



Asgard Super and Pension Account

Annual Report



YEAR ENDING: 30 JUNE 2014

ASGARD SUPER/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

APPROVED DEPOSIT FUND

Asgard Rollover Service

Asgard



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IMPORTANT INFORMATION

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

- 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 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 Customer Relations team.

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.



he 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 2014. This report provides you with updates on product and regulatory changes that may affect your account, as well as abridged financial information and more.

This year we invested in improvements for you such as Nominated Bank Accounts to protect you from fraud, eStatement functionality which allows you to opt out of paper for your Investor Reports and an Investor *Online* facelift to make information on your account easier to find and update. We also introduced our MySuper Lifestage Investments solution for the Asgard Employee Super Account in response to the Government's MySuper reforms.

Both global and local investment markets have enjoyed relatively strong conditions over the past year, providing the right environment for your investments. You can view your account's actual performance by logging on to Investor *Online* (www.investoronline.info) at anytime and referring to your Investor Report at Home > Account > Investor correspondence.

If you have any questions about this Annual Report or your own 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,



Lisa Gavin
Acting Head of Platforms

Recent developments in super

2014/15 superannuation thresholds

The superannuation contributions caps and various other superannuation thresholds that apply for the 2014/15 financial year are as follows:

| | |
|---|------------------------|
| Low rate cap: | \$185,000 |
| Concessional contributions cap: | |
| • Age 49 or over on 30 June 2014 | \$35,000 |
| • Under age 49 on 30 June 2014 | \$30,000 |
| Non-concessional contributions cap: | \$180,000 ¹ |
| Capital Gains Tax (CGT) Cap (lifetime limit): | \$1,355,000 |
| Government Co-contributions: | |
| • Maximum co-contribution ² | \$500 |
| • Lower threshold | \$34,488 |
| • Upper threshold (cut off) | \$49,488 |

- 1 if you were under age 65 on 1 July 2014 you may be able to make up to \$540,000 of non-concessional contributions over three financial years. If you triggered the 'bring forward non-concessional cap' in 2012/13 or 2013/14, you can only make non-concessional contributions up to \$450,000 over the relevant 3 year period.
- 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.

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 2014 the general concessional contributions cap is \$30,000 per annum.

A higher concessional contributions cap of \$35,000 pa (not indexed) is available from the 2014/15 financial year for individuals aged 49 or over on 30 June 2014.

The higher cap will cease to apply when the general concessional contributions cap reaches \$35,000 as a result of indexation.

Preservation Age increases

Generally you can access your superannuation when you have permanently retired on or after reaching your preservation age or after you reach age 65. You can access your superannuation in other limited circumstances such as if you become permanently incapacitated, are suffering from a terminal medical condition or are suffering severe financial hardship.

If you are aged between preservation age and age 65 you can also commence a transition to retirement pension allowing you to access your superannuation in the form of a non-commutable income stream.

If you were born before 1 July 1960 your preservation age is 55. If you were born on or after 1 July 1960 your preservation age is between 56 and 60 depending on your date of birth (see the table below).

| Date of Birth | Preservation Age | When you will reach Preservation Age |
|----------------------------|------------------|--------------------------------------|
| Before 1 July 1960 | 55 | Before 1 July 2015 |
| 1 July 1960 – 30 June 1961 | 56 | 1 July 2016 – 30 June 2017 |
| 1 July 1961 – 30 June 1962 | 57 | 1 July 2018 – 30 June 2019 |
| 1 July 1962 – 30 June 1963 | 58 | 1 July 2020 – 30 June 2021 |
| 1 July 1963 – 30 June 1964 | 59 | 1 July 2022 – 30 June 2023 |
| After 30 June 1964 | 60 | After 30 June 2024 |

Superannuation Guarantee (SG) rate increases

From 1 July 2014, the SG rate increased from 9.25% to 9.5%. The SG rate will remain at 9.5% until 30 June 2021. From 1 July 2021, the SG rate will increase to 10% and thereafter will increase by 0.5% each financial year until it reaches 12% at 1 July 2025.

