. Using this information and information from your tax return, the Tax Office will work out if you are entitled to receive a co-contribution. Any co-contribution payable will then be sent directly to the Fund.

We recommend that you speak to a financial adviser to work out how the co-contribution arrangements might apply to you.

SuperSplitting

Super Splitting provides greater flexibility in retirement saving



Recent legislation has made changes to allow super fund members to split their contributions with their spouse commencing with contributions made after 1 January 2006. Super splitting allows members to transfer or rollover

By allowing super splitting, the Fund will allow a member and their spouse to gain access to two 'eligible termination payment' thresholds, plus two Reasonable Benefit Limits. This may result in tax advantages...

certain contributions to another fund or to a spouse account in the Fund.

By allowing contribution splitting, the Fund will assist both the member and their spouse to gain access to an 'eligible termination payment' threshold and a Reasonable Benefit Limit. This may result in tax advantages as currently the first \$129,751 of any super benefit (after deducting your own contributions to super) is tax free.

There are some conditions that apply to super splitting as outlined below:

- Only 85% of employer and salary sacrifice contributions

made to the Fund after 1 January 2006 can be split.

- 100% of after tax contributions made to the Fund after 1 January 2006 can be split

- You will be able to split your contributions once each year in respect to the contributions made

for the previous year. Accordingly, you

can split contributions made prior to 30 June 2006 at anytime between 1 July 2006 and 30 June 2007.

- You will only be allowed one split per financial year.
- You can only split contributions with your spouse if they are under their preservation age (see Preservation on page 20).
- Defined benefit members are not able to split employer contributions that relate to the financing of their defined benefit entitlement.
- Only contributions made after 1 January 2006 can be split – you are not able to split your account balance with your spouse.
- A payment fee applies to each split. (Refer to the Fees and Charges section on page 17).

These new provisions can provide some real tax benefits should you take advantage of the arrangements the Trustee has put in place.

If your spouse does not have a super account and you want to take advantage of these arrangements you can open a spouse account in the Fund.

You can obtain more details about spouse accounts from the Fund's Product Disclosure Statement or by contacting the Helpline on

1800 635796.

Spouse Superannuation

The Fund is able to accept spouse contributions

Some time ago, the Federal Government introduced the ability for people to gain a tax rebate if they make contributions to superannuation for their spouse provided the spouse is a low income earner or not in the workforce.

The spouse making the contribution is entitled to a tax offset of 18% of the contribution paid to their spouse's account and is only available for contributions made in after tax income. The maximum offset provided by the Government is \$540.

The offset to you is available if your spouse

earns less than \$13,800. The maximum offset applies if your spouse's income is less than \$10,800. The offset is reduced by \$1 for each \$1 of earnings above \$10,800 and reduces to zero if your spouse earns \$13,800 or greater.

There is no limit to the amount that can be deposited to a spouse account, including any rollovers from other super funds. The standard administration fee, currently \$1.00 per week, will apply and will be charged to the spouse account. Spouse members will also have the ability to choose the investment option that suits their requirements.

The following conditions apply:

(i) The first contribution must be made by

- you as the member of the Fund;
- (ii) Once a contribution has been made from you, amounts can be rolled over from your spouse's other superannuation funds;
- (iii) If your spouse is under age 65 they can contribute to the Fund at any time. Conditions apply in respect to employment arrangements after age 65;
- (iv) Contributions must be a minimum of \$500 and be forwarded directly to the Fund;
- (v) No insurance benefits are currently available to spouse members.

If you wish to make contributions to the Fund for your spouse, please contact the **Helpline on 1800 635 796** to obtain the relevant information leaflets and application forms that are required.

Retaining your money in the fund

If you leave your employer you are able to leave your money invested within the Fund even though you are not employed within the Lutheran Church system.

The following conditions apply:

- Your account balances must be greater than \$2,000.
- You will be able to make withdrawals from the Fund.
- The minimum withdrawal will be \$2,000 or the total of your

account balance if less than \$2,000 remains.

- The cash component of your benefit will be able to be accessed at any time.
- A fee will apply each time you make a withdrawal from the Fund. This fee is currently \$50.00 per payment.

Your monies will remain invested in line with your current choice and you will have access to full investment choice.

www.lcasuper.superfacts.com

On the website you are able to:

Internet access

- Check the historical performance of the investment options
- Gain access to your account balances at any time
- Check and update your personal details including nominated dependant details
- Obtain information about the Fund's benefits
- Check your regular employer contributions
- Obtain general information about superannuation
- Gain general financial and planning information and much more.

We would appreciate your comments on the site to ensure it continues to meet members' requirements.

The Fund's website address is
www.lcasuper.superfacts.com

YOUR INVESTMENT OPTIONS



As a member of the Fund you are entitled to make a choice on how your money in the Fund is invested for you. The option you choose

depends on your own personal circumstances and your attitude to investments in certain markets.

You can **change** your option at **anytime**. We suggest that if you are unsure on the best option for you then you should obtain advice from a professional licensed financial adviser.

More details on each option are provided in the Fund's Product Disclosure Statement

1 year ended 31 December 2005

Investment Option	Fund Return (%pa)	Average Manager (%pa)	CPI (%pa)
Capital Secure	4.89%	4.76%	2.8%
Capital Stable	10.01%	9.0%	2.8%
Growth	16.89%	16.2%	2.8%
Trustee Mix	12.17%	N/A	2.8%
Balanced	16.37%	14.6%	2.8%
Growth Aust Shares	19.63%	23.3%	2.8%

3 years ended 31 December 2005

Investment Option	Fund Return (%pa)	Average Manager (%pa)	CPI (%pa)
Capital Secure	4.55%	5.6%	2.6%
Capital Stable	9.74%	8.1%	2.6%
Growth	14.7%	13.1%	2.6%
Trustee Mix	10.94%	N/A	2.6%

which can be obtained by calling the Helpline or by going to the Fund's website, www.lcasuper.superfacts.com

If you do not make an investment selection you will be allocated to the Trustee Mix as detailed later. This option has been structured to provide a reasonable level of exposure to sharemarkets to provide the opportunity for capital growth but also has an exposure to fixed interest and cash investments to provide some protection when sharemarkets are not performing.

