



# Asgard Super and Pension Account

Annual Report



**YEAR ENDING:** 30 JUNE 2013

**ASGARD SUPER AND PENSION**

Asgard Managed Profiles and Separately Managed  
Accounts – Funds Super/Pension

Asgard Elements – Super/Pension

Asgard eWRAP – Super/Pension

Asgard Infinity eWRAP Super/Pension

**ASGARD BUSINESS SUPER**

Asgard Employee Super Account

Asgard Corporate Superannuation Service

**APPROVED DEPOSIT FUND**

Asgard Rollover Service

# Asgard



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## IMPORTANT INFORMATION

This Annual Report is issued by BT Funds Management Limited (BTfM, we, us, our) ABN 63 002 916 458 AFSL 233724, as the Trustee of:

- Asgard Independence Plan – Division 1 (which comprises the Asgard Corporate Superannuation Service Fund) ABN 69 099 508 025;
- Asgard Independence Plan – Division 2 (which includes Asgard Managed Profiles and Separately Managed Accounts – Funds Super/Pension, Asgard Elements – Super/Pension, Asgard eWRAP – Super/Pension, Asgard Infinity eWRAP Super/Pension and Asgard Employee Super Account) Fund ABN 90 194 410 365; and
- Asgard Independence Plan – Division 4 (which comprises the Asgard Rollover Service) Fund ABN 47 948 096 909.

In this report, all the listed products above (Asgard Corporate Superannuation Service Fund, Asgard Managed Profiles and Separately Managed Accounts – Funds Super/Pension, Asgard Elements – Super/Pension, Asgard eWRAP – Super/Pension, Asgard Infinity eWRAP Super/Pension and Asgard Employee Super Account, and Asgard Rollover Service) are collectively referred to as 'Asgard Super/Pension'.

Asgard Capital Management Ltd (Asgard) ABN 92 009 279 592 AFSL 240695 is the Administrator and Custodian of Asgard Super/Pension.

The Trustee has not received any notices or penalties for non-compliance during the reporting period and has formally resolved that the accounts will at all times be administered in strict compliance with all applicable acts and regulations.

The investment information or general advice provided in this publication does not take into account your personal objectives, financial situation or needs. Before acting on the information you should consider the appropriateness of the information or advice having regard to these factors. Whether you open or continue to hold an Asgard product or service, you should obtain and consider the relevant Product Disclosure Statement (PDS), available from your financial adviser or our Contact Centre.

An investment in the super and pension accounts is not a deposit or liability of Westpac or any other company within the Westpac Group. The super and pension accounts and the investments you select are subject to investment risk, including possible delays in repayment and the loss of income and capital invested. Neither Westpac, nor any other company within the Westpac Group, in any way stands behind or guarantees the capital value and/or the performance of the specific investments you select or the Asgard Super/Pension accounts generally.

# The year in review

Dear Investor,

I'm pleased to present you with the Asgard Super and Pension Account Annual Report for the year ending 30 June 2013.

The report contains a summary of recent legislative change that may affect your account, an overview of changes to our Asgard Super/Pension products such as the launch of two new insurance offerings, financial information and more.

In the markets, the last 12 months saw a significant improvement in conditions and generally a more optimistic economic outlook.

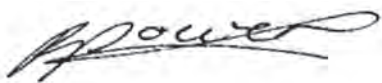
The world began the 2012/13 financial year concerned about the need for tighter fiscal policy in the United States, the debt crisis in Europe and a slowdown in China. By the end of year there was continued concern about the US and China, but much less concern about Europe as the likelihood of an uncontrolled break-up of the Euro declined.

And our Australian economy is showing some stability, led by the housing market. The Reserve Bank of Australia (RBA) is satisfied the current policy settings are supporting the transition to growth in industries outside of the mining sector – as a result they've kept interest rates on hold. They've also indicated a lower Australian dollar should support growth and expect it to lose value in the future.

If you have any questions about this Annual Report or your account, please talk to your financial adviser or give us a call on 1800 998 185.

I thank you for your continued support and wish you all the very best for a happy festive season and a healthy year ahead.

Yours sincerely,



Kelly Power

Head of Platforms



# Recent developments in super

## 2013/14 superannuation thresholds

The superannuation (super) contributions caps and various other super thresholds that apply for the 2013/14 financial year are as follows:

Low rate cap:	\$180,000
Concessional contributions cap:	
• Age 60 or over	\$35,000
• Under age 60	\$25,000
Non-concessional contributions cap:	\$150,000 <sup>1</sup>
Capital Gains Tax (CGT) Cap (lifetime limit):	\$1,315,000
Government Co-contributions:	
• Maximum co-contribution <sup>2</sup>	\$500
• Lower threshold	\$33,516
• Upper threshold (cut off)	\$48,516

1. If you were under age 65 on 1 July 2013 you may be able to make up to \$450,000 of non-concessional contributions over three financial years.
2. The maximum co-contribution payable is phased out by 3.333 cents for every dollar of total income over the lower threshold, until it reaches zero at the upper threshold.

## Minimum pension payments

Over the past few years, the Government has applied various reductions to the minimum pension payment requirement to provide relief to pensioners throughout the global financial downturn. The minimum pension payment requirement for 2012/13 was reduced by 25%. From 1 July 2013, the standard minimum pension payment requirements apply.

## Higher concessional contributions cap

The transitional \$50,000 concessional contributions cap for individuals who are aged 50 or over ended on 30 June 2012.

From 1 July 2013 the general concessional contributions cap is \$25,000 per annum.

A higher concessional contributions cap of \$35,000 pa (not indexed) is available:

- from 2013/14 financial year for individuals aged 60 or over; and
- from 2014/15 financial year for individuals aged 50 or over.

