



Asgard Super and Pension Account

Annual Report



YEAR ENDING: 30 JUNE 2015

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.

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 2015. This report provides you with updates on product and regulatory changes that may affect your Asgard Super/Pension account, as well as abridged financial information and more.

Throughout 2015 we focused on, and invested in, our service to ensure you continue to receive a world class customer experience. As a testament to this, our Customer Relations team won the Contact Centre of the World 2015 – Large Contact Centre award.

We understand diversified investment options and lower costs are important to any investor. With this in mind, we also worked closely with reputable fund managers to introduce two new fund ranges you can access through our eWRAP and Infinity eWRAP products:

- **BT Wholesale Plus Funds** – giving you exposure to some of those fund managers' best rated and most popular wholesale funds at a reduced investment cost.
- **BT Index Funds** – offers a low cost alternative for you to invest in the market. You can choose from shares, fixed interest and property globally or locally, and even invest in a mix of these depending on your needs.

You can view your own account portfolio, performance and more anytime on Investor *Online* (www.investoronline.info). Simply login and download your Investor Report at Home > Account > Investor correspondence.

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

2015/16 superannuation thresholds

The superannuation contributions caps and various other superannuation thresholds that apply for the 2015/16 financial year are as follows:

| | |
|---|------------------------|
| Low rate cap: | \$195,000 |
| Concessional contributions cap: | |
| • Age 49 or over on 30 June 2015 | \$35,000 |
| • Under age 49 on 30 June 2015 | \$30,000 |
| Non-concessional contributions cap: | \$180,000 ¹ |
| Capital Gains Tax (CGT) Cap (lifetime limit): | \$1,395,000 |
| Government Co-contributions: | |
| • Maximum co-contribution ² | \$500 |
| • Lower threshold | \$35,454 |
| • Upper threshold (cut off) | \$50,454 |

- 1 if you were under age 65 on 1 July 2015 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 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

An increased concessional contribution cap of \$35,000 pa (not indexed) is available for members aged 59 years or over on 30th June 2013 or 49 years or over from 30 June 2014 (see table below).

| Income Year | Concessional cap for those aged | | |
|-------------|----------------------------------|----------------------------------|----------------------------------|
| | 59 years or over on 30 June 2013 | 49 years or over on 30 June 2014 | 49 years or over on 30 June 2015 |
| 2015-16 | \$35,000 | \$35,000 | \$35,000 |
| 2014-15 | \$35,000 | \$35,000 | \$30,000 |
| 2013-14 | \$35,000 | \$25,000 | \$25,000 |

From 1 July 2015 the general concessional contribution cap is \$30,000 pa.

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

Terminal Medical Condition of release

From 1 July 2015, the certification period has been extended from 12 to 24 months for individuals suffering from a terminal medical condition.

If you are suffering from an illness or have incurred an injury that is likely to result in death within 24 months, you may be eligible to access your super as a tax-free lump sum benefit.

It's important to note that if you hold insurance and you withdraw your entire superannuation benefit you will lose any insurance you currently have. To continue your insurance you will need to leave sufficient balance in your account to fund future premiums. This information is intended as a guide only and does not constitute advice. Before making a withdrawal for a Terminal medical condition, you should speak to your financial adviser about the impacts this could have on your insurance entitlements.

Deeming of account-based income streams

Account-based income streams that commenced on or after 1 January 2015 are subject to deeming rules for income test purposes when determining an individual entitlement to Centrelink and DVA benefits.

Under the deeming provisions, all financial investments are assumed to earn a certain rate of income regardless of the income actually generated.

| Customer | Threshold [^] | Deeming Rates |
|--------------------------|---|---------------|
| Single | Up to and including \$48,600 | 1.75% |
| | Above | 3.25% |
| Member of a couple | Up to and including \$80,600 (combined) | 1.75% |
| | Above | 3.25% |
| Member of allowee couple | Up to and including \$40,300 | 1.75% |
| | Above | 3.25% |

[^]Rates and thresholds are effective from 1 July 2015 and are indexed in line with CPI each year.

Account-based pensions that commenced prior to 1 January 2015 will adopt the grandfathering provisions 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 under the grandfathering provisions, 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, Centrelink or DVA about how these changes may impact your income support payment entitlements.

Lost member accounts transferred to the ATO

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 the small lost account threshold; 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).

From 31 December 2015, the small lost account threshold has increased to \$4,000 (currently \$2,000) and from 31 December 2016 it will increase further to \$6,000.