For comparison purposes, we have provided details comparing the return for each option to the average performance of investment manager facilities based on information provided by an independent investment monitoring organisation. N/A identifies where there is no appropriate survey to compare the option to the general market-place of wholesale investment management.

Investment returns have been calculated on a simple time weighted basis based on the change in the underlying investment option's unit price for the relevant period. All rates quoted are net of tax and fees.

Please note that past performance is no indication of future performance.

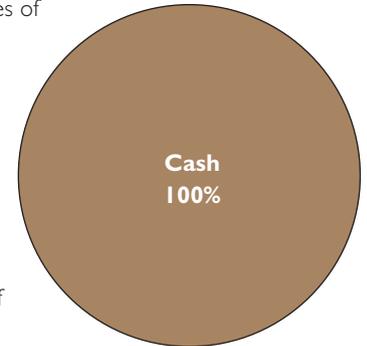
The Trustee is required by law to set investment objectives for the Fund and its underlying investment options. The investment objectives set out in the following pages for each option are not a financial forecast or a guarantee of any future returns from the relevant option.

The Capital Secure Option

(Commenced 1 Jan 2001)

Over the longer term, this option is expected to achieve modest returns consistent with those achieved on bank deposits.

The objectives of this portfolio are to never achieve a negative return and to achieve stable returns with a low level of variation.



In this option, all money is invested in cash investments such as bank bills and term deposits.

The cost of moving your money into the Capital Secure option is zero as there is no difference in the buy and sell price.

The investment returns for this option are listed in the panel below.

The 5 year average rate of return for this option for the period ending 31 December 2005 is 4.31% pa.

The investment managers currently used by the Trustee for the Capital Secure Option are

Year ended 31 December	Rate per annum
2005	4.89%
2004	4.97%
2003	3.8%
2002	3.8%
2001	4.1%

Macquarie Investment Management Ltd and Mercer Global Investments. There is no cost of transferring into the Capital Secure Option.

The Capital Stable Option

The Capital Stable Option invests in all the major asset classes but with a relatively low exposure to shares and property. It is suited to members who wish to take low to moderate investment risk over the longer term.

Members choosing this option need to accept the possibility of negative returns on average once in every 8-10 years.

Over the longer term this option is expected to achieve lower investment returns than the Growth and the Trustee Mix.

The overall objective of the Capital Stable Option is to achieve a rate of return in the long term which equals inflation (as measured by the Consumer Price Index) plus 2% pa, with the return being above the average rate of return achieved by similar superannuation portfolios.

The pie chart illustrates the expected allocation of assets within the various investment markets over the longer term.

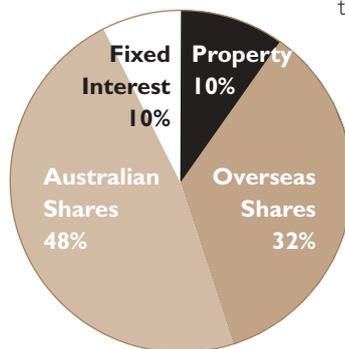
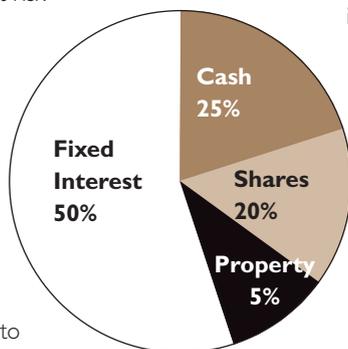
The investment returns for the Capital Stable Option in recent years are listed in the panel below.

Year ended 31 December	Rate per annum
2005	10.01%
2004	13.28%
2003	5.98%
2002	0.60%
2001	4.90%

The average compound rate of return for the five years to 31 December

2005 was 6.88% pa. The cost of transferring into the Capital Stable Option from another investment option is approximately 0.52% of the money being switched into this option.

The investment manager currently used by the Trustee for the Capital Stable Option is AMP Capital Investors Limited.



The Growth Option

The Growth Option is suitable for members wishing to have a higher exposure to the riskier investments, namely shares and property, with higher long term returns expected. Members choosing this option should accept the possibility of negative returns on average once in every 5-6 years. Over the longer term, the Growth Option is likely to achieve higher investment returns than all the other options.

The overall objective of the Growth Option is to achieve a rate of return over the longer term which equals inflation (as measured by the Consumer Price Index) plus 4% pa, with the return being above the average rate of return achieved by similar superannuation portfolios.

The pie chart illustrates the expected allocation of assets within the various investment markets over the longer term.

The average compound rate of return for the five years to 31 December 2005 was 7.36% pa.

The cost of transferring into the Growth Option from another investment option is approximately 0.55% of the money being switched into this option.

The investment manager currently used by the Trustee for the Growth Option is Vanguard (Vanguard High Growth Pooled Superannuation Trust).

Year ended 31 December	Rate per annum
2005	16.89%
2004	21.61%
2003	6.15%
2002	-9.20%
2001	4.10%

The Balanced Option

The Balanced Option is the investment arrangement that was previously used by QLSSSP but has now been included in the Fund as additional option for all members.

The Balanced Option is suitable for members wishing to have a reasonable exposure to shares who are happy to accept variations in returns from year to year. Members selecting this option should be prepared to accept the possibility of negative returns on average every 5-6 years.