The higher cap will cease to apply when the general concessional contributions cap reaches \$35,000 as a result of indexation. Note that indexation of the general cap has been paused at \$25,000 until 30 June 2014 after which annual indexation in line with average weekly ordinary time earnings (AWOTE), rounded down to the nearest \$5,000 will resume.

## Tax treatment of excess concessional contributions

For 2013/14 and later financial years an individual's excess concessional contributions will be taxed at their marginal tax rate (plus Medicare Levy and an interest charge), rather than at a total tax rate of 46.5%.

If you have excess concessional contributions from 2013/14 you will generally be able to elect to have 85% of the excess contributions released from super to help you pay the tax, or you may retain these contributions in your super account.

The following tax treatment will apply to excess concessional contributions in respect of the 2013/14 and later financial years:

- the amount of excess concessional contributions will be included in the individual's assessable income and taxed at their marginal tax rate (plus Medicare Levy);
- the individual will be provided a non-refundable tax offset equal to 15% of the excess concessional contributions for the tax deducted by the super fund;
- if the individual elected to have excess concessional contributions released from their super fund, they will be provided with a tax credit for the amount of excess concessional contributions paid to the Australian Taxation Office (ATO); and
- an interest charge on the additional income tax payable will also apply.

If you choose to have excess concessional contributions released from superannuation, the gross amount of the contributions released will not count toward your non-concessional contributions cap. Excess concessional contributions retained in your super fund, however, will count towards your non-concessional contribution cap.

For 2011/12 and 2012/13 only, if you have exceeded your concessional contributions cap by \$10,000 or less,

you may receive a once-only offer from the ATO to have the excess concessional contributions refunded to you and assessed at your marginal tax rate, rather than pay excess contributions tax. The offer will only be available the first time you breach your concessional contributions cap in respect of 2011/12 or 2012/13.

For further information about the taxation of excess concessional contributions visit [ato.gov.au/Individuals/Super](http://ato.gov.au/Individuals/Super).

### **Additional 15% tax on super contributions for high income earners**

From 1 July 2012 an additional 15% tax (known as Division 293 tax) may apply to certain concessional contributions for those with income greater than \$300,000 for the financial year.

If you are liable to pay the additional 15% tax, this will only be charged on your taxable concessional contributions (up to your concessional contributions cap) that are above the \$300,000 threshold. If you have super in a defined benefit fund, the additional 15% tax may be calculated on your notional contributions which are not capped.

Income for the financial year for the purposes of Division 293 tax liability includes:

- taxable income (including the net amount on which family trust distribution tax has been paid)
- plus reportable fringe benefits
- plus total net investment loss
- plus low tax contributions for the financial year
- less any taxable super lump sum upon which the low rate cap tax offset applies to reduce the tax to nil.

If you have accumulation super accounts only, low tax contributions for a financial year will generally be concessional contributions for the year less excess contributions that are refunded to you or for which you have paid excess contributions tax.

If your low tax contributions bring your total income above the \$300,000 threshold, only the amount of your low tax contributions above the \$300,000 threshold will be subject to the additional 15% tax.

Special rules may apply for calculating Division 293 tax liabilities for:

- certain state higher level office holders and Commonwealth justices and judges
- individuals with defined benefit interests
- individuals with super interests in a constitutionally protected fund.

The ATO expect to start issuing assessments for this additional tax in January 2014, for the 2012/2013 financial year.

Due and payable assessments will be raised in respect of contributions to accumulation super funds. These liabilities are payable within 21 days and the individual can pay the tax from personal savings or by withdrawing funds from their superannuation using a release authority issued by the ATO.

Deferred assessments will be raised in respect of a defined benefit account from which no super benefit has yet become payable. Deferred liabilities are payable 21 days after a super benefit is paid from the defined benefit super account the debt is attributed to. Payment can be paid using personal savings or deducted from the benefit payable from the defined benefit account the debt is attributed to. Individuals can also choose to make earlier payment at any time using personal savings or by using a release authority to withdraw money from another accumulation interest the individual holds.

Former temporary residents who have paid Division 293 tax and have received a Departing Australia Superannuation Payment can apply to the ATO to have the Division 293 tax refunded.

### **Consolidating multiple superannuation accounts within the same fund**

From 1 July 2013, on an annual basis, the trustee is required to identify whether you hold multiple accounts in the fund. If multiple accounts are identified, the trustee is required to consolidate these accounts if this is in your best interest. The consolidation process must be completed at least once by 30 June 2014.

When determining whether it is in a member's best interest to merge their super accounts, the trustee must consider the possible savings in fees, charges and insurance premiums which will result if they merge accounts as well as any other relevant factors.

This requirement will only apply to accumulation superannuation accounts, and not to pension accounts.

### **Increase of 0.5% in Medicare Levy**

From 1 July 2014, the Medicare Levy will increase by 0.5% to 2.0% to help fund DisabilityCare Australia (previously known as the National Disability Insurance Scheme).

This means from 1 July 2014, the tax payable on income payments you receive from your pension account and lump sum benefits from your super or pension account will include the increased Medicare Levy. In addition, death benefits paid as a lump sum to a non-dependant for tax purposes<sup>1</sup> will attract the increased Medicare Levy.

1. Death benefits paid as a lump sum to your dependants (for tax purposes) are tax-free. A dependant for tax purposes includes your spouse or former spouse, your children under 18, a person who was wholly or substantially financially dependent on you at the time of your death and a person with whom you were in an interdependency relationship at the time of your death.

From 1 July 2014, if you are eligible to access your superannuation as a lump sum, any tax we are required to deduct will depend on your age and the tax components within your benefit, as shown in the table below.