If your account balance is transferred you will be able to reclaim it from the ATO. The ATO will pay interest on unclaimed super money amounts paid directly to eligible individuals for the period the money was held by the ATO after 1 July 2013. Any interest paid is tax free.

* Your super account will 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
- for default employer super plans, no contributions or rollovers have been added to your super account in the last five years.

Proposed changes to superannuation

ATO payment of unclaimed super money

In certain circumstances superannuation funds may be required to transfer super account balances to the ATO as unclaimed superannuation money. Currently, the ATO can only pay this money directly to a person, if they have reached age 65 or the amount is less than \$200.

It is proposed that from 1 July 2016, the ATO will be able to pay unclaimed superannuation money directly to individuals suffering from a terminal medical condition. Requests for payment can be made using the *ATO Payment of unclaimed super money – individual form*. Certified copies of medical certificates must also be provided from two registered medical practitioners, one of which is a specialist in the area related to the individual's illness or injury, certifying that the individual suffers from an illness, or has incurred an injury, that is likely to result in the death of the individual within 24 months.

Individuals can also request the ATO to transfer unclaimed superannuation money held on their behalf to a complying super fund at any time.

Asgard Super and Pension changes

Introducing Wholesale Plus Funds

Post the Global Financial Crisis (GFC) and recent regulatory reform, many investors are seeking quality investments at a lower price. With this in mind, we worked with a range of reputable fund managers to deliver some of their most popular wholesale funds at a reduced investment cost – the Wholesale Plus Funds range.

With more than 35 wholesale funds to choose from, investors can access the same investment exposure at a generally lower ongoing investment cost.

The range of Wholesale Plus Funds¹ is available through the following Asgard products:

- Asgard eWRAP – Super/Pension and Investment
- Asgard Infinity eWRAP – Super/Pension and Investment (Select² and Full menus)

1. All Wholesale Plus Funds are available except for Schroder Wholesale Plus Australian Equity Fund (APIR Code BTA0483AU).
2. Only selected Wholesale Plus Funds will be made available on the Infinity Select menu.

You can find more information on the Wholesale Plus Funds at www.bt.com.au/wholesaleplus.

New BT Index Funds on eWRAP and Infinity eWRAP

More and more investors are seeking quality investments at a lower price. The growing popularity of index funds reflects investors' demand for a low cost way to diversify their holdings. For this reason, we've also worked with a leading index fund provider to create five new single sector index funds.

What are the benefits of using BT Index Funds?

- Lower costs compared to:
 - personally buying the individual market securities
 - actively managed funds which require more research and analysis to invest.
- Invest across the whole market so you are not dependent on the performance of one or two assets.
- The potential to earn returns directly from the performance of the market.
- The security of Advance (a company of BT Financial Group) managing the day-to-day administration and monitoring of your investment.
- Accessing the expertise of one of the world's largest index investment managers* with the underlying assets being purchased, balanced and tracked by BlackRock.

* Based on funds under management.

These new BT Index Funds are available on all eWRAP and Infinity eWRAP products.

You can find more information on the BT Index Funds at www.bt.com.au/investment/products/index-funds.



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 investments 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, a wide 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 2015

For actual performance of your Asgard Super/Pension account, please refer to your Investor Report for the period ending 30 June 2015 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 offerings. 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 can 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 2015 via *Investor Online* under Information > Performance tables.

Earnings paid to your account

Earnings from your investments (whether distribution or dividends), are credited to your cash 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.

