

Asgard Super and Pension Account

Annual Report

For the year ending 30 June 2016

Asgard

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 Super and Pension Account

Annual Report

For the year ending 30 June 2016



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 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 2016. This report gives you updates on product and regulatory changes that may affect your Asgard Super/Pension account, as well as abridged financial information and more.

It's been a volatile year for markets with challenges at various times by the Greek debt concerns, US Federal Reserve tightening, capital flight from China, Brexit and uncertainty over US economic and policy outlook post Presidential Election.

Over the year to 30 June, share markets were lower, however, bonds had a very strong year. Though uncertainty seems set to dominate the coming year and may constrain overall returns, this can also create opportunities in investments.

We're committed to providing first class products and services to help you grow your investments and retirement savings. In 2016 we've:

- > added ten new investment options onto Asgard eWRAP and Asgard Infinity eWRAP to provide you a wider range of low cost investments
- > introduced our Asgard Investor Rollover tool so you can easily consolidate your super held elsewhere to your Asgard account
- > launched our Benefits Now program to all investors giving access to exclusive offers and deals such as discounted movie tickets, parking and holiday packages.

And here are some awards we won along the way.

- > 'Best Pension Provider in Australia 2016' by World Finance
- > 'Best Advised Product of the Year 2016' for Asgard Infinity eWRAP by Chant West.

To find out more about these initiatives, take a look at page 8 of this report or log into Investor *Online* (www.investoronline.info) to read the articles under Latest news and updates.

If you have any questions about this 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

2016/17 superannuation thresholds

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

Concessional contributions cap:	
Standard cap (under age 49 on 30 June 2016)	\$30,000
Aged 49 or over on 30 June 2016	\$35,000
Non concessional contributions cap:	\$180,000 ¹
Capital Gains Tax (CGT) Cap (lifetime limit):	\$1,415,000
Government Co-contributions	
Maximum co-contribution ²	\$500
Lower threshold	\$36,021
Upper threshold (cut off)	\$51,021
Superannuation Guarantee (SG) rate³:	9.5%
Low rate cap	\$195,000

1 If you were under age 65 on 1 July 2017 you may be able to make up to \$540,000 of non-concessional contributions over three financial years. Refer to 'Changes to superannuation' on page 5 for further information.

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.

3 The SG rate is currently 9.5% where it'll remain 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.

Higher concessional contributions cap

For 2016/17 financial year, the standard concessional contribution cap is \$30,000 per annum.

An increased concessional contribution cap of \$35,000 per annum (not indexed) is available for members aged 49 years or over on 30 June 2016.

The government has proposed that from 1 July 2017, the concessional contributions cap will reduce to \$25,000 per year, irrespective of age. Refer to 'Changes to superannuation' on page 5 for further information.

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 Australian Taxation Office (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 (previously \$2,000) and from 31 December 2016, it will increase further to \$6,000. If your account balance is transferred, you'll 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.

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 eligible individuals who made concessional contributions received in financial years 2012/13 to 2016/17 inclusive. Refer to '*Changes to superannuation*' on page 5 for further information.

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 and 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 the 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 three year period. The TBR levy is due to cease on 1 July 2017.

The Medicare Levy also increased from the 2014/15 financial year from 1.5% to 2.0% and will remain at 2.0% to help fund the National Disability Insurance Scheme.

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

Tax on payments

Income payments

For the 2016/17 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 2016/17 additional tax may be payable as part of the tax return process.

From 1 July 2016 if you're 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	Tax withheld on the Taxable component	Tax withheld on the Tax-free component
Under preservation age ²	A rate of 22% (including the Medicare Levy)	Nil
Preservation age ² to 59	Up to \$195,000 ³ : Nil Above \$195,000 ³ : a rate of 17% (including the Medicare Levy)	Nil
60 or over	Tax-free	Nil

Death benefits paid on or after 1 July 2016 as a lump sum to a non-dependant for tax purposes¹ will have tax withheld in the following manner:

Component	Tax withheld
Tax-free	Nil
Taxable (taxed element)	Taxed at 17% (including the Medicare Levy)
Taxable (untaxed element)	Taxed at 32% (including the 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 This is the low rate cap which provides a lifetime limit of \$195,000 for 2016/17, indexed to AWOTE rounded down to the nearest \$5,000 in subsequent years.