Age	Taxable component	Tax-free component
Under 55	A rate of 22% (including Medicare Levy)	Nil
55–59	Up to the low rate cap <sup>2</sup> : Nil Above the low rate cap <sup>2</sup> : a rate of 17% (including Medicare Levy)	Nil
60 or over	Tax-free	Nil

If you are under age 60 and the TFN provided for you is incorrect, we are required to deduct tax on the taxable component of a lump sum benefit paid to you at the highest marginal tax rate plus the Medicare Levy.

Death benefits paid on or after 1 July 2014 as a lump sum to a non-dependant for tax purposes<sup>1</sup> will be taxed in the following manner:

Tax-free component	Tax-free
Taxable component	Taxed at 17% (including Medicare Levy)
Taxable component (untaxed element)	Taxed at 32% (including Medicare Levy)

### Low Income Super Contribution

From 2012/13 low income earners may receive a government super payment, called a low income super contribution (LISC), of up to \$500 per financial year to help save for their retirement.

When introduced, a LISC would only be paid where the entitlement was \$20 or more. Recent changes have been made to reduce the minimum LISC payment to \$10. In addition, LISC entitlements of less than \$10 will be rounded up to \$10.

For more information on LISC go to [ato.gov.au/Individuals/Super](http://ato.gov.au/Individuals/Super).

### Government co-contributions

From 1 July 2012, the Government reduced the maximum government co-contribution available to \$500.

If your total income<sup>3</sup> for 2013/14 is more than \$48,516, you will not be entitled to a government co-contribution. Further, to attract the maximum co-contribution of \$500, you will still be required to make a personal after-tax contribution of \$1,000 as the matching rate has been reduced to 50% (from 100%).

### Lost member accounts to be transferred to the ATO

Changes to the definition of a lost superannuation account were made on 7 December 2012. Your super account will now generally be considered 'lost' if:

- no contributions or rollovers have been added to your account in the last year and either the trustee has never had an address for you or mail sent to you by the trustee has been returned unclaimed, or
- your account was established within your current or a previous employer's default super plan and no contributions or rollovers have been added to your account in the last five years

If your account is considered to be lost, the trustee may be required to transfer your account balance to the ATO if:

- your account balance is less than \$2,000; or
- the trustee is satisfied that it will never be possible to pay an amount to you (because you cannot be identified based on the information reasonably available to the trustee).

If your account balance is transferred you will be able to reclaim it from the ATO. From 1 July 2013, the ATO will pay interest on amounts claimed.

### Removal of member protection

From 1 July 2013, the Government has repealed member protection rules. As such, effective 21 October 2013, member protection for small super accounts no longer applies to Asgard Super/Pension.

1. Death benefits paid as a lump sum to your dependants (for tax purposes) are tax-free. A dependant for tax purposes includes your spouse or former spouse, your children under 18, a person who was wholly or substantially financially dependent on you at the time of your death and a person with whom you were in an interdependency relationship at the time of your death.  
2. A lifetime limit of \$180,000 for 2013/14, indexed to AWOTE rounded down to the nearest \$5,000 in subsequent years.  
3. Total income is the sum of assessable income, reportable fringe benefits and reportable employer contributions less business deductions.

# Asgard Super and Pension changes

Our 'Changes impacting Asgard super and pension products' flyer outlining the changes impacting Asgard Super/Pension in this section, plus more information relating to fees and expenses was mailed to investors with their Investor Report for the year ending 30 June 2013.

## **Change of trustee**

BT Funds Management Limited ABN 63 002 916 458 AFSL 233724 (**BTFM**) replaced Asgard Capital Management Ltd ABN 92 009 279 592 AFSL 240695 (**Asgard**) as the trustee of the super/pension products on 1 July 2013.

Both Asgard and BTFM are subsidiaries of Westpac Banking Corporation ABN 33 007 457 141 AFSL 233714 (**Westpac**) and are members of the Westpac Group. Asgard will continue to act as the administrator and custodian of the super/pension products.

The change of trustee did not impact the product features, the operation of your account or how you interact with us (eg how you provide instructions on or enquire about, your super/pension account). You will however, notice correspondence you receive for your account is now issued by BTFM as trustee, not Asgard.

BTFM pays part of the administration fees charged to your account to Asgard as remuneration for its role as administrator and custodian. Asgard is also be entitled to be reimbursed for certain expenses incurred with administering the super/pension products. The fees and expenses to which Asgard is entitled do not represent an additional cost to you above and beyond the administration fees that you pay, or the expenses recovered by us (under expense recovery).

## **Greater visibility over fees charged to your account**

Prior to 1 July 2013, for reporting purposes, we bundled together fees charged to your account on a monthly basis under the one heading 'Ongoing fees and expenses'. To give you greater visibility over the fees charged to your account, from 1 July 2013, we now report the following fees separately:

- Adviser fee – Ongoing
- Adviser fee – One-off
- Adviser fee – Contributions

In addition, if an ongoing fee arrangement exists between you and your financial adviser, your financial adviser will now give you a Fee Disclosure Statement (FDS) each year. The FDS will set out the services you were entitled to receive, the services you did receive and the actual fees you paid under the ongoing advice arrangement in the prior 12 months.

## **Arrangements with investment managers and other product issuers**

On 1 July 2013, we updated the disclosure documents for the super/pension products to reflect new arrangements we have in place with investment managers whose managed investments are available through the super/pension products

In addition to the investment fee rebates, we may receive remuneration, including service fees or product access payments of up to \$25,000 per annum per responsible entity (or in some cases, per investment manager) plus up to \$15,000 per annum per managed investment, and/or responsible entity or investment manager payments, or payments from various financial product issuers of up to 100% of the investment/product fees, directly from investment managers, responsible entities or product issuers whose financial products are available through the super/pension products, in exchange for providing access to services and information. The amount of these payments may change from time-to-time. This remuneration is paid by the investment managers, responsible entities or product issuers out of their own resources and is not paid by you.