Investment managers

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

| | |
|--|--|
| Aberdeen Asset Management Limited | Grant Samuel Fund Services Limited |
| Acadian Asset Management | Hunter Hall Investment Management Limited |
| Advance Asset Management Limited | Hyperion Asset Management |
| Allan Gray Australia Pty Ltd | Ibbotson Associates Australia Ltd |
| AMP Capital Investors | Integrity Investment Management Australia Ltd |
| Antares Capital Partners Limited | Invesco Asset Management Australia Ltd |
| APN Funds Management Limited | Investors Mutual Asset Management |
| AQR Capital Management Llc | Ironbark Asset Management (Funds Services) Ltd |
| Armytage Wholesale Funds Management Ltd | JPMorgan Asset Management (Australia) Limited |
| Ascalon Capital Managers Limited | K2 Asset Management Ltd |
| Aspen Funds Management Limited | Lazard Asset Management Pacific Co |
| Atrium Investment Management Pty Ltd | Legg Mason Asset Management Australia Ltd |
| Aurora Funds Management Limited | LM Investment Management Ltd |
| Ausbil Dexia Limited | Macquarie Investment Management Limited |
| Australian Ethical Investment Ltd | Macquarie Life Limited |
| Australian Unity Funds Management | Macquarie Professional Series |
| Aviva | Macro Capital Limited |
| AXA Australia Limited | Magellan Asset Management |
| AXA Investment Managers Asia (Singapore) Ltd | MAN Investments Australia Ltd |
| Balmain Fund Administration Ltd | Maple-Brown Abbott Limited |
| Bennelong Funds Management Ltd | Members And Education Credit Union Limited |
| Blackrock Investment Management(Australia) Ltd | MFS Investment Management |
| BNP Paribas Investment Partners | Mirvac Aqua Pty Limited |
| Brookfield Capital Management Ltd | MLC Implemented Consulting |
| BT Funds Management Ltd | Montgomery Investment Management Pty Ltd |
| BT Funds Management No.2 Ltd | Mosaic Portfolio Advisers Limited |
| BT Investment Management (Fund Services) Limited | Mutual Limited |
| Celeste Funds Management Limited | NAB Invest Managed Investments Limited |
| Certitude Global Investments Ltd | National Custodian Services (Mlc) |
| Challenger Retirement & Investment Services Ltd | Nikko Am Limited |
| Charter Hall Direct Property Management Ltd | OC Funds Management |
| Colonial First State Fund Managers Limited | Onepath Funds Management Limited |
| Concise Asset Management | Onevue Re Services Ltd |
| Cromwell Property Securities Ltd | Optimix Investment Management Limited |
| Dimensional Fund Advisor Aust Ltd | Pan-Tribal Asset Management Pty Ltd |
| EIM Capital Managers Pty Ltd | Paradice Investment Management Pty Ltd |
| Eley Griffiths Group Pty Ltd | Patersons Asset Management Limited |
| Ellerston Capital Limited | Pengana Capital Limited |
| EQT Funds Management | Perennial Investment Partners Limited |
| Fidante Partners Limited | Perpetual Funds Management Limited |
| Fiducian Portfolio Services Limited | Peters Macgregor Capital Management Ltd |
| FIL Investment Management(Australia)Limited | Platinum Asset Management |
| Franklin Templeton Investments Australia Ltd | Plato Investment Management |
| Freehold Investment Management | Platypus Asset Management Pty Limited |
| Global Value Investors Limited | PM Capital Limited |
| GMO Australia | Prime Value Asset Management Ltd |
| Goldman Sachs Asset Management | Principal Global Investors (Australia) Ltd |

| | |
|---|--|
| Pyrford International Ltd | State Street Global Advisors Aust Ltd |
| Queensland Teachers Mutual Bank Ltd | T. Rowe Price Global Investment Services Ltd |
| Resolution Capital Ltd | Tankstream Funds Management Limited |
| Robeco | Treasury Group Investments Services Ltd |
| Rubicon Partners Limited | Tribeca Investment Partners Pty Ltd |
| Russell Investment Management Ltd | Ubs Asset Management Ltd (NIs) |
| Schroder Investment Management(Australasia) Ltd | Value Partners Limited |
| Select Asset Management (BNP Paribas) | Van Eyk Research Pty Ltd |
| Smarter Money Investments Pty Ltd | Vanguard Investments Australia Ltd |
| Solaris Investment Management | Ventura Investment Management Ltd |
| St.George Bank – Treasury Dept | Westpac Financial Services Limited |
| Standard Life Investments | Zurich Investment Management Ltd |



Investments exceeding 5%

The following investments exceeded more than 5% of the accounts' total assets at 30 June 2015:

| Asgard Independence Plan – Division 2 | | | |
|---------------------------------------|----|---|---|
| Direct assets | % | Indirect assets | % |
| Westpac Term Deposits | 10 | Advance Australian Shares Multi-Blend Fund | 7 |
| Advance Balanced Multi-Blend Fund | 9 | Advance International Shares Multi-Blend Fund | 6 |
| Advance Growth Multi-Blend Fund | 8 | | |
| Advance High Growth Multi-Blend Fund | 5 | | |
| Advance Moderate Multi-Blend Fund | 5 | | |

| Asgard Independence Plan – Division 4 | | | |
|---|----|------------------------------------|---|
| Direct assets | % | Indirect assets | % |
| Maple-Brown Abbott Pooled Super Trust | 17 | BT Wholesale Balanced Returns Fund | 9 |
| St George Money Market Investment Account | 15 | | |
| BT Balanced Returns PST | 9 | | |
| Colonial First State PST – Aust Share | 7 | | |
| BT Active Balanced PST | 6 | | |
| Perpetual PST – Industrial Share Option | 5 | | |

There are no further combinations of investments that the Trustee knows or ought reasonably to know are invested, directly or indirectly, in a single enterprise or single group of associated enterprises and that have a combined value in excess of 5% of the total assets of the accounts.