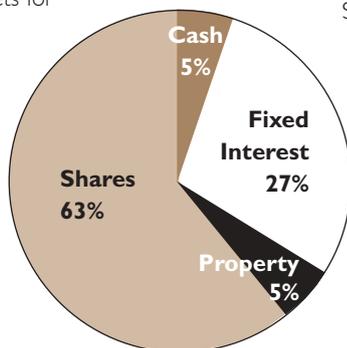
The overall objective of the Balanced Option is to achieve a rate of return over the longer term which equals inflation (as measured by the Consumer Price Index) plus 3% pa, with the return being above the average rate of return achieved by similar superannuation portfolios.

The pie chart illustrates the expected allocation of assets within the various investment markets over the longer term.

As this investment option only commenced in the Fund from 1 June 2003 there is only information for the year ended 31 December 2004 and 31 December 2005. The manager used to invest assets for this option is AMP Capital Investors Limited.

The cost of moving to this option is approximately 0.50% of the amount switched into this option.

Year ended 31 December	Rate per annum
2005	16.37%
2004	20.22%

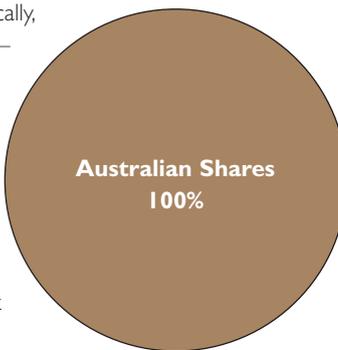


Growth – Australian shares option
(New Option from 1 January 2005)

The broad investment aim is to maximise long term investment returns, while tolerating a high degree of variability in year-to-year returns.

More specifically, the Growth – Australian Shares Option aims to earn returns after tax and fees that exceed CPI increases by at least 4% pa over rolling five and seven year periods.

Year ended 31 December	Rate per annum
2005	19.63%



This Option aims to at least match, on an after tax and fees basis, the return of the broad Australian Sharemarket as measured by the S&P/ASK300.

The cost of moving to this option is 0.50% of the amount switched into this option.

The manager used to invest assets for this option is Macquarie Investment Management Ltd.

Growth – SRI Australian Shares
(New Option from 1 July 2006)

This new option is the only option where the investment manager appointed by the Trustee takes into account labour standards, social, environmental or ethical issues when determining strategies when developing its investments and will exclude certain organisations on the basis of their activities.

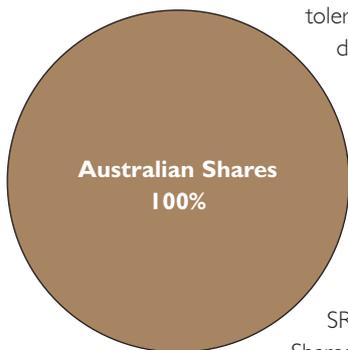
This option **will not** invest in shares in any of the following:

- Weapons manufacturing
- Alcohol
- Tobacco
- Gaming
- Companies with an environmental &/or a human rights prosecution

The SRI option also has a positive screening process that seeks companies based on the following criteria:

- Provides some form of environmental or social benefits through management &/or remediation of environment resources
- Demonstrates or enables reduced adverse environmental and social impacts relative to other organisations
- Companies exhibiting good workplace practices such as:
 - occupational health and safety
 - renewable energy
 - sustainable agribusiness
 - ecotourism
 - information technology and biotechnologies
 - environmental, social and ethical considerations
 - recyclability and reduced resource use.

The aim of this option is to maximise long term returns while tolerating a high degree of volatility in year-to-year returns.



More specifically, the Growth SRI Australian Shares option aims to earn returns after tax and fees that exceed CPI by at least 4% pa over rolling 5 and 7 year periods.

The cost of transferring into this option is 0.60% of the money that is switched into this option.

Because this is a new option, no past performance data is available.

The Trustee Mix

The Trustee Mix invests in a combination of the other options as follows:

Option	Proportion
Capital Secure	25%
Capital Stable	25%
Growth	50%

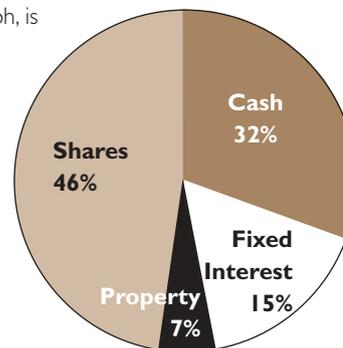
This option is expected to provide moderate returns over the long term that exceed inflation with an above average level of fluctuation in returns. It is expected to provide long term returns that are higher than Capital Secure and Capital Stable, but lower than Growth.

The objectives of this portfolio are to:

- have a moderate probability of achieving a negative return.
- achieve a rate of return in the long term of at least inflation (as measured by CPI) plus 2.5% pa.

The proportion allocated to each asset class, as shown in the pie graph, is the expected long term average. However, over shorter periods, the actual allocation may vary from that shown.

The cost of switching to this option from another investment option is approximately 0.40% of the assets moved into the option.



The performance of the Trustee Mix will be a combination of the performance of each of the 3 options that make up this mix.

Based on the performance for each of the options the performance of the current Trustee Mix would have been as follows:

Year ended 31 December	Rate per annum
2005	12.17%
2004	15.37%
2003	5.52%
2002	-3.50%
2001	4.30%

The 5 year average rate of return for this option for the period ending 31 December 2005 is 6.57%.

