

2021

ANNUAL REPORT

Rollover & Superannuation Fund

Colonial First State Investments Limited
ABN 98 002 348 352
AFS Licence 232468
RSE License L0002196

Colonial
First State



Your Annual Report

I am pleased to present the Annual Report for the financial year ended 30 June 2021.

This Annual Report is the final component of the reporting information for the 2020–21 financial year.

If you have any questions about the Annual Report please call Investor Services on 13 13 36 Monday to Friday, 8am to 7pm, Sydney time.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K Power', with a long horizontal flourish underneath.

Kelly Power
Chief Executive Officer of CFS Superannuation

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**The Trustee, Colonial First State Investments Limited,
can be contacted as follows:**

Postal Address: Darling Park, Tower 1, 201 Sussex Street, Sydney NSW 2000

Phone Number: 13 13 36 (for all investor enquiries)

These accounts were prepared on 13 December 2021.

Investment options

Rollover & Superannuation Fund

The objective and strategy of each investment option is available on our website at www.cfs.com.au or call us on 13 13 36.

Investment options	Underlying manager(s)
Australian Share ¹	First Sentier Investors (Australia) IM Ltd
Australian Share – nil entry fee ²	First Sentier Investors (Australia) IM Ltd
Balanced ¹	First Sentier Investors (Australia) IM Ltd
Balanced – nil entry fee ²	First Sentier Investors (Australia) IM Ltd
Capital Secure ¹	First Sentier Investors (Australia) IM Ltd
Capital Secure – nil entry fee ²	First Sentier Investors (Australia) IM Ltd
Conservative ¹	First Sentier Investors (Australia) IM Ltd
Conservative – nil entry fee ²	First Sentier Investors (Australia) IM Ltd
Diversified ¹	First Sentier Investors (Australia) IM Ltd
Diversified – nil entry fee ²	First Sentier Investors (Australia) IM Ltd
Future Leaders ¹	First Sentier Investors (Australia) IM Ltd
Future Leaders – nil entry fee ²	First Sentier Investors (Australia) IM Ltd
High Growth ¹	First Sentier Investors (Australia) IM Ltd
High Growth – nil entry fee ²	First Sentier Investors (Australia) IM Ltd
Property Securities ¹	First Sentier Investors (Australia) IM Ltd
Property Securities – nil entry fee ²	First Sentier Investors (Australia) IM Ltd
Stewart Investors Worldwide Leaders ¹	First State Investments (UK) Limited
Stewart Investors Worldwide Leaders – nil entry fee ²	First State Investments (UK) Limited
Geared Share ¹	First Sentier Investors (Australia) IM Ltd
Geared Share – nil entry fee ²	First Sentier Investors (Australia) IM Ltd
Janus Henderson Global Natural Resources ¹	Janus Henderson Group PLC
Janus Henderson Global Natural Resources – nil entry fee ²	Janus Henderson Group PLC
Global Health & Biotechnology ¹	Wellington Management
Global Health & Biotechnology – nil entry fee ²	Wellington Management
Global Technology & Communications Option ¹	Wellington Management
Global Technology & Communications Option – nil entry fee ²	Wellington Management
FirstChoice Geared Global Share ¹	Ninety One, Hexavest, Alliance Bernstein, J O Hambro Capital Management, Acadian Asset Management, Baillie Gifford
FirstChoice Geared Global Share – nil entry fee ²	Ninety One, Hexavest, Alliance Bernstein, J O Hambro Capital Management, Acadian Asset Management, Baillie Gifford

1 Entry fee options were closed to new investors effective 30 November 2012.

2 Nil entry fee options were closed to new investors effective 28 February 2005.

Asset allocation as at 30 June 2021 (%) Rollover & Superannuation Fund

Australian Share Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	98.16%	95.50%	98.05%	95.29%
International shares	0.00%	0.00%	0.00%	0.00%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	1.84%	4.50%	1.95%	4.71%

Balanced Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	20.80%	20.67%	20.66%	20.70%
International shares	15.33%	17.72%	15.22%	17.76%
Property	4.78%	4.71%	4.74%	4.72%
Fixed interest	26.18%	25.35%	25.99%	25.39%
International fixed interest	14.41%	10.41%	14.31%	10.43%
Cash	18.50%	21.14%	19.08%	21.00%