We don't provide any of your personal information to these investment managers, responsible entities or product issuers.

## **Variation of fees and other costs**

You will, to the extent required by law, receive at least 30 days' written notice of any new fees and costs or an increase in current fees and costs.

In the event of any change in tax laws or their interpretation – including changes affecting the rate of GST payable or the input tax credits we may receive – the amounts deducted from your Cash Account/Balance in respect of the fees and costs applied to your super/pension account may be varied or adjusted to reflect such changes without your consent or further notice to you.



We may, at our discretion and with the consent of Asgard, either generally or on request from you, your financial adviser or their dealer group reduce or waive any of the fees and costs applying to your account.

### Platform payments

On 1 July 2013, we updated the disclosure for the super/pension products regarding platform payment arrangements (formerly known as volume bonus commissions).

We may pay to your financial adviser, your financial adviser's dealer group or an appropriate licensed related body corporate of their dealer group up to 100% of the fees or other payments we receive. We pay these amounts out of our own funds and they are not additional costs to you.

## Insurance

### Changes to Asgard Personal Protection Package

BTFM replaced Asgard as the master policy holder for 'Asgard Personal Protection Package' on 30 June 2013. The product disclosure document, master policy and correspondence have been updated to reflect the new arrangement.

In addition, Total and Permanent Disability (TPD) cover with an 'Own Occupation' definition is no longer available through the Asgard super accounts from 1 July 2013. TPD cover with an 'Own Occupation' definition held through an Asgard super account prior to 1 July 2013 and remaining in force was not affected by this change.

### Choice of insurance

From 1 July 2013, we launched two new 'individual policy' insurance products in addition to our existing 'Asgard Personal Protection Package' insurance product which will remain available in its current form until 30 June 2014.

The two new 'individual policy' products are:

- BT Protection Plans, issued by Westpac Life Insurance Services Limited ABN 31 003 149 157
- Priority Protection for Platform Investors, issued by AIA Australia Limited ABN 79 004 837 861.

These new 'individual policy' products allow you to pay insurance premiums from the Cash Account/Balance of your super account, and give you access to a broader range of insurance products from leading insurers to meet your evolving insurance needs.

You can access the product disclosure statements of the relevant insurers by contacting your financial adviser, calling the Contact Centre or through *Investor Online*.

For more information or to talk about the product which best suits your requirements, please contact your financial adviser.

### Asgard Employee Super Account changes

The Australian Government's introduction of MySuper reforms aims to build a more efficient superannuation system to maximise the retirement savings of Australians.

Superannuation funds are now making changes to become 'MySuper ready' by 1 January 2014. One of the major changes is to offer an investment option that is simple, cost-effective and easily comparable with other funds. MySuper is also required to provide Death and Total and Permanent Disablement (TPD) insurance cover on an opt-out basis.

Asgard's MySuper Lifestage Investments was launched on 21 October 2013. It's a single diversified Lifestage investment option comprised of:

1. units in a corresponding MySuper Lifestage Investment; and
2. a cash balance.

If you're invested in Lifestage, over time our investment manager will actively change your investments from growth assets to more defensive (income-producing) assets, thereby reducing the risk to your superannuation as you approach retirement. Lifestage is managed by Advance Asset Management (Advance), one of Asgard's leading investment partners and Money Magazine's Best Fund Manager for 2012 and 2013. Advance is part of the Westpac Group.

For members who have not made an investment choice, we're required to pay their future contributions into Asgard's MySuper Lifestage Investments from 1 January 2014. Good advice on what to do with your super and insurance is important. Your financial adviser can help you decide what is the best course for you.

### Asgard Corporate Super Service closure

With out-dated features, limited investment choice, no online access for members and MySuper changes requiring default members' contributions from 1 January 2014 to be paid into a complying MySuper product, the Trustees made the decision to close the Asgard Corporate Super Service (ACSS) and transfer all members out as follows.

Who was transferred	Where were they transferred to	When
Approximately 2,400 inactive members: <ul style="list-style-type: none"><li>• with a balance of less than \$2,000, and</li><li>• no contributions for over 12mths, and</li><li>• no insurance.</li></ul>	The Advance Retirement Savings Account (RSA).	Transfer was completed on 21 May 2013.
Approximately 2,800 remaining active members	The Asgard Employee Super Account (AESA – Corporate or Personal).	Transfer was completed on 31 May 2013.

### Why were active members transferred to AESA?

ACSS is a legacy product and has been closed to new members since 2004. The Trustee approved the transfer of active members to AESA, as it was in the member's best interest. AESA offers better functionality and features such as individual selection of investments, comprehensive insurance and lower administration fees than ACSS.



# Understanding your investment

## Asgard eWRAP

Asgard eWRAP enables you to wrap all your superannuation investments into the one simple superannuation or pension account. You get access to our extensive range of wholesale managed investments, term deposits, a wide range of shares listed on the Australian Securities Exchange (ASX) and a competitive cash account with no account-keeping or transaction fees.

## Asgard Infinity eWRAP

Asgard Infinity eWRAP offers a fully customisable eWRAP account that allows you to wrap all of your super/pension investments (managed investments, shares, term deposits and cash) and insurance (super only) into one account.