Crediting rate

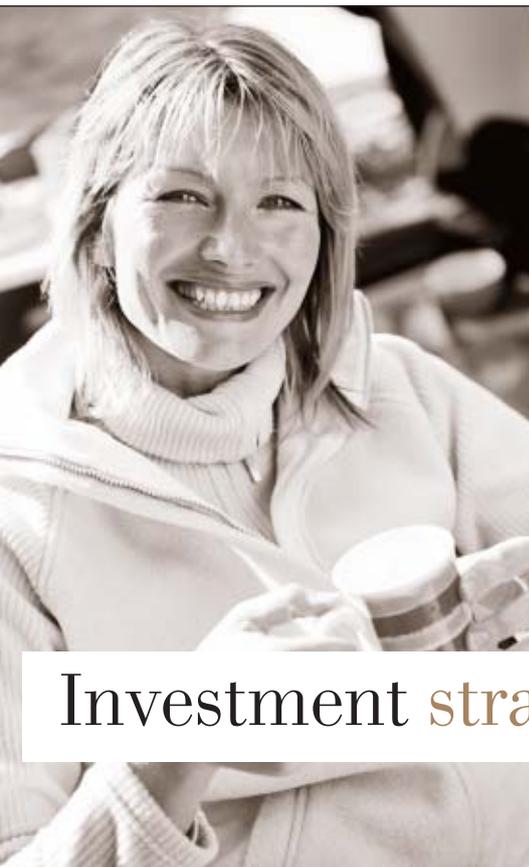
for EX-QLSSSP Defined Benefit members

The crediting rate policy for defined benefit members has remained unchanged from that which existed in QLSSSP. This means that the interest rate applied to any accumulation related account for defined benefit members is based on the compound average of the actual net rate of return of the Defined Benefit section assets over the past 3 years.

Given the change in annual review dates as a result of the transfer to the Fund, the actuary has calculated the crediting rate as 15.9% pa for the 31 December 2005 annual review based on the actual returns achieved by the Fund's assets.

Period	Actual Earnings (Net of tax & fees)
1/3/03 to 31/5/03	20.1% pa
1/6/03 to 31/12/03	12.5% pa
1/1/04 to 31/12/04	16.7% pa
1/1/05 to 31/12/05	16.0% pa

Accordingly, the rate of 15.9% pa will be allocated to any accumulation related accounts for Defined Benefit members of the Fund as at 31 December 2005. Please note that past performance is no indication of future performance.



Investment strategy

The following strategy will be applied to all of the options to ensure they achieve their objectives:

- invest across all the major asset classes in proportions appropriate to the overall profile of the option.
- invest the assets with professional investment managers.
- monitor the performance of each portfolio and manager to ensure competitive investment performance.
- allow the investment managers to invest in various facilities within overall guidelines to protect or enhance the investment performance.

The Trustee does not invest directly in derivatives, such as futures and options but does allow the Fund's investment managers to use these facilities in managing their portfolios.

Derivatives are used by the managers to manage risk and can result in losses as with most other asset classes.

The Trustee does not allow the investment managers to gear the portfolio by using derivatives.

Options

Transferring between Options

At any time during the year you have the option to change your investment strategy in respect of your accumulated account balance and future contributions. Your switch will be completed using the next calculated unit price after receipt of your switch form.

The Trustee calculates a unit price on a weekly basis. The Trustee will make every effort to ensure that contributions and transfers take effect as soon as possible after receiving your contributions/advice to transfer. Delays do sometimes occur and the Trustee is not liable for any loss of investment income which may result due to such a delay.

The Trustee also requests that you allow for the cost of moving of the relevant investment options as there will be a difference between the cost of buying and selling units in each option.

Your account balance held in the Fund is valued at the sell price applicable to the investment option(s) which you have chosen.

If you are still unsure about what best suits you, please seek some financial advice from a licensed financial adviser to take advantage of the most appropriate portfolio for you.

Fund Manager allocation

As part of their ongoing responsibilities the Trustee monitors and reviews the Fund's investment managers' performance on a regular basis. The Trustee obtains advice from professional investment consultants on a quarterly basis to assist it in this process.

During the year the Trustee terminated its investment in the AMP Cash PST and transferred this money to both Macquarie and the Mercer Super Investment Trust.

The current managers and facilities used are as follows:

AMP Capital Investors Limited

- Conservative Option
(AMP No. 2 Statutory Fund)
- Balanced Growth Option
(AMP No. 2 Statutory Fund)

Vanguard Investments Australia Limited

- Vanguard Life Strategy Index Fund - High Growth

Mercer Global Investments

- Cash Option - Mercer Super Investment Trust

Macquarie Investment Management Ltd

- Macquarie Diversified Treasury (AA) Fund
- Macquarie True Index Australian Equities Fund

With effect from 1 July 2006 and the implementation of the Growth SRI Australian Shares option BT Financial Group will also manage monies on behalf of the Trustee.

The table below shows the overall asset allocation of the total investments of the Fund for both the current and previous year:

Asset Classes	2005	2006
Australian Shares	28.4%	27.0%
International Shares	17.7%	17.0%
Property	6.9%	7.0%
Fixed Interest	15.0%	15.0%
Cash	32.0%	34.0%

Who is the trustee?

The Fund's Trustee is a company, LCA Nominees Pty Ltd ACN 008 204 939. At 31 December 2005, there were 10 directors of the company, 5 of whom are elected by the members of the Fund and 5 appointed by the principal employer, the Lutheran Church of Australia (the Church).

The directors have responsibility to manage the Fund in the best interest of all members in accordance with the Fund's Trust Deed and relevant legislation.

The Trustee company consists of a total of 10 directors, 5 being member elected and 5 employer appointed as detailed below.