Capital Secure Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	0.00%	0.00%	0.00%	0.00%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	100.00%	100.00%	100.00%	100.00%

Conservative Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	14.84%	14.54%	14.76%	14.58%
International shares	9.08%	10.10%	9.04%	10.13%
Property	5.02%	4.78%	4.99%	4.79%
Fixed interest	25.84%	28.44%	25.71%	28.53%
International fixed interest	13.54%	10.37%	13.47%	10.40%
Cash	31.68%	31.77%	32.03%	31.57%

Asset allocation as at 30 June 2021 (%)

Rollover & Superannuation Fund

Diversified Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	30.67%	30.40%	30.72%	30.35%
International shares	24.77%	27.55%	24.80%	27.52%
Property	4.64%	4.67%	4.65%	4.67%
Fixed interest	19.14%	18.10%	19.17%	18.08%
International fixed interest	10.73%	7.77%	10.74%	7.76%
Cash	10.05%	11.51%	9.92%	11.62%

Future Leaders Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	97.34%	95.68%	97.53%	95.47%
International shares	0.00%	0.00%	0.00%	0.00%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	2.66%	4.32%	2.47%	4.53%

Geared Global Share Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	93.61%	91.91%	94.65%	92.36%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	6.39%	8.09%	5.35%	7.64%

Geared Share Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	95.04%	92.71%	95.06%	92.59%
International shares	0.00%	0.00%	0.00%	0.00%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	4.96%	7.29%	4.94%	7.41%

Asset allocation as at 30 June 2021 (%) Rollover & Superannuation Fund

Global Healthcare & Biotechnology Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	91.54%	90.48%	91.01%	89.84%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	8.46%	9.52%	8.99%	10.16%

Global Technology & Communications Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	92.16%	92.36%	90.75%	92.38%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	7.84%	7.64%	9.25%	7.62%

High Growth Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	48.51%	47.30%	48.13%	46.93%
International shares	44.29%	47.59%	43.93%	47.21%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	7.20%	5.11%	7.94%	5.86%

Janus Henderson Global Natural Resources Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	98.57%	94.46%	98.38%	94.76%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	1.43%	5.54%	1.62%	5.24%

Asset allocation as at 30 June 2021 (%)

Rollover & Superannuation Fund

Property Securities Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	0.00%	0.00%	0.00%	0.00%
Property	97.50%	95.68%	97.53%	94.23%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	2.50%	4.32%	2.47%	5.77%

Worldwide Leaders Option	Nil Entry Fee		Entry Fee	
	2020	2021	2020	2021
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	80.34%	93.62%	81.34%	92.50%
Property	0.00%	0.00%	0.00%	0.00%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	19.66%	6.38%	18.66%	7.50%