The table below shows both the current schedule for increases in the SG rate and that applying under previous law.

| Financial year | SG rate (%) | |
|-----------------|--------------|-------------|
| | Previous Law | Current Law |
| 2014-15 | 9.5 | 9.5 |
| 2015-16 | 10.0 | 9.5 |
| 2016-17 | 10.5 | 9.5 |
| 2017-18 | 11.0 | 9.5 |
| 2018-19 | 11.5 | 9.5 |
| 2019-20 | 12.0 | 9.5 |
| 2020-21 | 12.0 | 9.5 |
| 2021-22 | 12.0 | 10.0 |
| 2022-23 | 12.0 | 10.5 |
| 2023-24 | 12.0 | 11.0 |
| 2024-25 | 12.0 | 11.5 |
| 2025-26 onwards | 12.0 | 12.0 |

Low Income Super Contribution

From 2012/13, those with adjusted taxable income¹ of up to \$37,000 who have received concessional contributions during the year, may be eligible to receive a government super payment of up to \$500 to help save for their retirement. This payment is called the Low Income Super Contribution (LISC).

The Government has abolished LISC payments from 1 July 2017. LISC payments will continue to be payable in relation to concessional contributions received in financial years 2012/13 to 2016/17 inclusive.

1. Adjusted taxable income is the sum of taxable income, adjusted fringe benefits, target foreign income, total net investment loss, tax-free pension or benefits and reportable superannuation contributions less deductible child maintenance expenditure.

Temporary Budget Repair Levy & Medicare Levy increase

A Temporary Budget Repair (TBR) Levy of 2% will apply to the amount of a person's taxable income above \$180,000 for 2014/15, 2015/16 and 2016/17 financial years only. The TBR Levy will also be reflected in a number of other tax rates that are currently based on the top marginal tax rate, for the same 3 year period.

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

The TBR and increased Medicare Levy will impact the tax withheld from some payments you receive from your pension and super accounts as outlined below.

Income payments

This means for the 2014/15 financial year the tax payable on income payments you receive from your pension will include the increased Medicare Levy and may also include the TBR Levy.

Lump sum payments

Tax withheld from lump sum payments you, or your non-dependant (tax) beneficiaries¹, receive from your pension or super account will include the increased Medicare Levy but will not include the TBR Levy. If you or your non-dependant (tax) beneficiaries¹ receive a lump sum payment and have taxable income above \$180,000 for 2014/15 additional tax may be payable as part of the tax return process.

From 1 July 2014 if you are eligible to access your superannuation as a lump sum, the tax we are required to withhold 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 preservation age ² | A rate of 22% (including Medicare Levy) | Nil |
| Preservation age ² to 59 | Up to the low rate cap ³ : Nil Above the low rate cap ³ : a rate of 17% (including the Medicare Levy) | Nil |
| 60 or over | Tax-free | Nil |

Death benefits paid on or after 1 July 2014 as a lump sum to a non-dependant for tax purposes¹ will have tax withheld 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) |

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. Your preservation age is between 55 and 60 depending on your date of birth.
3. A lifetime limit of \$185,000 for 2014/15, indexed to Average weekly ordinary time earnings (AWOTE) rounded down to the nearest \$5,000 in subsequent years

Departing Australia Superannuation Payments (DASP)

If you receive a DASP during 2014/15, we will be required to deduct tax from the taxable component of the payment at 38% (up from 35% in 2013/14).

If we don't have your TFN

If we don't have your TFN at 30 June of a financial year, we are generally required to deduct additional tax from any employer contributions received for you during the financial year. For 2014/15 this additional tax, known as no-TFN contributions tax, will be 34% (up from 31.5% in 2013/14).

If we don't have your TFN we are also generally required to deduct tax from any income or lump sum payments you receive from your pension and super accounts at the highest marginal tax rate plus Medicare Levy. For 2014/15 this is 49% (up from 46.5% in 2013/14).