The Directors as at 31 December 2005 were:

EMPLOYER APPOINTED

Mr John Grocke
*Chairman, Financial Planner,
Johnston Grocke Financial Services*

Mr Allen Truslove
*Allen L Truslove Actuary &
Statistician Pty Ltd*

Mr John Nield
Retired Teacher

Mr Richard Bartholomaeus
*General Manager,
Lutheran Laypeople's League*

Mr Anthony Klatt
*Financial Planner,
Johnston Grocke Financial Services*

MEMBER ELECTED

Mr Graeme Drapper
*Business Manager, LCA Queensland District,
Schools Dept*

Mr Lester Kerber
*Business Manager, Dalyellup Ocean Forest
Lutheran College, Dalyellup, WA*

Mr Stephen Wenke
*Workplace Health & Safety Office / Business
Assistant, Good Shepherd College, Noosa, QLD*

Mr John Findlay
Teacher, St Peters Lutheran College, Indooroopilly, QLD

Mr Ray McKinnon
*Business Manager, St Peters Lutheran College,
Indooroopilly, QLD*

Since the end of the year, Richard Bartholomaeus has resigned as a director.

Under the current election rules, member-representative directors will cease to hold office if:

- they cease to be a member
- resign as a member-representative director
- the Trustee receives a written notice signed by more than 50% of members at the date of receipt of such notice calling for the removal of that member-representative director
- they become ineligible under law.

Fees & Charges

Administration Fees

The following table shows the Fund's expenses or fees and charges that might apply to your superannuation benefits.

All expenses are current at the time this Annual Report was produced and may be revised, increased or added to or adjusted

by the Trustee from time to time due to changes to, for example, the superannuation environment (eg Government regulations) or the trust deed. The Trustee may also introduce new fees.

While it is not anticipated that fees and charges will change, if there is an increase in fees we must notify you 30 days in

advance of the change.

No GST is payable by you on any of the fees and charges described below.

You should read this fee information carefully, as it's important that you understand how these fees can affect your benefits in the Fund.

Significant fees Table 1

WHAT THE FEE IS FOR	AMOUNT	HOW THE FEE IS CALCULATED AND PAID
Establishment fee This is the fee to set up your account in the Fund.	Nil	N/A
Contribution fee This is the fee charged for the initial and every subsequent investment you make (including any contributions made to the Fund on your behalf eg by your employer)	Nil	N/A
Withdrawal fee This is the fee charged for each payment paid out from the Fund.	\$50.00 per withdrawal	This fee is deducted from your account at the time a payment is made.
Termination fee This is the fee when you close your account in the Fund.	\$50.00	This fee is deducted from your account at the time your final payment is made.
On going fees This is the total of all ongoing administration, investment management, expense recovery and other fees charged by the Fund. A breakdown of fees is shown in the "breakdown of ongoing fees" table below.	\$1.00 per week. Plus An asset fee of 0.15% of your account balance. Plus An asset based fee depending on your selected investment option.	Deducted from your account balance each month. Deducted in the calculation of the unit price by the Trustee. This fee is deducted by the investment manager prior to the calculation of unit prices or charged to your account balance at each annual review.
Switching fee This is the fee charged when you switch between investment options offered by the Fund.	One free switch but subsequent switches are \$30 each. In addition, a buy/sell spread applies depending on the investment option as detailed later.	When the Fund receives contributions or you choose to make a switch between portfolios, the buy unit price is used to buy units and the sell unit price is always used to value your investment in the Fund.
Adviser service fee This is the fee charged by your adviser for advice about your investment in the Fund. An adviser may also receive other amounts such as commission: see important additional disclosure.	Nil	N/A

Breakdown of ongoing fees

This table contains a breakdown of the ongoing fees shown in the table opposite, on page 16. They are **not** additional to the fees detail in the 'Significant fees Table 1'.

Ongoing fees Table 2

ONGOING FEES	AMOUNT	HOW & WHEN IT IS PAID
Administration fee This is the fee charged to cover the general administration of the Fund.	\$1.00 per week. An asset fee of 0.15% of your account balance.	Deducted monthly from your account. Deducted from the investment earnings at each 1 January.
Investment management fee This is the fee for managing the Fund's assets based on the amount invested in that option.	Capital secure option0.20% pa Capital Stable option0.45% pa Balanced Option0.50% pa Growth option0.37% pa Trustee Mix0.35% pa Growth Australian Sharesnil Growth SRI Shares0.85% pa	This fee is deducted by the investment manager prior to the calculation of unit prices.
Issuer fee This is the fee for the product issuer's services in overseeing the Fund's operations and/or providing access to the Fund's investment options.	Nil	N/A
Expense recoveries This is an estimate of the out-of-pocket expenses the Trustee is entitled to recover from the Fund.	N/A	N/A
Member fee This is a member-keeping fee charged by the Fund.	Nil	N/A
Buy/Sell spreads for each investment option The Buy/Sell spread is an allowance for the transaction costs incurred when buying or selling investments, for example stamp duty and brokerage. This fee will apply to the amount of money moved into an option or any contribution paid.	The buy/sell spreads outlined below have been based on the current benchmark asset allocation and may vary slightly from time to time. Capital Secure Option0% pa Capital Stable Option0.6% pa Balanced Option0.5% pa Growth Option0.55% pa Trustee Mix0.4% pa Growth Australian Shares0.5% pa Growth SRI Shares0.6% pa	The buy/sell spread is taken into account when calculating the unit prices applicable to that particular investment option.

Family Law fees: for information and for splitting your super

The Trustee charges fees in order to recover its costs associated with the new regime allowing splitting of superannuation benefits for Family Law purposes. For more information about Family Law and how it may affect you, contact the Helpline on 1800 635 796.

Family Law Table 3

WHERE FEES APPLY	AMOUNT	WHO PAYS THE FEE
Application for information in the format specified under the Family Law Act	Nil	N/A
Splitting a benefit	\$451.00	Shared equally by both parties and will be deducted from each super benefit at the time the benefit is split.
Flagging a benefit	Nil	N/A

Protection of small account balances

The Trustee's policy is to protect small superannuation account balances from erosion by administration expenses. It has been decided that any member with a total account balance in the Fund of \$1,000 or less will be "protected" in this way.