Performance returns as at 30 June 2021 (%) Rollover & Superannuation Fund

	Annual effective rate of net earnings ¹					5 year compound average rate of return	Since Inception
	2021	2020	2019	2018	2017		
Rollover – Australian Share NEF Option ³	30.56	3.94	7.94	20.78	3.22	12.80	8.06
Balanced NEF Option ³	11.28	0.10	6.42	6.68	3.94	5.62	4.14
Capital Secure NEF Option ³	0.02	0.33	0.81	0.68	0.71	0.51	2.24
Conservative NEF Option ³	7.45	0.95	5.35	4.62	2.16	4.08	3.94
Diversified NEF Option ³	16.29	-0.83	7.46	8.26	5.62	7.22	4.68
Future Leaders NEF Option ³	21.50	-10.79	-4.40	28.13	1.44	6.14	6.70
FirstChoice Geared Global Option ³	44.65	1.76	3.31	18.57	19.33	16.56	2.87
Geared Share NEF Option ³	69.00	-9.62	15.45	27.93	22.50	22.55	11.62
Global Health & Biotechno Option ³	9.02	14.14	8.61	6.16	13.17	10.18	5.74
Global Tech & Comm NEF Option ³	30.10	25.91	15.46	16.17	21.92	21.78	7.21
High Growth NEF Option ³	29.29	-2.28	5.92	13.11	8.47	10.42	5.69
Janus Henderson Global Natural Resources NEF Option ³	43.49	-3.45	-2.19	-	-	-	9.68
Property Securities NEF Option ³	29.37	-15.64	15.34	9.41	-6.66	5.15	3.88
Stewart Investors Worldwide Leaders Sustainab Option ³	21.54	2.95	7.35	10.18	7.31	9.69	3.04
Australian Share Option ³	30.59	3.97	8.38	21.46	3.47	13.08	9.86
Balanced Option ³	11.28	0.15	6.81	7.11	4.33	5.87	6.16
Capital Secure Option ³	0.03	0.34	1.15	1.03	1.06	0.72	2.94
Conservative Option ³	7.47	0.87	5.86	5.12	2.54	4.34	5.25
Diversified Option ³	16.31	-0.78	7.86	8.63	5.99	7.46	6.20
Future Leaders Option ³	21.25	-11.07	-3.64	28.98	1.77	6.40	6.56
FirstChoice Geared Global Option ³	44.89	1.75	3.61	19.08	19.79	16.86	3.35
Geared Share Option ³	67.09	-8.73	16.52	29.47	23.80	23.29	12.23
Global Health & Biotechnology Option ³	9.03	14.23	9.00	6.62	13.46	10.43	4.53
Global Technology & Communications Option ³	30.32	25.87	15.81	16.62	22.44	22.09	4.49
High Growth Option ³	29.30	-2.21	6.29	13.49	8.89	10.68	6.27
Janus Henderson Global Natural Resources Option ³	43.01	-3.41	-2.23	-	-	-	9.57
Property Securities Option ³	30.68	-16.60	14.69	9.73	-6.51	5.10	5.68
Stewart Investors Worldwide Leaders Sustainab Option ³	21.58	2.98	7.73	10.62	7.72	9.96	5.24

1 The annual effective rate of net earnings is calculated on an exit price to exit price basis, net of taxes payable and after ongoing fees and expenses, but excluding entry fees and individual taxes.

2 Closed to new investors.

3 Closed to new investments.

Past performance is no indication of future performance.

Other important information

Indemnity insurance

The Trustee is responsible for its activities and carries professional indemnity insurance.

Method of allotment of earnings in all investment options

All income, including realised and unrealised capital gains and losses, and expenses for all investment options are brought to account and are fully reflected in the unit price of that option. Income tax as appropriate is provided for in the unit price for each investment option.

Trustee's policy for the use of derivatives

The Trustee has a detailed Derivative Risk Management Policy which covers the use of derivatives, the controls over their use, and the processes of assessing compliance with those controls. These policies and controls are intended to ensure proper use of derivatives. The Fund has an indirect exposure to derivatives through its investments in other managed investment schemes managed by the Trustee. Derivatives are used in the underlying investments as an alternative to direct purchases or sales and not for trading purposes.

Taxation matters

Taxation considerations are general and based on present taxation laws and may be subject to change. You should seek independent, professional tax advice before making any decision based on his information.

Colonial First State is also not a registered tax (financial) adviser under the Tax Agent Services Act 2009 and you should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law.

Temporary residents

If you are a temporary resident and have not requested a Departing Australia Superannuation Payment (DASP) benefit within six months of the later of your temporary visa expiring and the date you are leaving the country, we may be required to pay your account balance to the Australian Taxation Office (ATO). In these circumstances you will no longer be a member of the Fund and you will lose any insurance cover.

You will also no longer be invested in your chosen investment option(s).

We rely upon ASIC Corporations Unclaimed Superannuation – Former Temporary Residents Instrument 2019/873, which releases us from the requirement to notify you or give you an exit statement upon transferring your benefit to the ATO. From 1 July 2013, interest accrues on your account balance from the time it is paid to the ATO. Once your account has been transferred to the ATO, you may claim your benefit by completing the DASP online application at www.ato.gov.au

Working holiday makers

Departing Australia Superannuation Payments (DASPs) made to working holiday makers will be taxed at a different rate to those paid to other temporary residents. You are classified as a working holiday maker where you hold or have held a 417 Working Holiday visa or a 462 Work and Holiday visa. Please refer to the ATO site for further information: www.ato.gov.au/Individuals/coming-to-australia-or-going-overseas/coming-to-australia/working-holiday-makers/

Superannuation contribution surcharge

Payments of the superannuation contribution surcharge if applicable are paid by deductions from your account, or, if the Trustee receives an assessment after you have left, it will generally be forwarded on to the fund or institution to which you have transferred your benefit.