You have the flexibility to add (or remove) optional features to your Core account as your needs change, and you only pay for the features you need. Asgard Infinity eWRAP consolidates all transaction reporting to provide you with continuous, online access to account information via Investor *Online* 24 hours a day, 7 days a week.

## Asgard Managed Profiles and Separately Managed Accounts – Funds

Depending on the investment option you select, Managed Profiles or Separately Managed Accounts, you have access to a wide range of managed investment and shares.

Managed Profiles offer you and your financial adviser the ability to construct an investment profile from more than 400 managed investments and to purchase shares from a broad range of securities listed on the ASX.

Separately Managed Accounts – Funds (SMA – Funds) offers you a selection of five pre-set portfolios of managed investments. The five portfolios are tailored to meet specific risk tolerance levels, depending on whether you're a cautious investor or whether you're willing to take greater risks for a higher return on your money. Your investments in the SMA – Funds are directly invested into the equivalent Advance Diversified Multi-blend fund.

A range of well known investment managers have been selected. The 'sector specialist' approach blends the best combinations of funds within each market sector where there's benefit in doing so, for example, Australian and international shares. Where the benefit is minimal, one indexed/active fund is selected to represent each sector, for example, fixed interest and cash.

The investment objectives and strategies of the SMA – Funds portfolios are summarised in the following table.

## SMA – Funds objectives and strategy

Asgard SMA – Funds portfolio	Investment objectives	Strategy
<b>Defensive</b>	To provide secure income with a low risk of capital loss over the short to medium term with some capital growth over the long term.	To gain exposure to a diverse mix of assets with a majority in defensive assets of cash and fixed income and a modest investment in growth assets such as shares.
<b>Moderate</b>	To provide relatively stable total returns over the short to medium term, with some capital growth over the long term through a diversified mix of growth and defensive assets.	To gain exposure to a diverse mix of assets with an emphasis on secure income producing assets.
<b>Balanced</b>	To provide moderate to high total returns (before fees and taxes) over the medium term from a combination of capital growth and income through a diversified mix of growth and defensive assets.	To gain exposure to a diverse mix of assets with both income-producing assets of cash and fixed interest, and growth assets including shares and property.

Asgard SMA – Funds portfolio	Investment objectives	Strategy
<b>Growth</b>	To provide moderate to high total returns (before fees and taxes) over the medium to long term largely through capital growth by investing in a mix of growth and defensive assets.	To gain exposure to a diverse mix of assets with an emphasis on growth oriented assets of Australian and international shares, and an investment in the defensive assets of cash and fixed interest providing some income and stability of returns.
<b>High Growth</b>	To provide superior total returns (before fees and taxes) over the long term through capital growth by investing in growth assets.	To gain exposure primarily to Australian and international shares with some exposure to property.

### Asgard Elements

Asgard Elements offers you the opportunity to invest with some of the most recognised investment brands in the industry at a low cost. The Elements investment menu provides investors with a smaller, concentrated menu of diversified and sector specific multi-blend options (known as multi-manager funds) and a range of discretionary investments (known as single-manager funds) that have been selected against rigorous criteria to ensure they're of the highest quality.

### Asgard Employee Super Account

The Asgard Employee Super Account provides comprehensive superannuation and insurance solutions as your employer's chosen plan. Employees, their spouses and families can access a broad investment menu, including the Asgard SMA – Funds, over 400 managed investments and a range of securities listed on the ASX.

### Asgard Rollover Service

The Asgard Rollover Service is closed to new members. However, existing members can still access a wide range of investment options for their account.

### Contributing to your super via the BPAY® payment facility

BPAY is a quick and easy way for you to make deposits directly into your Asgard account. All you need is your customer reference number and the relevant Biller Code.

Depending on what type of contribution you're making, there are different Biller Codes that apply when using BPAY.

Contribution type	Biller code
Personal deducted contributions	66043
Personal undeducted contributions	66050
Salary sacrifice contributions	66027
Employer super guarantee (SG) contributions	66019
Additional employer contributions	66035
Spouse contributions	66068

® Registered to BPAY Pty Ltd ABN 69 079 137 518

Note: by using a Biller Code to make a BPAY deposit, you acknowledge that you've received underlying disclosure document for the managed investments and cash products in your account (including information about significant events or matters affecting them) electronically on Investor Online. You can access these documents via the 'PDS' menu option on the Investor Online homepage.

# Performance information

## Performance as at 30 June 2013

For actual performance of your Asgard Super/Pension account, please refer to your Investor Report for the period ending 30 June 2013 which was issued to you in July.

For more recent performance information, you can access Investment Monthly performance tables on Investor *Online* [www.investoronline.info](http://www.investoronline.info) under Information > Performance tables.





# Investment information

## Investment choice

Through Asgard, you have access to an extensive range of investment options, such as managed investments, shares and competitive cash offering. For the list of investment choices available for each product, please refer to the relevant PDS available through *Investor Online* or speak to your financial adviser. Alternatively, you can call us on 1800 998 185.

## Investment strategy and objectives

When selecting a managed investment, we take into consideration the quality of the investment manager's business, stability of its investment team, past performance and investment management process before selecting investment options.

We do not take into account labour standards or environmental, social or ethical considerations in selecting, retaining or realising investments. However, the various investment managers of the managed investments available may have their own policy on the extent to which labour standards or environmental, social or ethical considerations are taken into account when making investment decisions.

For further information on a specific managed investment including its investment strategy, objectives and asset allocation, please refer to the underlying disclosure document for that investment option, accessible through *Investor Online*. You may also obtain a copy of these disclosure documents free of charge from your financial adviser or us.

## Asset allocations

We provide you with detailed information on the asset allocations of the investments in the accounts. You can access the Investment Monthly asset allocation tables as at 30 June 2013 via *Investor Online* under Information > Performance tables.