In short, this will mean that the normal expenses deducted from your Accumulation Account in the Fund (detailed on your benefit statement under Employer Balance) to cover administration expenses will not apply to you if:

- the total of your Accumulation Account is \$1,000 or less at the Fund's review date (31 December) or at the date of you leaving the Fund, and
- the normal expenses deducted from your Employer Balance since the last review date (or the date membership commenced, if later) exceed the investment earnings credited to your Accumulation Account.

In these circumstances, the expenses deducted from your Employer Balance will be limited to the total investment earnings credited to you over the same period.

Insurance costs

For the year ended 31 December 2005 the fees charged for insurance were as follows. Costs for future periods are also included.

Death and permanent disablement

- \$1.06 per unit per week
- Ex-QLSSSP members – \$0.32 cents per unit per week

Death only benefits

- \$0.63 cents per unit per week
- Ex-QLSSSP members – \$0.21 cents per unit per week

Salary continuance benefits

- 0.35% of salary.

Updating nominated dependants

If you die whilst a member of the Fund the Trustee has the responsibility to ensure that your benefit is paid to one or more of your dependants. The definition of dependant is your spouse, children or person that is wholly or partially dependent on you at the time you die, or any person with whom you have an interdependency relationship.

An interdependency relationship will occur where you have a close personal relationship with another person and

- you and that other person live together, and
- you, the other person, or both of you provide the other with financial support, and
- you, the other person, or both of you provide the other person with domestic support and personal care.

It will also occur where you have a close personal relationship with another person but due to either or both parties suffering from a physical, intellectual or psychiatric disability the other criteria of interdependency set out above cannot be met.

Under the terms of the Trust Deed that governs the operation of the Fund, the Trustee is not bound to follow your nomination but it will take all relevant information into account when allocating your benefit.

You are also able to nominate your estate and that part of your benefit that is allocated by the Trustee to your estate (if any) will be distributed in accordance with your will. If you don't have a will any benefit allocated by the Trustee to your estate will be distributed in accordance with relevant state law.

If you don't have any dependants or a legal personal representative (your estate), the Trustee has the discretion to pay your benefit to any person allowed by the law. This would usually be a relative but may be any individual the Trustee determines if allowed by law.

Your Nominated Dependants details are included with your 2005 Benefit Statement. Please check these details and update the information if it is out of date, ie if you have married, had children or been divorced. You can change your details directly on the website or by contacting the Helpline.



The superannuation surcharge

Surcharge tax will generally apply to you if you had a "taxable income" above \$99,710 for the 2004/2005 financial year, including superannuation contributions your employer makes for you and any other sources of income you may have. Surcharge tax may also apply if you haven't provided your Tax File Number, irrespective of what you earn. In other words, if you haven't supplied your Tax File Number to the Fund, you may pay more tax than you need to.

The surcharge has been abolished with effect from 1 July 2005 so there is no further requirement for the Trustee to report information about surchargeable contributions to the Tax Office. However, the Tax Office is still processing surcharge assessments relating to earlier years.

Transferring monies from other funds

If you have joined the Fund and have worked somewhere else, you may wish to consider consolidating all your superannuation into one account to help reduce fees and to keep a closer watch on your money.

You can easily transfer monies from other employer sponsored funds, personal superannuation funds and rollovers by completing an application form. The Trustee does not apply a fee to monies transferred into the Fund. Note that the standard fees as set out on page 16 will apply.

Superannuation & family law legislation

The Family Law Act allows married couples who separate to make binding agreements about the division of their superannuation assets.

As part of this legislation, the Trustee has made changes to the Fund's Trust Deed to allow ex-

If surcharge tax is applicable to you, the surcharge tax is deducted from your Employer Account within the Fund. If the Fund has paid any surcharge tax for you, you will see these deductions on your benefit statement.

For Ex-QLSSSP members that are provided with defined benefit entitlements, a surcharge account has been created and this will be debited with any surcharge assessment received from the ATO. This negative account will be increased with interest at the Fund's crediting rate for defined benefit members and be deducted from your benefit on leaving the Fund.

If the Trustee receives a surcharge assessment after you have left the Fund it will generally be forwarded to the fund or institution to which you have transferred your benefit.

Members wishing to transfer monies from any other superannuation arrangements ie personal superannuation fund, rollover etc, should check to ensure they do not incur charges on transferring from their old fund therefore reducing the benefit of having money transferred into the Fund. Please check with your other fund prior to transfer.

It is recommended that you seek advice from a licensed financial adviser before transferring other money into the Fund.

Remember to claim your benefit

Upon becoming entitled to a benefit from the Fund you are encouraged to respond quickly to correspondence from the Trustee regarding payment of your benefit. The Trustee will request directions as to whether your benefit is to be paid directly to you (if applicable) or to a rollover fund of your choice.

If you don't respond to our request for instructions on where to pay your benefit, the Trustee's current policy is to hold monies in the retained section of the Fund for a period of two years due to the potential of members re-entering the Lutheran Church system. Details on being a Retained member are provided in the Fund's Product Disclosure Statement.

If no contributions are received for two years you will be contacted to find out what you would like to do with your benefit.

At the end of the two year period, if no response has been received by the Trustee, or the Trustee is not able to reach you after making reasonable efforts, your benefits will be sent to an Eligible Rollover Fund (ERF) on your behalf (if you are under age 65). This benefit will then cease to be payable from the Fund and can only be claimed by you by contacting the ERF to which it was paid. An ERF is simply a holding account where your benefit will remain until you notify the administrator of the ERF what action is to be taken.