Unclaimed money and lost members

We may be required to pay your account balance to the ATO if:

- you are 65 years or older, we have not received a contribution in two years, and we have been unable to contact you for five years
- your account is subject to a family law payment split, but we are unable to identify the ex-spouse entitled to the super benefit
- you are deceased, we have not received a contribution or rollover for you in the past two years, and we can't (after reasonable attempts and a reasonable period of time) identify a person entitled to your super benefit
- you are a lost member and either:
 - your account balance is less than \$6,000, or
 - we have not received an amount in respect of you in the last 12 months, and we do not have enough information to identify you and would not be able to pay an amount to you.

You will be a lost member where:

- at least one written communication has been sent back to us undelivered and we believe you can no longer be contacted, or we've never had an address for you, and we have not received a contribution or rollover for you within the last 12 months and you have not contacted the fund or accessed information about your account electronically within the last 12 months, or
- you joined the fund as a result of an agreement between your employer and the trustee of the fund, and you have been a member of the fund for longer than two years, and the fund has not received a contribution or rollover in respect of you in five years.

We may also transfer your account balance to the ATO on a voluntarily basis if we reasonably believe such a transfer to be in your best interests.

If your account balance is transferred to the ATO, you will no longer be a member of the Fund and you will lose any insurance cover. You will also no longer be invested in your chosen investment option(s).

From 1 July 2013, interest will accrue on your account balance from the time it is paid to the ATO. You may claim your benefit by completing the online application, or downloading a paper application form, from www.ato.gov.au.

Inactive accounts with a low account balance

If your account has no insurance cover, your account balance is below \$6,000, you have not satisfied a prescribed condition of release and we have not received a contribution or rollover to your account for a continuous period of 16 months (inactive low balance account), we are required by law to report and transfer your account to the Australian Taxation Office (ATO).

Your account will no longer be considered inactive and will not be transferred to the ATO, if for example, in the last 16 months you make a contribution or rollover, change your investment options, make or alter a binding beneficiary nomination or instruct us not to transfer your inactive low balance account to the ATO, before the relevant ATO transfer date.

We will report on and transfer inactive low balance accounts to the ATO twice a year, in accordance with legislated timeframes. The ATO will transfer your balance to your active super account, where possible.

Other important information

Successor Fund Transfer to FirstChoice Wholesale Personal Super

Following the financial year ending 30 June 2021, in October 2021, all member accounts in the Rollover & Superannuation Fund were transferred to FirstChoice Wholesale Personal Super through a Successor Fund Transfer arrangement.

Transfer to the Eligible Rollover Fund (ERF)

If we lose touch with you, or you are no longer eligible to be a member of our fund, we may transfer your super to another fund, called an ERF. We will give you 30 days advance written notice if we need to do this, so you have the chance to tell us which fund you'd like us to transfer your benefits to. If we don't hear from you, we'll transfer your funds to the ERF and let you know in a letter that we'll send to your last known address.

The ERF selected by Colonial First State is:

SuperTrace Eligible Rollover Fund (SuperTrace)

ABN 73 703 878 235

Locked Bag 5429

Parramatta NSW 2124

Freecall: 1300 788 750

Being transferred to the ERF will affect your super benefits for the following reasons:

- You will become a member of the SuperTrace fund and be subject to its governing rules. You can contact SuperTrace to ask for a copy of their PDS.
- SuperTrace will apply a different fee structure. You should refer to its PDS for circumstances in which fees may apply.
- SuperTrace does not offer insurance benefits in the event of death or disablement.
- SuperTrace invests benefits in a low risk strategy, which directly affects the investment returns applied to accounts.

You may be eligible to continue death and salary continuance cover by taking out an individual life insurance policy with the insurer, subject to the terms of that individual life policy. If you apply to do this within 60 days of leaving FirstChoice and you are less than age 60 (55 for salary continuance), evidence of health will not be required. The new individual policy will be issued subject to the insurer's underwriting requirements for occupation, residence and pastimes, and the applicable rates that apply to the individual policy at the time of taking out the continuation policy. You should review your super regularly to evaluate whether the ERF is appropriate for your personal circumstances.

It is intended that superannuation law will change in 2021 which will result in all ERFs being closed. Once this occurs we will no longer transfer any funds to ERF.