Excess non-concessional contributions

From 1 July 2014, the rate of tax payable on excess non-concessional contributions will increase from 46.5% to 49%. This tax is not deducted by super funds but is assessed by the ATO.

Note that effective from 1 July 2013, the Government intends to provide individuals the option of releasing their excess non-concessional contributions and 85% of the associated earnings from their super fund. If this proposal becomes law, excess contributions tax will only apply where this option is not taken and excess contributions remain in the individual's super fund.

Deeming of account-based income streams

From 1 January 2015 the income test treatment of account-based pensions for social security and Department of Veterans' Affairs (DVA) purposes will change. From that date, the deeming rules which currently apply to other financial assets will be extended to certain account-based income streams. The deeming rules assume your financial assets are earning a certain rate of income, regardless of the income they actually earn.

You may be eligible to continue to have your account-based pension income assessed using the current income test from 1 January 2015 if:

- you were in receipt of an income support payment immediately before 1 January 2015; and
- you have been continuously receiving an 'income support payment' since 1 January 2015; and
- your account-based pension commenced before 1 January 2015 and has continued to be provided to you since the commencement date.

An income support payment includes common pensions and allowances such as the age pension, disability support pension, carer payment (not carer allowance), a DVA service pension, DVA income support supplement and newstart allowance.

If you are eligible to continue to be assessed using the current income test from 1 January 2015 you should note that:

- any changes in your circumstances resulting in you becoming ineligible for income support after 1 January 2015 may mean income from your account-based pension will be assessed using the deeming rules
- if you commute your existing pension to commence a new account-based pension, income from the new pension will be assessed using the deeming rules

- if you have made an automatic reversionary death benefit nomination for your spouse to continue to receive your account-based pension in the event of your death, your spouse may be eligible to continue to have income from the pension assessed using the current income test provided certain conditions are satisfied

You should speak to your financial adviser or Centrelink or DVA about how these changes may impact your income support payment entitlements.

Changes to insurance through superannuation

From 1 July 2014, the trustee is prohibited from providing insurance cover to you for an event other than an event connected with meeting one of the following conditions of release:

- death,
- terminal medical condition,
- permanent incapacity (i.e. 'any occupation' TPD only), or
- temporary incapacity conditions of release (i.e. salary continuance insurance or income protection).

This change applies to new insurance cover, commencing on or after 1 July 2014. It does not apply to any existing insurance cover you commenced prior to 1 July 2014.

If you held insurance cover at 30 June 2014 you can vary the level of that cover from 1 July 2014, without being impacted by these new rules.

Proposed changes to superannuation

Tax treatment of excess non-concessional contributions

Currently, if you make super contributions that exceed your non-concessional contributions cap the excess contributions are taxed at the highest marginal tax rate (for 2014/15 this is 49% including Medicare Levy). The full amount of any excess non-concessional contributions tax must be withdrawn from your super fund.

For excess non-concessional contributions made from 1 July 2013, the Government intends to give individuals the option of withdrawing their excess contributions and 85% of the associated earnings from their super fund. If the proposed changes become law:

- if you choose to withdraw your excess non-concessional contributions and related earnings from your super, no excess contributions tax will be payable and 100% of the earnings will be taxed at your marginal tax rate. You will also be entitled to a tax offset of 15% of the associated earnings.
- excess non-concessional contributions retained in your super fund will continue to attract tax at the highest marginal tax rate.

This proposal is not yet law and the above details are subject to change.

Asgard Super and Pension changes

Asgard Employee Super Account

MySuper

MySuper is an initiative of the Australian Government and means that super funds like Asgard Employee Super Account are required to offer an investment option that is simple, cost-effective and provides insurance. Asgard's MySuper Lifestage Investments were launched in late October 2013. For members who have not made an investment choice, from 1 January 2014 we're required to pay their contributions into an Asgard's MySuper Lifestage Investment.

Asgard's MySuper Investments is a Lifestage Fund, which invests your super based on your decade of birth and automatically adjusts the investment mix as you get older. It's managed by award winning Advance Asset Management (Advance); one of our leading investment partners. Advance is part of the Westpac Group.