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. Before acting on this 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 2016:

- you won't have additional tax deducted from employer contributions made to your account during the 2015/16 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 2012/13, 2013/14 and 2014/15.

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 2015, the amount held in this reserve for Asgard Independence Plan – Division 2 was \$369,117 (2014: \$494,024, 2013: \$594,486). 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 it receives 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.

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, unaudited 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 2015

| | Asgard Independence Plan – Division 2 | | Asgard Independence Plan – Division 4 | |
|---|--|-----------|--|--------|
| | 2015 | 2014 | 2015 | 2014 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Investment income | | | | |
| Interest income | 95,003 | 104,887 | 98 | 131 |
| Dividend income | 63,123 | 39,254 | – | – |
| Distribution income | 707,152 | 393,071 | 43 | 54 |
| Changes in net market value of investments | 591,229 | 1,351,315 | 1,579 | 2,606 |
| Other investment income | 33,110 | 23,282 | 50 | 3 |
| | 1,489,617 | 1,911,809 | 1,770 | 2,794 |
| Contributions revenue | | | | |
| Employers' contributions | 626,566 | 579,080 | – | – |
| Members' contributions | 767,336 | 664,120 | – | – |
| Transfers from other funds | 1,728,211 | 1,651,615 | 69 | – |
| | 3,122,113 | 2,894,815 | 69 | – |
| Other revenue | | | | |
| Proceeds from insurance policies | 34,857 | 29,393 | – | – |
| | 34,857 | 29,393 | – | – |
| General administrative expenses | | | | |
| Trustee's fees and administration expenses | 259,195 | 243,559 | 399 | 464 |
| Cash administration and custody fees | 25,094 | 22,920 | 4 | 5 |
| Insurance premiums | 97,826 | 87,406 | – | – |
| Other expenses | 25,506 | 3,518 | 27 | 15 |
| | 407,621 | 357,403 | 430 | 484 |
| Benefits accrued as a result of operations before income tax | 4,238,966 | 4,478,614 | 1,409 | 2,310 |
| Income tax expense/(benefit) | 73,272 | 100,811 | (1) | (1) |
| Benefits accrued as a result of operations after income tax | 4,165,694 | 4,377,803 | 1,410 | 2,311 |

Statement of financial position as at 30 June 2015

| | Asgard Independence Plan – Division 2 | | Asgard Independence Plan – Division 4 | |
|---------------------------------------|--|-------------------|--|---------------|
| | 2015 | 2014 | 2015 | 2014 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Assets | | | | |
| Investments | | | | |
| Cash and cash equivalents | 938,890 | 763,372 | 4,219 | 5,137 |
| Derivatives | 54 | 5 | – | – |
| Term deposits | 2,201,445 | 2,382,598 | 128 | 264 |
| Equity securities | 1,176,026 | 1,041,695 | – | – |
| Unlisted unit trusts | 16,620,917 | 15,020,470 | 17,406 | 19,510 |
| | 20,937,332 | 19,208,140 | 21,753 | 24,911 |
| Other assets | | | | |
| Receivables | 87,221 | 52,591 | 66 | 13 |
| Tax refund due | 6,376 | 1,611 | – | – |
| Deferred tax assets | – | 25,514 | – | – |
| | 93,597 | 79,716 | 66 | 13 |
| Total assets | 21,030,929 | 19,287,856 | 21,819 | 24,924 |
| Liabilities | | | | |
| Payables | 57,289 | 42,075 | 56 | 51 |
| Deferred tax liability | 32,629 | – | – | – |
| Total liabilities | 89,918 | 42,075 | 56 | 51 |
| Net assets available to pay benefits | 20,941,011 | 19,245,781 | 21,763 | 24,873 |
| Represented by: | | | | |
| Liability for accrued benefits | | | | |
| Allocated to members' accounts | 20,933,327 | 19,220,267 | 21,740 | 24,873 |
| Unallocated to members' accounts | 7,684 | 25,514 | 23 | – |
| | 20,941,011 | 19,245,781 | 21,763 | 24,873 |

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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

ISSUED BY

BT Funds Management Limited

ABN 63 002 916 458

AFSL 233724