The ERF currently used by the Fund is:

Colonial SuperTrace Eligible Rollover Fund ('SuperTrace')
Locked Bag 5429,
PARRAMATTA NSW 2124
Ph: 1300 788 750
Fax: (02) 9947 4288

About SuperTrace

Set out below is a summary of some of the more significant features of SuperTrace, current as at the date of this Annual Report:

- The assets of SuperTrace are invested in a life insurance policy (ERF Policy) issued to Colonial Mutual Superannuation Pty Ltd (CMSPL) by Colonial Mutual Life Assurance Society Limited (CMLA). The ERF Policy is invested solely in the Colonial Stable Fund in CMLA's No.2L Statutory Fund. There is no choice of investment available to members within SuperTrace.
- The investment objective of SuperTrace is

to provide moderate real rates of return over the medium term while aiming to minimise the occurrence of negative returns over the shorter term.

- The investment strategy for the assets in the Colonial Stable Fund is to invest in a range of assets including Australian and international equities, property, fixed interest securities and cash, with a heavier weighting towards fixed interest investments.
- Members' accounts are generally credited with interest annually. The crediting rate is derived from the earning rate of the ERF Policy which is net of tax on investment

earnings, less any asset charge. Earnings can be negative.

- The following fees and charges apply in SuperTrace:
 - an asset charge of 1.65% per annum deducted from the earnings of the ERF Policy prior to the crediting rate being declared; and
 - a benefit payment fee of \$30 is charged for each withdrawal from SuperTrace, subject to member protection.
- SuperTrace is unable to accept contributions from members or their employers, however rollovers from other superannuation funds are permitted.



Preservation

Government legislation is designed to make sure that your super money is used for retirement and, consequently, there are restrictions on when you can access your benefit. Your benefit may be made up of:

- An unrestricted non-preserved amount
- A preserved amount
- A restricted non-preserved amount

The unrestricted non-preserved amount (if any) is that part of your super benefit that

is payable in cash when you leave your employer. It usually comprises rollovers from other super funds.

Restricted non-preserved amounts are payable when you cease employment with your current employer.

Preserved amounts of over \$200 are only accessible in cash if you satisfy one of the conditions permitted under superannuation law as shown below.

- You have permanently retired from work on or after your 'preservation age' (see table opposite).
- You are aged 60 or more and you resign or retire from your current employer.
- You are aged 65 or more.
- The Trustee is satisfied that you are permanently incapacitated.*
- You have compassionate grounds for applying.*
- You suffer severe financial hardship.*
- You leave Australia permanently * (if you are a temporary resident and satisfy certain conditions).

* as specified under superannuation law

and if permitted under the trust deed – contact the Helpline on 1800 635 796 for more details.

Your 'Preservation age'

Your 'preservation age' (i.e. the age at which your preserved super can be paid to you in cash if you have permanently retired from the work-force) depends on your date of birth.

The law requires that preserved super stays invested in an approved superannuation arrangement until you reach your preservation age. This could include transferring any preserved benefit from the Fund to another employer's fund, a personal super fund, a roll-over fund or a retirement savings account in circumstances where you cease employment with an employer.

Birth date	Preservation age
Before 1 July 1960	55
Between 1 July 1960 and 30 June 1961	56
Between 1 July 1961 and 30 June 1962	57
Between 1 July 1962 and 30 June 1963	58
Between 1 July 1963 and 30 June 1964	59
After 30 June 1964	60

- SuperTrace does not provide insurance cover.

Once your super is transferred to SuperTrace, you will no longer have any rights under the Fund. If you have any enquiries, you will have to deal directly with SuperTrace. Please note that investment returns earned in an eligible rollover fund may be less than returns from other funds.

If you would like to know more about SuperTrace, call 1300 788 750.

The Trustee will be reviewing the ERF used by the Fund and a change may occur. All members will be notified of the change.

Unclaimed money

If you are over age 65, you have not told the Trustee where to pay your super and we cannot contact you, then your benefit will be considered to be unclaimed money and will be placed with the relevant State or Territory authority for handling unclaimed money. You can approach the authority to claim any such money directly.

TRUSTEE INDEMNITY INSURANCE

The Trustees have chosen to take out an indemnity insurance policy as a prudent measure because of legislative requirements placing increased responsibilities on the Trustee.

TRUST DEED

The Fund is governed by a legal document called the Trust Deed. The Trust Deed sets out the rights and obligations of the members, participating employers, and the Trustee.

During the year there were no Trust Deed amendments.

SERVICE PROVIDERS TO THE TRUSTEE

The Trustee is entitled to use professional organisations to assist in the operation of the Fund. The organisations used during the year were as follows:

ADMINISTRATION, INVESTMENT AND GENERAL CONSULTING ADVICE

- Mercer Human Resource Consulting

INVESTMENT MANAGERS

- AMP Capital Investors Limited
- Vanguard Australia Investments Ltd
- Mercer Global Investments
- Macquarie Investment Management Ltd

AUDIT

- KPMG

INSURANCE

- AMP Life Ltd

LEGAL ADVICE

- Thomson Playford
- Cosoff Cudmore Knox.

How we protect your privacy

Your privacy has always been important to your super Fund and its Trustee. With the increasingly rapid expansion of technology and access to information, preserving your privacy is now more important than ever.

The Fund must now comply with amendments made to the Privacy Act, 1988 (Cth) which take effect on 21 December 2001.

In order to provide you with superannuation benefits, including death and disability benefits, and to properly manage the Fund, the Fund holds personal information about you that identifies you as a member and typically includes your name, address, date of birth, gender, occupation, salary, tax file number and any other required information.