Other important information

External dispute resolution

If you are dissatisfied with the handling or outcome of your complaint, you have the option of contacting an external dispute resolution service about your complaint. You may lodge a complaint with the Australian Financial Complaints Authority (AFCA).

Online: afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority

GPO Box 3

Melbourne VIC 3001

Note: To allow AFCA to easily identify us, please quote our membership number: 10318

Time limits may apply to complain to AFCA so you should act promptly or otherwise consult the AFCA websites to find out if or when the time limit relevant to your circumstances expires.

Other important information

Further information you may request to receive

You may also request the following additional information from Colonial First State by calling Investor Services on 13 13 36:

- Please refer to our website cfs.com.au to download a copy of the most recent Rollover & Superannuation Fund Flyer covering the relevant investment strategies and options, contribution levels and insurance cover of the Fund.
- The full audited financial statements for the Fund.
- The Trust Deed governing the Colonial First State Rollover & Superannuation Fund.
- Information published on any of the underlying funds that the investment options invest in.
- Performance reports for each of the investment options comprising the Colonial First State Rollover & Superannuation Fund, which is updated quarterly.

Investments with a market value of over 5% of the Fund

Colonial First State Rollover & Superannuation Fund ('the Fund')

Investments Directly Held	%	Investments Indirectly Held	%
Colonial First State Wholesale Balanced Fund	9%	Colonial First State Global Asset Management ¹ Fixed Interest Trust 3	34%
		Colonial First State Investment Fund 96	8%
		Colonial First State Global Asset Management ¹ Multi Sector Trust 1	10%
		Colonial First State Wholesale Global Property Securities Fund	5%
		Colonial First State Wholesale Global Share Fund	8%
		Colonial First State Wholesale Industrial Share Fund	10%
		Colonial First State Wholesale Cash Fund	14%
		Colonial First State Wholesale Industrial Share Fund – Core	10%
Colonial First State Wholesale Diversified Fund	17%	Colonial First State Global Asset Management [±] Fixed Interest Trust 3	24%
		Colonial First State Investment Fund 96	10%
		Colonial First State Global Asset Management ¹ Multi Sector Trust 1	10%
		Colonial First State Wholesale Global Share Fund	11%
		Colonial First State Wholesale Industrial Share Fund	15%
		Colonial First State Wholesale Industrial Share Fund – Core	15%
Colonial First State Wholesale Australian Share Fund	28%	CSL Ltd	7%
		Commonwealth Bank of Australia	8%
		National Australia Bank Ltd	6%
		BHP Group Ltd	10%
		Afterpay Ltd	6%
Colonial First State Wholesale High Growth Fund	6%	Colonial First State Developing Companies Fund	10%
		Colonial First State Investment Fund 96	25%
		Colonial First State Wholesale Global Share Fund	24%
		Colonial First State Wholesale Industrial Share Fund	20%
		Colonial First State Wholesale Industrial Share Fund – Core	20%
Colonial First State Wholesale Capital Secure Fund	7%	Australia & New Zealand Bank NCD	16%
		National Australia Bank NCD	8%

1. From August 2019, Colonial First State Global Asset Management is known as First Sentier Investors.

Other important information

Investments Directly Held	%	Investments Indirectly Held	%
Colonial First State Wholesale Geared Share Fund ²	18%	James Hardie Industries PLC	8%
		Aristocrat Leisure Ltd	5%
		Domino's Pizza Enterprises Ltd	6%
		Woolworths Group Ltd	9%
		CSL Ltd	15%
		Australia & New Zealand Banking Group Ltd	6%
		Commonwealth Bank of Australia	17%
		National Australia Bank Ltd	11%
		Westpac Banking Corporation	10%
		Goodman Group	7%
		Charter Hall Group	5%
		BHP Group Ltd	19%
		Afterpay Ltd	8%
		Cash	7%

² Exposure to indirectly held assets is greater than 100% as this fund is geared.

Regulatory changes

The information contained in the following sections is general information only and does not take into account your objectives, personal financial situation, or needs. You should assess whether the information is appropriate for you and talk to your financial adviser for further information. The information in this section is current as of 7 December 2021.

Recent legislative changes to superannuation

The following are some key changes to superannuation legislation which have taken effect recently.