Changes to superannuation

The federal government announced a number of changes to superannuation in the 2016/17 Federal Budget.

These changes have now passed the Federal Parliament and are outlined below. Please note that most of these changes will commence on 1 July 2017.

Non-concessional contributions cap reduced

From 1 July 2017, the non-concessional contributions cap will be reduced to \$100,000 per annum. The existing 'bring-forward' provisions will continue which allows members under age 65 to make non-concessional contributions of up to \$300,000 over three years. Once your total super balance has reached \$1.6 million, you'll no longer be eligible to make non-concessional contributions. Eligibility will be based on an individual's total super balance as at 30 June the previous financial year.

Concessional contributions cap reduced

From 1 July 2017, the concessional (before-tax) contributions cap will reduce from \$30,000 (or \$35,000 for individuals over age 49) to \$25,000 per year, irrespective of age.

From 1 July 2019, those with super balances less than \$500,000 at the end of the previous financial year, will be allowed to make additional concessional contributions by utilising unused concessional cap amounts from the previous five years, however, this will only apply to unused cap amounts from 1 July 2018.

Transfer balance cap

From 1 July 2017, the total amount of superannuation that can be transferred into retirement phase will be capped at \$1.6 million, irrespective of when the income stream commenced. The cap will be indexed in \$100,000 increments in line with increases in the consumer price index. Superannuation savings in excess of the cap can remain in a superannuation account in accumulation phase, where the earnings will continue to be taxed at the concessional rate of 15%. This limit will also apply to existing pensions, where any excess above \$1.6 million at 30 June 2017, will generally be required to be rolled back to the accumulation phase or withdrawn from the super system entirely.

Amounts in excess of the transfer balance cap that are retained in the retirement phase will be subject to additional tax.

Transitional provisions provide an exception to existing pensions where the excess transfer balance at 1 July 2017 will be disregarded if it is less than \$100,000. Investors in this situation will have six months until 31 December 2017 to transfer or withdraw the excess amount.

Removal of the tax exemption for Transition to Retirement income streams

From 1 July 2017, the tax exemption for earnings on the assets of a transition to retirement (TTR) income stream will be removed, irrespective of when the income stream commenced. Instead, the earnings will be taxed at the same rate as a superannuation accumulation account.

Reduction of Division 293 tax threshold

The threshold for Division 293 tax is being reduced from adjusted taxable income (ATI) of \$300,000 per annum to \$250,000 per annum from 1 July 2017.

Low Income Super Tax Offset

The government intends to introduce a Low Income Superannuation Tax Offset (LISTO) from 1 July 2017. The LISTO will compensate individuals earning \$37,000 or less for the tax paid on their concessional contributions to super up to a maximum of \$500 (a concessional contribution of \$3,333). This effectively extends the Low Income Super Contribution (LISC), which ceases to apply after 30 June 2017.

Eligibility for government co-contributions

From 1 July 2017, the government co-contribution only be available to individuals whose non-concessional contributions for the relevant income year do not exceed their non-concessional cap for that year.

Tax deductions for personal contributions

The government intends to allow anyone under age 75 to claim an income tax deduction for personal superannuation contributions made on or after 1 July 2017. Currently, this tax deduction is only available to persons who are not employees for the purposes of Superannuation Guarantee (compulsory superannuation) or who are substantially self-employed (those who earn less than 10% of their total income from employment related activities).

Extending the spouse tax offset

From 1 July 2017, the government intends to extend eligibility for the spouse tax offset, of up to \$540, to an individual making a contribution for an eligible spouse whose income is up to \$37,000 (currently \$10,800). There will be a phase out for spouse income between \$37,000 and \$40,000 (currently \$10,800 and \$13,800).