## Earnings paid to your account

Earnings, in the form of capital growth, income distributions or dividends, received from your investments are credited to your account. Your investment earnings will depend on the performance of the investments you choose and the amount of money invested in each.

All gains and losses are reflected through changes in the value of your investments. We credit all dividend or distribution payments from your investments to your cash account when they're received, with the exception of investments in the Asgard Corporate Superannuation Service.

Earnings on investments through the Asgard Corporate Superannuation Service are credited to each employer's account, from which a distribution is made to each employee account at the end of each month after fees have been deducted. Each employee account receives a share of earnings at a rate calculated by dividing the sum of the amounts held in the employee's account for each day of the month, by the sum of the amounts held in the employer's account for each day of the month.

If an employee's membership in the Asgard Corporate Superannuation Service is terminated for any reason, in accordance with superannuation law any non-vested benefits are generally redistributed to the remaining employees.

## Investment managers

The investment options we offer are managed by the following investment managers:

360 Capital Group	Macquarie Investment Management Limited
Aberdeen Asset Management Limited	Macquarie Life Limited
Acadian Asset Management	Macquarie Professional Series
Advance Asset Management Limited	Macro Capital Limited
Allan Gray Australia Pty Ltd	Magellan Asset Management
AMP Capital Investors	Man Investments Australia Ltd
AMP Investments Australia Limited	Maple-Brown Abbott Limited
AMP Life Limited	MBA Limited
Antares Capital Partners Limited	Members And Education Credit Union Limited
APN Funds Management Limited	MFS Investment Management
AQR Capital Management Llc	Mirvac Aqua Pty Limited
Armytage Wholesale Funds Management Ltd	Mlc Implemented Consulting
Ascalon Capital Managers Limited	Mosaic Portfolio Advisers Limited
Aurora Funds Management Limited	Mutual Limited
Ausbil Dexia Limited	NAB Invest Managed Investments Limited
Australian Ethical Investment Ltd	National Custodian Services (Mlc)
Australian Unity Funds Management	Onepath Funds Management Limited
Aviva	Onepath Life Limited
Axa Australia Limited	Onepath Wholesale Investments
Balmain Fund Administration Ltd	Optimix Investment Management Limited
Bennelong Funds Management Ltd	Paradice Investment Management Pty Ltd
Blackrock Im Aust Ltd (Barclays)	Patersons Asset Management Limited
Blackrock Investment Management(Australia) Ltd	Pengana Capital Limited
BNP Paribas Investment Partners	Perennial Investment Partners Limited
Brookfield Capital Management Ltd	Perpetual Funds Management Limited
BT Funds Management Limited	Peters Macgregor Capital Management Ltd
BT Investment Management (Re) Limited	Platinum Asset Management
BT Investment Management No.2 (Re) Limited	Plato Investment Management
Capital International Inc	Platypus Asset Management Pty Limited
Celeste Funds Management Limited	PM Capital Limited
Certitude Global Investments Ltd	Prime Value Asset Management Ltd
Challenger Retirement & Investment Services Ltd	Principal Global Investors (Australia) Ltd
Charter Hall Direct Property Management Ltd	Putnam Investments
Colonial First State Fund Managers Limited	Queensland Teachers Mutual Bank Ltd
Colonial Portfolio Services Ltd	Quiris Capital
Concise Asset Management	Resolution Capital Ltd
Cromwell Property Securities Ltd	Rubicon Partners Limited
Dimensional Fund Advisor Aust Ltd	Russell Investment Management Ltd
Domaine Property Funds Limited	Schroder Investment Management (Australasia) Ltd
EIM Capital Managers Pty Ltd	Select Asset Management (Bnp Paribas)
Eley Griffiths Group Pty Ltd	Solaris Investment Management
EQT Funds Management	St George Bank – Treasury Dept
Fidante Partners Limited	State Street Global Advisors Aust Ltd
Fiducian Portfolio Services Limited	T. Rowe Price Global Investment Services Ltd
FIL Investment Management (Australia)Limited	Tankstream Funds Management Limited
Franklin Templeton Investments Australia Ltd	Treasury Group Investments Services Ltd
Global Value Investors Limited	Tribeca Investment Partners Pty Ltd

GMO Australia	Tyndall Investment Management (Aust) Ltd
Goldman Sachs Asset Management	UBS Asset Management Ltd (NIs)
Grant Samuel Fund Services Limited	Value Partners Limited
Hunter Hall Investment Management Limited	Van Eyk Research Limited
Hyperion Asset Management	Vanguard Investments Australia Ltd
Ibbotson Associates Australia Ltd	Ventura Investment Management Ltd
Integrity Investment Management Australia Ltd	Wellington Investment Management Limited
Invesco Asset Management Australia Ltd	Westpac Financial Services Limited
Investors Mutual Asset Management	Zurich Financial Services Australia Limited
Ironbark Asset Management (Funds Services) Ltd	Zurich Investment Management Ltd
Ironbark Funds Management (Re) Ltd	
K2 Asset Management Ltd	
Lazard Asset Management Pacific Co	
Legg Mason Asset Management Australia Ltd	
LM Investment Management Ltd	





# Investments exceeding 5%

The following investments exceeded more than 5% of the accounts' total assets at 30 June 2013:

Asgard Independence Plan – Division 2			
Direct assets	%	Indirect assets	%
Advance High Growth Multi-Blend Fund WS	6	Advance High Growth Multi-Blend Fund Wholesale	6
Advance Growth Multi-Blend Fund WS	9	Advance Growth Multi-Blend Fund Wholesale	9
Advance Balanced Multi-Blend Fund	9	Advance Balanced Multi-Blend Fund Wholesale	9
Westpac Term Deposits	15	Advance Australian Shares Multi-Blend Fund	6

Asgard Independence Plan – Division 4			
Direct assets	%	Indirect assets	%
BT Balanced Returns PST	7	BT Wholesale Balanced Returns Fund	7
Maple-Brown Abbott Pooled Super Trust	15		
BT Active Balanced PST	6		
Colonial First State PST – Aust Share	6		
St George Money Market Investment Account	15		
St George Cash Holding Account	6		

No information is shown for the Asgard Independence Plan – Division 1 as it was terminated on 28 June 2013.