Introducing Nominated Bank Account to protect you from fraud

In order to protect you and your account, we will introduce the following changes from 16 February 2015:

- You must provide us with the details of an account you hold with a Financial Institution (Nominated Bank Account) before any direct credit (Electronic Funds Transfer, (EFT)) payment requests can be processed.
- Any EFT payment requests must be made to your Nominated Bank Account.
- You will no longer have the cheque payment option for withdrawal.

For pension clients, if you have existing bank account details available to facilitate your regular pension payment effective 23 November 2014:

- Where the bank account name matches with or contains your name, the same bank account details would be taken as your Nominated Bank Account.
- You are not required to provide us with your Nominated Bank Account unless you want to nominate a different bank account to the one you use for your regular pension payment.
- If you subsequently amend your regular pension payment bank account details, your Nominated Bank Account will not be automatically updated.

If you are likely to make cash withdrawal (excluding rollovers) in the near future, we highly recommend you set up the Nominated Bank Account for your account as soon as possible. This will help ensure any future payment requests can be actioned in a timely manner.

To provide a new or to amend your existing Nominated Bank Account, simply complete and mail the new Nominated Bank Account addition or amendment form along with the required original certified identification to us for processing prior to you submitting any cash payment requests.

You can view your Nominated Bank Account details via the Account details screen on *Investor Online*.

For more information in relation to this change or to obtain a free copy of the Nominated Bank Account addition or amendment form, please speak to your financial adviser or us on 1800 998 185.



Understanding your investment

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 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 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 allows you to design your own investment profile by providing you access to a wide range of wholesale managed investments, term deposits, broad range of securities listed on the ASX and cash.

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.

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 |
|------------------------------|---|--|
| Defensive | 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. | The Fund invests in a diverse mix of assets with a majority (about 70%) in the defensive assets of cash and fixed income, and a modest investment (about 30%) in growth assets such as shares. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts. |
| Moderate | To provide relatively stable total returns (before fees and taxes) over the short to medium term, with some capital growth over the long term through a diversified mix of growth and defensive assets. | The Fund invests in a mix of defensive assets (around 50%) such as cash and fixed interest and growth assets (around 50%) such as shares and property. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts. |
| Balanced | 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. | The Fund invests in a diverse mix of assets with both income-producing assets (around 30%) of cash and fixed interest, and growth assets (around 70%) including shares and property. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts. |
| Growth | 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. | The Fund invests in a diverse mix of assets with an emphasis (about 85%) on the growth oriented assets of Australian and international shares, and investment (about 15%) in the defensive assets of cash and fixed interest providing some income and stability of returns. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts. |
| High Growth | To provide superior total returns (before fees and taxes) over the long term through capital growth by investing primarily in growth assets. | The Fund invests primarily in growth assets such as Australian and international shares and property. The Fund's exposure to these asset classes will be obtained primarily by investing into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts. |

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.

On joining Asgard Employee Super, employees, will automatically be invested in an actively managed Asgard MySuper Lifestage Investment applicable for their year of birth. The MySuper Lifestage Investment offers members a diversified investment portfolio managed according to their age and lifestage.

Employees, their spouses and family members can also change their investment selection at any time, and alternatively, select the Asgard SMA – Funds investment option, or Managed Profiles investment option, which provides over 400 managed investments and a range of securities listed on the ASX to choose from.

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.

P Performance information

Performance as at 30 June 2014

For actual performance of your Asgard Super/Pension account, please refer to your Investor Report for the period ending 30 June 2014 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 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 Product Disclosure Statement (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 2014 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.