The tax offset is not available if the spouse's total superannuation balance as at 30 June of the previous financial year has exceeded the transfer balance cap (\$1.6 million).

Other legislation:

Tax on Departing Australia Superannuation Payment

From 1 July 2017, the government proposes to increase the tax applied to Departing Australia Superannuation Payments (DASP) to 95% for temporary residents who held working holiday visas (Subclass 417 and 462). The tax on DASPs for other temporary residents will not change.



Asgard Super and Pension changes

New funds on Asgard eWRAP and Asgard Infinity eWRAP

On 1 August 2016, Asgard introduced ten new investment options onto Asgard eWRAP and Asgard Infinity eWRAP Core. These new funds include:

- > Five new Wholesale Plus Funds, discounted by up to 0.25%. These expand on the range of discounted Wholesale Plus Funds already available.
- > Five new BT Diversified Index funds, offering a low cost diversified investment tailored to your risk profile, whatever your needs might be.

To find out more about these investment options or Asgard eWRAP and Infinity eWRAP, please speak to your adviser or call us on 1800 731 812.

Introducing the Asgard Investor Rollover Tool – making it easier to combine your super accounts

You can now use our Investor Rollover Tool to combine your other super accounts into your open Asgard account, without the need for paper forms.

To use the tool you'll need to gather a few things – your Asgard account number, your tax file number (optional) and details of your other super funds. You can submit multiple transfer requests via the tool at once.

Simply:

1. Enter the required details in the tool
2. Read all the information we've provided.
3. Press 'Submit' to start the automated transfer process

You can access the tool by logging into Investor *Online* (www.investoronline.info) and click on the 'Combine your super' link on the homepage.

There are things you should think about

When using the tool consider all relevant information before making the decision to transfer your super. You should:

- > Check with your other super funds to find out if they charge any exit or withdrawal fees, or if there will be any loss of benefits (eg insurance cover, loyalty benefits)
- > Note you may not receive the same benefits after the transfer and may not be covered for injuries or illnesses which have come up since you took out your previous insurance
- > Know that transferring your other super to your Asgard account won't change where your employer pays your super contributions. If you want to change the fund they're paid to, you need to speak to your employer.

Note: The tool is for whole balance (not partial) rollovers and can't be used to rollover from a self managed super fund (SMSF).

Exclusive savings via Benefits Now

We know you have more than just investment needs. That's why we've created the Benefits Now program.

We've partnered with quality Australian and international brands to give you access to a variety of everyday savings across a wide range of services. You now have access to exclusive offers and deals such as savings of up to 45% on a range of movie tickets, up to 50% on parking at selected locations, 10% on holiday packages and many more.

Benefits Now will continue to add new partners, giving you greater choice and ultimately more benefits.

To access Benefits Now, simply log into Investor *Online* (www.investoronline.info) and click on the 'Benefits Now' tile on the homepage.

Update your Super Profile – to ensure your super is working for you and help us deliver your best financial future

Asgard Employee Super Account Investor Reports now includes your Super Profile, a snapshot of the details we hold for you.

We want to make sure we have your most up-to-date details so you don't miss out on important information about your super, or the exciting benefits you can enjoy as part of our Asgard family.

Completing your Super Profile is easy, and will really let you get ahead with your super.

You can access your Investor Report by logging into Investor *Online* (www.investoronline.info) and clicking on Account > Investor correspondence.