# Other important information

## Always speak to your financial adviser

The information in this report is general information only and does not take into account your individual objectives, financial situation or needs. Consequently, before acting on the information, you should consider whether it is appropriate for you in light of your objectives, financial situation or needs.

To obtain advice or more information about Asgard Super/Pension or the investments offered through Asgard Super/Pension, you should speak to your financial adviser.

## Use of derivative financial instruments

Our super accounts are not directly exposed to, or involved in, the use of derivative financial instruments. However, some of the accounts' underlying investments are in externally managed investments. These may, as part of that investment manager's strategy, be involved in derivative financial instruments to hedge or partially hedge specific exposures. The investment strategy of our super accounts is not to enter, hold or issue derivative financial instruments for trading purposes.

## Do we have your tax file number (TFN)?

If your TFN hasn't been provided to us by 30 June of a financial year, we may be required to deduct additional tax, at a rate of 30% plus Medicare Levy, from any employer contributions made to your account during that financial year. This additional tax, commonly referred to as 'No-TFN tax', may have been deducted from employer contributions made to your account since 1 July 2007.

You're not required to supply your TFN to us, however if you do provide your TFN to us before 30 June 2014:

- you won't have additional tax deducted from employer contributions made to your account during the 2013/14 financial year, and
- you may be eligible for a refund of any additional tax that may have been paid on employer contributions made to your account in the last three financial years (2010/11, 2011/12 and 2012/13).

## Refund of contributions tax as an anti-detriment payment

Asgard Super/Pension (excluding the Asgard Rollover Service) takes advantage of provisions within tax law that enable super funds to calculate an increased amount, known as an 'anti-detriment' payment, to be paid when a death benefit payment is made to an eligible beneficiary.

An anti-detriment payment represents a refund of contributions tax paid on all contributions made to the fund by the investor since joining the fund.

Eligible beneficiaries include a person who is a spouse, former spouse or child of the member. A beneficiary who was a financial dependant of the member but not a spouse, former spouse or child of the member is not eligible to receive an anti-detriment payment. In addition, an 'anti-detriment' payment cannot be paid if the death benefit is paid as a pension.

We've established a reserve to facilitate these refunds. At 30 June 2013, the amount held in this reserve for Asgard Independence Plan – Division 2 was \$594,486 (2012: \$929,952, 2011: \$1,251,649). We manage the reserve by holding it in cash as the liquidity is needed to ensure refunds can readily be made on an ongoing basis. Asgard will generally manage any applicable refunds/anti-detriment payments automatically at claim time. No reserve has been established for Asgard Independence Plan – Division 4.

## Remuneration

### Service fee and/or commission – cash products

We may receive a service fee and/or commission of up to 1.1% pa (including GST) from St.George, Westpac or other providers of cash products. The service fee is for the introduction of your banking business and/or performing client service activities and transaction reporting on any of your cash accounts. The service fee is calculated as a percentage of the daily balance of the relevant cash product and is not an additional charge to you.

### Closed accounts

If you close your Super or Pension account and amounts less than \$50 are subsequently credited to your closed account, we'll apply this money for the general benefit

of all current investors of the fund rather than your closed account.

### **Eligible Rollover Fund – Superannuation accounts only**

The Advance Retirement Savings Account (Advance RSA) is our nominated Eligible Rollover Fund (ERF) for the year ending 30 June 2013. This arrangement will continue until 20 December 2013 when our nominated ERF will change to the SuperTrace Eligible Rollover Fund (ABN 73 703 878 235 251).

We may transfer your benefits to the nominated ERF if the value of your account is less than \$2,000 and we are not obliged to forward your balance to the Australian Taxation Office under the unclaimed money laws.

If your benefits are transferred into the nominated ERF:

- you will no longer be a member of Asgard Super and any insurance cover you may have held through us will cease on the date of transfer
- no further contributions may be made to your account
- you will not be able to make contributions to the nominated ERF
- you will not have any investment choice – the trustee of the nominated ERF will choose the investment strategy that will apply
- the trustee of the nominated ERF must ensure that all benefits are subject to its governing rules and the superannuation law, irrespective of the size of the benefit.

Refer to the relevant ERF product disclosure statement for more information on the nominated ERF which you should receive shortly after the time that your benefits are transferred.

For further information speak to your financial adviser or contact the relevant ERF as detailed below.

The Advance Retirement Savings Account  
GPO Box B87  
Perth WA 6838  
Telephone: 1800 819 935

SuperTrace Eligible Rollover Fund  
Locked Bag 5429  
Parramatta NSW 2124  
Telephone: 1300 788 750

### **Policy committees (only applicable to the Asgard Employee Super Account)**

Employers with 50 or more employer sponsored members in a superannuation plan have an obligation to establish a policy committee. Employers with fewer employees may establish a committee but are not obliged to do so.

The policy committee serves as an avenue for sponsored members to enquire about the operation or management of their plan. While there's an obligation to establish the committee, if the committee decides that it serves no purpose, then it may resolve to dissolve itself at its convenience. It may be re-established in the future if requested by at least five employees.