Investment managers

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

| | |
|---|---|
| 360 Capital Group | K2 Asset Management Ltd |
| Aberdeen Asset Management Limited | Lazard Asset Management Pacific Co |
| Acadian Asset Management | Legg Mason Asset Management Australia Ltd |
| Advance Asset Management Limited | Lm Investment Management Ltd |
| Allan Gray Australia Pty Ltd | Macquarie Investment Management Limited |
| Amp Capital Investors | Macquarie Professional Series |
| Antares Capital Partners Limited | Magellan Asset Management |
| Apn Funds Management Limited | Man Investments Australia Ltd |
| Aqr Capital Management Llc | Maple-Brown Abbott Limited |
| Armytage Wholesale Funds Management Ltd | Mba Limited |
| Ascalon Capital Managers Limited | Members And Education Credit Union Limited |
| Atrium Investment Management Pty Ltd | Mfs Investment Management |
| Aurora Funds Management Limited | Mirvac Aqua Pty Limited |
| Ausbil Dexia Limited | Montgomery Investment Management Pty Ltd |
| Australian Ethical Investment Ltd | Mosaic Portfolio Advisers Limited |
| Australian Unity Funds Management | Mutual Limited |
| Axa Australia Limited | Nab Invest Managed Investments Limited |
| Axa Investment Managers Asia (Singapore) Ltd | National Custodian Services (Mlc) |
| Balmain Fund Administration Ltd | Nikko Am Limited |
| Bennelong Funds Management Ltd | Onepath Funds Management Limited |
| Blackrock Im Aust Ltd (Barclays) | Optimix Investment Management Limited |
| Blackrock Investment Management(Australia) Ltd | Paradise Investment Management Pty Ltd |
| Bnp Paribas Investment Partners | Patersons Asset Management Limited |
| Brookfield Capital Management Ltd | Pengana Capital Limited |
| Bt Investment Management (Re) Limited | Perennial Investment Partners Limited |
| Capital International Inc | Perpetual Funds Management Limited |
| Celeste Funds Management Limited | Platinum Asset Management |
| Certitude Global Investments Ltd | Plato Investment Management |
| Challenger Retirement & Investment Services Ltd | Platypus Asset Management Pty Limited |
| Charter Hall Direct Property Management Ltd | Pm Capital Limited |
| Colonial First State Fund Managers Limited | Prime Value Asset Management Ltd |
| Concise Asset Management | Principal Global Investors (Australia) Ltd |
| Cromwell Property Securities Ltd | Putnam Investments |
| Dimensional Fund Advisor Aust Ltd | Queensland Teachers Mutual Bank Ltd |
| Eim Capital Managers Pty Ltd | Resolution Capital Ltd |
| Eley Griffiths Group Pty Ltd | Rubicon Partners Limited |
| Eqt Funds Management | Russell Investment Management Ltd |
| Fidante Partners Limited | Schroder Investment Management(Australasia) Ltd |
| Fiducian Portfolio Services Limited | Select Asset Management (Bnp Paribas) |
| Fil Investment Management(Australia)Limited | Solaris Investment Management |
| Franklin Templeton Investments Australia Ltd | St George Bank - Treasury Dept |
| Freehold Investment Management | State Street Global Advisors Aust Ltd |
| Global Value Investors Limited | T. Rowe Price Global Investment Services Ltd |
| Gmo Australia | Tankstream Funds Management Limited |
| Goldman Sachs Asset Management | Treasury Group Investments Services Ltd |
| Grant Samuel Fund Services Limited | Tribeca Investment Partners Pty Ltd |
| Henderson Global Investors (Aust) Funds Mgt Ltd | Ubs Asset Management Ltd (NIs) |

| | |
|--|------------------------------------|
| Hunter Hall Investment Management Limited | Value Partners Limited |
| Hyperion Asset Management | Van Eyk Research Limited |
| Ibbotson Associates Australia Ltd | Vanguard Investments Australia Ltd |
| Integrity Investment Management Australia Ltd | Ventura Investment Management Ltd |
| Invesco Asset Management Australia Ltd | Zurich Investment Management Ltd |
| Investors Mutual Asset Management | |
| Ironbark Asset Management (Funds Services) Ltd | |