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

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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 2016

For actual performance of your Asgard Super/Pension account, please refer to your Investor Report for the period ending 30 June 2016 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 2016 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	LM Investment Management Ltd
Acadian Asset Management	Macquarie Investment Management Limited
Advance Asset Management Limited	Macquarie Professional Series
Allan Gray Australia Pty Ltd	Magellan Asset Management
Altair Assets Ltd	Man Investments Australia Ltd
AMP Capital Investors	Maple-Brown Abbott Limited
Antares Capital Partners Limited	MBA Limited
Antipodes Partners Limited	Members And Education Credit Union Limited
APN Funds Management Limited	MFS Investment Management
AQR Capital Management Llc	Montgomery Investment Management Pty Ltd
Armytage Wholesale Funds Management Ltd	Morningstar Investment Management Australia Ltd
Ascalon Capital Managers Limited	Mosaic Portfolio Advisers Limited
Atrium Investment Management Pty Ltd	Mutual Limited
Aurora Funds Management Limited	NAB Invest Managed Investments Limited
Ausbil Investment Management Limited	National Custodian Services (Mlc)
Australian Ethical Investment Ltd	Nikko AM Limited
Australian Unity Funds Management	OC Funds Management
AXA Australia Limited	OnePath Funds Management Limited
AXA Investment Managers Asia (Singapore) Ltd	Onevue Re Services Ltd
Bennelong Funds Management Ltd	Optimix Investment Management Limited
Blackrock Im Aust Ltd (Barclays)	Pan-Tribal Asset Management Pty Ltd
Blackrock Investment Management (Australia) Ltd	Paradice Investment Management Pty Ltd
BNP Paribas Investment Partners	Partners Group
Brookfield Capital Management Ltd	Pengana Capital Limited
BT Funds Management Ltd Wsp	Perennial Investment Partners Limited
BT Investment Management (Re) Limited	Perpetual Funds Management Limited
BT Investment Solutions	Peters Macgregor Capital Management Ltd
Celeste Funds Management Limited	Pimco Investor Services
Challenger Retirement & Investment Services Ltd	Platinum Asset Management
Charter Hall Direct Property Management Ltd	Plato Investment Management
Colonial First State Fund Managers Limited	Platypus Asset Management Pty Limited
Concise Asset Management	PM Capital Limited
Cromwell Property Securities Ltd	Prime Value Asset Management Ltd
Dimensional Fund Advisor Aust Ltd	Principal Global Investors (Australia) Ltd

DNR Capital Pty Ltd	Pyrford International Ltd
Eley Griffiths Group Pty Ltd	Queensland Teachers Mutual Bank Ltd
Ellerston Capital Limited	RARE Infrastructure
EQT Funds Management	Resolution Capital Ltd
Fidante Partners Limited	Robeco
Fiducian Portfolio Services Limited	Rubicon Partners Limited
FIL Investment Management(Australia)Limited	Russell Investment Management Ltd
Folkestone Maxim Asset Management Ltd	Schroder Investment Management(Australasia) Ltd
Franklin Templeton Investments Australia Ltd	Select Asset Management (BNP Paribas)
Freehold Investment Management	Smarter Money Investments Pty Ltd
Global Value Investors Limited	Solaris Investment Management
GMO Australia	St George Bank – Treasury Dept
Goldman Sachs Asset Management	Standard Life Investments
Grant Samuel Fund Services Limited	State Street Global Advisors Aust Ltd
Henderson Global Investors (Aust) Funds Mgt Ltd	T. Rowe Price Global Investment Services Ltd
Hunter Hall Investment Management Limited	Tankstream Funds Management Limited
Hyperion Asset Management	Tribeca Investment Partners Pty Ltd
Integrity Investment Management Australia Ltd	UBS Asset Management Ltd (NIs)
Invesco Asset Management Australia Ltd	Van Eyk Research Limited
Investors Mutual Asset Management	Vanguard Investments Australia Ltd
Ironbark Asset Management (Funds Services) Ltd	Ventura Investment Management Ltd
JPMorgan Asset Management (Australia) Limited	Watermark Funds Management
K2 Asset Management Ltd	Westpac Financial Services Ltd Wsp
Lazard Asset Management Pacific Co	Zurich Investment Management Ltd
Legg Mason Asset Management Australia Ltd	

Investments exceeding 5%

The following investments exceeded more than 5% of the accounts' total assets at 30 June 2016:

Asgard Independence Plan – Division 2			
Direct asset	%	Indirect asset	%
Westpac Term Deposits	10	Australian Shares Multi-Blend Fund	9
Advance Balanced Multi-Blend Fund	9		
Advance Growth Multi-Blend Fund	8		
Advance Moderate Multi-Blend Fund	5		

Asgard Independence Plan – Division 4			
Direct asset	%	Indirect asset	%
St George Money Market Investment Account	23	BT Wholesale Balanced Returns Fund	10
Maple-Brown Abbott Pooled Super Trust	18		
BT Balanced Returns PST	10		
Colonial First State PST – Aust Share	8		
BT Active Balanced PST	7		



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 2017:

- > you won't have additional tax deducted from employer contributions made to your account during the 2016/17 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 2013/14, 2014/15 and 2015/16.

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 provision to facilitate these refunds. At 30 June 2016, the amount held in this provision for Asgard Independence Plan – Division 2 was \$1,163,887 (2015: \$369,117, 2014: \$494,024). We manage the provision 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 provision has been established for Asgard Independence Plan – Division 4.

Remuneration

Service fee

The Administrator may receive a service fee of up to 1.1% per annum (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 Corporations 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 2016

	Asgard Independence Plan – Division 2		Asgard Independence Plan – Division 4	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Investments income				
Interest income	76,925	97,048	68	98
Dividend income	55,406	61,078	-	-
Distribution income	916,780	707,152	36	43
Changes in net market value of investments	(620,937)	591,229	269	1,579
Other investment income	26,978	33,110	1	50
	455,152	1,489,617	374	1,770
Contributions revenue				
Members' contributions	604,375	767,336	-	-
Employers' contributions	646,178	626,566	-	-
Transfers from other funds	1,235,395	1,728,211	-	69
	2,485,948	3,122,113	-	69
Other revenue				
Proceeds from insurance policies	40,222	34,857	-	-
	40,222	34,857	-	-
General administration expenses				
Trustee's fees and administration expenses	255,816	259,195	341	399
Cash administration and custody fees	25,654	25,094	3	4
Insurance premiums	121,117	97,826	-	-
Other expenses	15,792	25,506	16	27
	418,379	407,621	360	430
Benefits accrued as a result of operations before income tax	2,562,943	4,238,966	14	1,409
Income tax expense/(benefit)	(16,967)	73,272	-	(1)
Benefits accrued as a result of operations after income tax	2,579,910	4,165,694	14	1,410

Statement of financial position as at 30 June 2016

	Asgard Independence Plan – Division 2		Asgard Independence Plan – Division 4	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Assets				
Cash and cash equivalents	912,605	938,890	4,505	4,219
Derivatives	9	54	-	-
Term deposits	2,140,369	2,201,445	131	128
Equity securities	1,134,466	1,125,493	-	-
Fixed interest securities	33,332	50,533	-	-
Unlisted unit trusts	17,014,403	16,620,917	12,993	17,406
	21,235,184	20,937,332	17,629	21,753
Other assets				
Receivables	76,608	87,221	85	66
Tax refund due	-	6,376	-	-
	76,608	93,597	85	66
Total assets	21,311,792	21,030,929	17,714	21,819
Liabilities				
Payables	56,257	57,289	50	56
Income tax payable	4,934	-	-	-
Deferred tax liability	2,519	32,629	-	-
Total liabilities	63,710	89,918	50	56
Net assets available to pay benefits	21,248,082	20,941,011	17,664	21,763
Represented by:				
Liability for accrued benefits				
allocated to members' accounts	21,248,082	20,933,327	17,664	21,740
unallocated to members' accounts	-	7,684	-	23
	21,248,082	20,941,011	17,664	21,763

For more information



asgard.com.au



1800 998 185



PO Box 7490 Perth WA 6850



Speak to your financial adviser today

ISSUED BY

BT Funds Management Limited

ABN 63 002 916 458

AFSL 233724