If you're interested in finding out more about your policy committee, you should ask your employer for details. Your employer should be able to advise you of the committee members and how each member was appointed.

### **Professional indemnity insurance**

We're currently covered by a professional indemnity insurance policy issued by American Home Assurance Company and other insurers.

### **Departed former temporary resident information**

The trustee relies on ASIC relief to the effect that the trustee is not obliged to notify or give an exit statement to a non-resident in circumstances where the trustee pays unclaimed superannuation to the Commissioner of Taxation under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999.

The trustee is obliged to pay unclaimed superannuation of a non-resident to the Commissioner of Taxation under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999.

A non-resident has the right to make an application to the Commissioner of Taxation to claim the unclaimed superannuation under Division 4 of Part 3A of that Act.

### **Enquiries and complaints**

If you'd like further financial information that's not included in this Annual Report, including information about fees and charges and other effects arising from a rollover or transfer of your benefit entitlements, we're happy to provide it on request.

If you have any enquiries or complaints about the operation or management of Asgard Super/Pension accounts, please contact us on:

Telephone: 1800 998 185

Email: [asgard.investor.services@asgard.com.au](mailto:asgard.investor.services@asgard.com.au)

Or write to:

Asgard  
PO Box 7490  
Cloisters Square WA 6850

If you've made a complaint to us about a decision which affects you, and your complaint has not been resolved to your satisfaction, you have a right to lodge a complaint about the decision with the Superannuation Complaints Tribunal (SCT).

The Tribunal is a body established by the Commonwealth Government to review trustee decisions relating to members (as opposed to trustee decisions relating to the management of the fund as a whole). The contact details for the SCT are:

Superannuation Complaints Tribunal  
Locked Bag 3060  
GPO Melbourne VIC 3001

Telephone: 1300 884 114



# Financial information

The following abridged financial information is based on the audited financial statements for the Asgard Super/Pension accounts for the period 1 July 2012 to 30 June 2013. You can request a full set of these financial statements and auditor's report at any time.

## Operating statement for the year ended 30 June 2013

	Asgard Independence Plan – Division 1		Asgard Independence Plan – Division 2		Asgard Independence Plan – Division 4	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>						
Investment revenue	6,119	790	2,326,674	(90,626)	3,980	176
Contributions revenue	1,128	1,748	2,541,537	2,563,208	–	–
Other revenue	150	290	27,513	29,781	–	–
<b>Total revenue/(loss) as a result of operations</b>	<b>7,397</b>	<b>2,828</b>	<b>4,895,724</b>	<b>2,502,363</b>	<b>3,980</b>	<b>176</b>
<b>Less: Expenses</b>	<b>477</b>	<b>1,424</b>	<b>309,224</b>	<b>298,830</b>	<b>520</b>	<b>563</b>
Benefits accrued as a result of operations before income tax	6,920	1,404	4,586,500	2,203,533	3,460	(387)
Less: Income tax expense/(benefit)	111	115	2,297	114,586	(1)	(1)
<b>Benefits accrued as a result of operations after income tax</b>	<b>6,809</b>	<b>1,289</b>	<b>4,584,203</b>	<b>2,088,947</b>	<b>3,461</b>	<b>(386)</b>

## Statement of financial position as at 30 June

	Asgard Independence Plan – Division 1*		Asgard Independence Plan – Division 2		Asgard Independence Plan – Division 4	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>						
Cash and cash equivalents	–	15,044	736,654	2,048,530	5,872	3,412
Receivables	–	74	82,523	50,126	447	96
Deferred tax asset	–	–	109,148	74,981	–	–
Investments	–	33,543	16,551,645	13,588,372	22,335	25,501
<b>Total assets</b>	–	48,661	17,479,970	15,762,009	28,654	29,009
<b>Less: Liabilities</b>						
Payables	–	703	35,278	32,318	58	59
Income tax payable	–	27	7,862	8,019	–	–
Deferred tax liabilities	–	1	–	–	–	–
<b>Total liabilities</b>	–	731	43,140	40,337	58	59
<b>Net assets available to pay benefits</b>	–	47,930	17,436,830	15,721,672	28,596	28,950
<b>Represented by:</b>						
<b>Liability for accrued benefits</b>						
• allocated to members' accounts	–	47,930	17,327,434	15,646,691	28,596	28,950
• unallocated to members' accounts	–	–	109,396	74,981	–	–
<b>Total liabilities for accrued benefits</b>	–	47,930	17,436,830	15,721,672	28,596	28,950

\* On 11 December 2012, the former Trustee approved the transfer of members and assets from Asgard Independence Plan – Division 1 into Asgard Independence Plan – Division 2 (ABN 90 194 410 365). The transfer occurred in accordance with the successor fund transfer ('SFT') provisions of the Superannuation Industry (Supervision) Regulations 1994 (SIS Regulation). On 25 June 2013 the former Trustee approved the transfer of any residual assets and liabilities from Asgard Independence Plan – Division 1 to Asgard Independence Plan – Division 2. Upon all assets and beneficiaries having been transferred effective 28 June 2013, the Plan was terminated. Consequently, there are no Division 1 figures to report as at 30 June 2013.

# Asgard

**CONTACT CENTRE**

1800 998 185

**CORRESPONDENCE**

Asgard

PO Box 7490

Cloisters Square WA 6850

Email: [asgard.investor.services@asgard.com.au](mailto:asgard.investor.services@asgard.com.au)

Website: [www.asgard.com.au](http://www.asgard.com.au)

[www.investoronline.info](http://www.investoronline.info)

**ISSUED BY**

BT Funds Management Limited

ABN 63 002 916 458

AFSL 233724