Investments exceeding 5%

The following investments exceeded more than 5% of the accounts' total assets at 30 June 2014:

| Asgard Independence Plan – Division 2 | | | |
|---|----|--|---|
| Direct assets | % | Indirect assets | % |
| Advance High Growth Multi-Blend Fund WS | 6 | Advance Australian Shares Multi-Blend Fund | 6 |
| Advance Growth Multi-Blend Fund WS | 9 | | |
| Advance Balanced Multi-Blend Fund | 9 | | |
| Westpac Term Deposits | 12 | | |

| Asgard Independence Plan – Division 4 | | | |
|---|----|-----------------|---|
| Direct assets | % | Indirect assets | % |
| BT Balanced Returns PST | 8 | | |
| Maple-Brown Abbott Pooled Super Trust | 17 | | |
| BT Active Balanced PST | 6 | | |
| Colonial First State PST - Aust Share | 8 | | |
| St George Money Market Investment Account | 17 | | |

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 34% (includes Medicare Levy and Temporary Budget Repair 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 2015:

- you won't have additional tax deducted from employer contributions made to your account during the 2014/15 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 (2011/12, 2012/13 and 2013/14).

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 2014, the amount held in this reserve for Asgard Independence Plan – Division 2 was \$494,024 (2013: \$594,486, 2012: \$929,952). 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

The Administrator may receive a service fee of up to 1.1% p.a. (including GST) from Westpac (including St. George) and/or other providers of cash products. This fee may be received on some or all of the cash products held through your account and is for the introduction of your banking business and for performing client service activities and transaction reporting. This service fee is calculated as a percentage of the daily balance of the relevant cash products. It is not an additional charge to you.

The Administrator may rebate some of the service fee we receive back to you to reduce the cost of running your account. Where this occurs you will see a transaction in your account titled 'Cash Service Fee Rebate'.

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

SuperTrace Eligible Rollover Fund (ABN 73 703 878 235) (SuperTrace) is currently our nominated Eligible Rollover Fund. We may transfer your benefits to SuperTrace if the value of your account is less than \$2,000 and we are not obliged to forward your balance to the ATO under the unclaimed money laws.

If your benefits are transferred into SuperTrace:

- you will no longer be a member of the Fund 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 SuperTrace
- you will not have any investment choice – the trustee of SuperTrace will nominate the investment strategy that will apply, and
- the trustee of SuperTrace 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 SuperTrace product disclosure statement for more information on SuperTrace which you should receive shortly after the time that your benefits are transferred.

For further information contact:

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.

Temporary residents

A temporary resident is a holder of a temporary visa under the Migration Act 1958.

From 1 April 2009, if you are, or were, a temporary resident and are not an Australian citizen, New Zealand citizen or permanent resident of Australia, or a holder of a retirement visa (Subclass 405 or 410), you can generally only access your preserved super benefits if you become permanently incapacitated, have a terminal medical condition, or have departed Australia permanently and your visa has ceased, or your beneficiaries may access your benefits if you die. You may also be able to access your benefit if you satisfied another condition of release under superannuation law before 1 April 2009.

The Australian Government also requires us to pay temporary residents' unclaimed super to the ATO after at least six months have passed since the later of:

- the date a temporary resident's visa ceased to be in effect, and
- the date a temporary resident permanently left Australia.

Applications to claim your benefit can be made using the ATO Departing Australia Superannuation Payment ('DASP') online application system. To access this system and full information regarding DASP procedures and current tax rates visit ato.gov.au.

We are permitted under, and rely on, ASIC relief under Class Order CO 09/437 to not notify or provide an exit statement to a non-resident in circumstances where we pay unclaimed superannuation to the ATO under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999.

Financial information

As permitted under the Corporations Act, audited fund accounts and the auditor's report have not been included with this Annual Report. Copies of complete audited financial statements and the auditor's report will be available from

Asgard
PO Box 7490
Cloisters Square WA 6850

or by calling 1800 998 185.

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

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

As permitted under the Corporation Act, abridged financial information of the funds is included in this annual report. You can request a copy of the audited financial statements and auditor's report at any time by contacting us on 1800 998 185.