The Fund generally collects this information either from you or your employer. Your personal information may be disclosed to the Fund's administrator and professional advisers, insurers, government bodies, your employer and other parties as required, including the

Trustee of any other fund you may transfer to. By becoming a member of the Fund, it is assumed that you consent to this handling of your personal information. If you do not provide the Fund with your personal information, the Fund may not be able to provide your superannuation benefits and choices.

You can request access your personal information held by the Fund. Should any of your personal information be incorrect, you may have the opportunity to correct it. There are, however, some circumstances where you may be denied access to your information. The Fund's Privacy Officer will advise if any of these circumstances apply.

The Fund abides by the National Privacy Principles under the Privacy Act 1988 (Cth) and has adopted a Privacy Policy which sets out in more detail the way in which it handles members' personal information. If you would like a copy of the Fund's Privacy Policy, please contact the Fund's Administrator:



Questions about your superannuation?

Ask your Fund administrator

The Fund Administrator
Lutheran Church of Australia Staff
Superannuation Fund
GPO Box 1863, ADELAIDE SA 5001

Phone 1800 635 796
Fax (08) 8110 3499
Email helpline@icasuper.superfacts.com

Enquiries and complaints

Most queries can be sorted out over the phone, but if we are unable to help you immediately, you may be asked to put your question in writing. You can write to:

Enquiries and Complaints Officer
Lutheran Church of Australia Staff
Superannuation Fund
GPO Box 1863, ADELAIDE SA 5001

The matter will be investigated by the Complaints Officer and, where necessary, the Complaints Committee on behalf of the Trustee. You will be advised of the Trustee's decision as soon as possible and within 90 days, or within 30 days of the Trustee's decision, whichever is earlier. Sometimes further time is required for complicated matters. If we need more time we will let you know. **Please remember to include an address to which the response can be mailed.**

If you have a complaint and you are not satisfied with the response, or the matter can't be resolved, you may be able to refer the matter to the Superannuation Complaints Tribunal (SCT). The SCT is an independent government body which is set up to help resolve disputes between super funds and their members. Any complaints must be lodged with the Tribunal within certain time limits.

For more information you can contact the SCT on 1300 780 808 or write to:

Superannuation Complaints Tribunal
Locked Bag 3060, GPO Melbourne Victoria 3001

Monitoring enquiries

The Trustee may, at its discretion, monitor or record enquiries or transactions made by telephone. This is done for reasons of accuracy, security and service.

Extra Information Available

As a member of the Lutheran Church of Australia Staff Superannuation Fund, you should already have a member booklet or Product Disclosure Statement containing detailed information about your benefits and some of the important rules governing the Fund. You also receive an annual benefit statement setting out important personal information about your benefits in the Fund. Any member of the Fund may request to see certain documents associated with the operation of the Fund. The documents available to members include:

- The trust deed that governs the Fund
- The investment Policy Statement
- The Fund's Privacy Policy
- Audited financial statements
- Extracts from the latest actuarial review.

If you would like to see any of these documents or need further information please contact the Helpline. Final audited financial statements and the auditors report will be available by the end of April 2006.

Disclaimers

The information contained in this report is general information only and does not take into account any person's individual financial objectives, financial situation or needs. Because of this you should, before acting on the advice, consider the appropriateness of the advice in regard to your individual financial situation and needs. We recommend that you speak to a licensed financial adviser if you need help in making an investment or insurance decision.

The value of investments in the Fund or any underlying investment options may rise and fall from time to time. LCA Nominees Pty Ltd or the employers do not guarantee the investment performance, earnings or return of capital invested in any of the investment options made available to members set out in this report. If you leave the Fund within a few years of joining, you may get back less than the contributions paid in due to the effect of taxes, fees and possible negative investment returns.

The information contained in this report is up-to-date at its preparation. However, some of the information can change from time to time, for example fees or the structure of any of the investment options. If there is a material change, inaccurate statement or omission the Trustee will inform you as required. If there is any disagreement between the trust deed and this report, the trust deed will be the final authority.

For other changes and information about any investment option you can call the LCA Super Helpline on 1800 635 796 for an update.

Financial Summary

A summary of the Fund's accounts for the year ended 31 December 2005 is shown opposite. Comparative figures for 2004 are also shown.

Copies of the audited accounts and the auditor's report are available on request from the Executive Officer.

The financial statements confirm that the Fund is in a satisfactory financial position as at 31 December 2005.

Statement of change in Financial Position

	31/12/04	31/12/03
NET ASSETS	\$186,890,874	\$153,154,128
PLUS		
Net investment revenue	24,017,902	21,053,097
Employer contributions	22,700,967	21,053,773
Member contributions	4,169,549	2,906,206
Transfers from other funds	3,014,309	2,407,218
Other revenue	291,762	168,300
Total revenue	54,194,489	47,588,594
LESS		
Benefits paid	9,792,774	8,869,743
General administration expenses	917,724	784,202
Insurance premiums	821,363	1,185,773
Income tax expense	3,518,156	3,012,130
Total expenses	15,050,017	13,851,848
EQUALS	31/12/05	31/12/04
NET ASSETS	\$226,035,346	\$186,890,874

Statement Financial Position

	31/12/05	31/12/04
Assets		
Investments	222,158,103	184,450,800
Cash at Bank	5,371,319	3,466,591
Other assets	63,493	53,552
Receivables	159,848	126,342
Total assets	227,752,763	188,097,285
LESS		
Liabilities		
Provisions for income tax	1,337,511	938,399
Other liabilities	379,906	268,012
Total liabilities	1,717,417	1,206,411
EQUALS		
NET ASSETS	\$226,035,346	\$186,890,874



Trustee: LCA Nominees Pty Ltd
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Prepared: April 2006

Lutheran Church of Australia Staff Superannuation Fund