Operating statement for the year ended 30 June 2014

| | Asgard Independence Plan – Division 2 | | Asgard Independence Plan – Division 4 | |
|--|--|-----------------|--|-----------------|
| | 30 June 2014 | 30 June 2013 | 30 June 2014 | 30 June 2013 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Investment income | | | | |
| Interest income | 104,887 | 119,592 | 131 | 115 |
| Dividend income | 39,254 | 26,146 | - | - |
| Distribution income | 393,071 | 464,230 | 54 | 57 |
| Changes in net market value of investments | 1,351,315 | 1,697,187 | 2,606 | 3,805 |
| Other investment income | 23,282 | 19,519 | 3 | 3 |
| | 1,911,809 | 2,326,674 | 2,794 | 3,980 |
| Contributions revenue | 309,224 | 298,830 | 520 | 563 |
| Employers' contributions | 579,080 | 586,487 | - | - |
| Members' contributions | 664,120 | 561,462 | - | - |
| Transfers from other funds | 1,651,615 | 1,393,588 | - | - |
| | 2,894,815 | 2,541,537 | - | - |
| Other revenue | | | | |
| Proceeds from insurance policies | 29,393 | 27,513 | - | - |
| | 29,393 | 27,513 | - | - |
| General administrative expenses | | | | |
| Trustee's fees and administration expenses | 243,559 | 229,356 | 464 | 514 |
| Cash administration and custody fees | 22,920 | 3,528 | 5 | 1 |
| Insurance premiums | 87,406 | 76,264 | - | - |
| Other expenses | 3,518 | 76 | 15 | 5 |
| | 357,403 | 309,224 | 484 | 520 |
| Benefits accrued as a result of operations before income tax | 4,478,614 | 4,586,500 | 2,310 | 3,460 |
| Income tax expense/(benefit) | 100,811 | 2,297 | (1) | (1) |
| Benefits accrued as a result of operations after income tax | 4,377,803 | 4,584,203 | 2,311 | 3,461 |

Statement of financial position as at 30 June 2014

| | Asgard Independence Plan – Division 2 | | Asgard Independence Plan – Division 4 | |
|---------------------------------------|--|-------------------|--|---------------|
| | 30 June 2014 | 30 June 2013 | 30 June 2014 | 30 June 2013 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Assets | | | | |
| Investments | | | | |
| Cash and cash equivalents | 763,372 | 736,654 | 5,137 | 5,872 |
| Term deposits | 2,382,598 | 2,581,209 | 264 | 278 |
| Equity securities | 1,041,700 | 801,382 | - | - |
| Unlisted unit trusts | 15,020,470 | 13,169,054 | 19,510 | 22,057 |
| | 19,208,140 | 17,288,299 | 24,911 | 28,207 |
| Other assets | | | | |
| Receivables | 52,591 | 82,523 | 13 | 447 |
| Tax refund due | 1,611 | - | - | - |
| Deferred tax assets | 25,514 | 109,148 | - | - |
| | 79,716 | 191,671 | 13 | 447 |
| Total assets | 19,287,856 | 17,479,970 | 24,924 | 28,654 |
| Liabilities | | | | |
| Payables | 42,075 | 35,278 | 51 | 58 |
| Income tax payable | - | 7,862 | - | - |
| Total liabilities | 42,075 | 43,140 | 51 | 58 |
| Net assets available to pay benefits | 19,245,781 | 17,436,830 | 24,873 | 28,596 |
| Represented by: | | | | |
| Liability for accrued benefits | | | | |
| Allocated to members' accounts | 19,220,267 | 17,327,434 | 24,873 | 28,596 |
| Unallocated to members' accounts | 25,514 | 109,396 | - | - |
| | 19,245,781 | 17,436,830 | 24,873 | 28,596 |

Asgard

CUSTOMER RELATIONS

1800 998 185

CORRESPONDENCE

Asgard

PO Box 7490

Cloisters Square WA 6850

Email: asgard.investor.services@asgard.com.au

Website: www.asgard.com.au

www.investoronline.info

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BT Funds Management Limited

ABN 63 002 916 458

AFSL 233724