Increase in maximum age to use 'bring-forward rule'

The bring-forward rule may allow you to make up to \$330,000 in non-concessional contributions at one time, which is above the standard cap of \$110,000 per financial year (based on 2021-22 cap amount).

Prior to 1 July 2020, you had to be under 65 at any time during a financial year to use the bring-forward rule. However, from 1 July 2020, the bring-forward rule has been extended to people aged under 67 any time during a financial year.

It is important to note that your non-concessional contributions cap (including under the bring-forward rule) may also be reduced based on your total superannuation balance. You must also meet general contribution eligibility requirements (eg, the work test or work test exemption if aged 67 to 74) at the time of making a voluntary contribution.

Re-contribution of COVID-19 early release superannuation amounts

If you made eligible withdrawals of up to \$20,000 from super between 20 April 2020 and 31 December 2020 under the COVID-19 early release rules, you can re-contribute these amounts from 1 July 2021 to 30 June 2030 as a 're-contribution of COVID-19 early release superannuation amounts'. These amounts will not count towards your non-concessional contributions cap and you cannot claim a tax-deduction for the re-contribution. You must provide us with a 'Notice of re-contributions of COVID-19 Early Release amounts' form at the time you make this type of contribution (available from the ATO).

Introduction of 'stapled fund' rules

Most people are eligible to choose which superannuation fund receives their employer Superannuation Guarantee (SG) contributions. Where an eligible employee does not exercise choice of fund, the employer must instead generally pay their SG contributions to the employer's default super fund.

However, where a new employee starts with an employer on or after 1 November 2021, and does not choose a super fund, the employer must instead generally contribute to their existing (stapled) fund where one exists¹, or to the employer's default fund if the employee doesn't have a stapled fund. In some situations where a new employee is not eligible to choose a super fund, an employer may also be required to contribute to the employee's stapled fund.

This new legislation aims to help prevent the creation of unintended multiple superannuation accounts by having a person's existing superannuation fund follow them as they change employment. The stapled fund rules don't apply to employees who started with an employer prior to 1 November 2021.

For more information about the stapled fund rules, refer to www.ato.gov.au.

YourSuper comparison tool

The ATO has introduced an interactive online comparison tool that:

- Displays a table of simple super products (MySuper products) ranked by fees and net returns (updated quarterly).
- Allows you to select and compare in more detail up to four MySuper products at a time.
- Links you to a super fund's website when you select a MySuper product from the table.

¹ Employers determine whether an employee has a stapled fund by checking with the ATO.

- an show your current super accounts alongside other MySuper products – if you access the personalised version through myGov.
- Provides links to help you consolidate your super accounts.

To access the YourSuper comparison tool, log in to ATO online services through myGov (personalised version) or visit www.ato.gov.au/YourSuper-Comparison-Tool/ (non-personalised version).

Annual performance test

From 1 July 2021, the Australian Prudential Regulation Authority (APRA) commenced annual performance tests on MySuper products. Where a product fails the performance test, it is required to notify members and provide them with information about the YourSuper comparison tool (see above). Where a product fails the performance test for a second consecutive time, it is prohibited from accepting new members until APRA is satisfied its performance has improved.

From 1 July 2022, the above performance test rules will be extended to certain other (trustee-directed) super products.

Proposed changes to superannuation

The following are some key future changes to superannuation legislation which have been announced by the Government. The Government introduced a Bill to implement these changes on 27 October 2021, however at the time of writing (7 December 2021) the Bill had not passed Parliament or become law.

End of the work test for certain contributions for people aged up to 74

Under current rules, you must meet a work test (or alternatively qualify for a work test exemption) if making most types of voluntary superannuation contributions while aged 67 to 74².

From an expected date of 1 July 2022, the Government has proposed that people in this age group will be able to make or receive non-concessional contributions (including under the bring-forward rule) or salary sacrifice super contributions without meeting the work test (or work test exemption), subject to existing contribution caps.

However, people in this age group wanting to make personal tax-deductible contributions will still have to satisfy a work test or work test exemption.

Further increase in maximum age to use 'bring-forward rule'

The bring-forward rule may allow you to make up to \$330,000 in non-concessional contributions at one time, which is above the standard cap of \$110,000 per financial year (based on 2021-22 cap amount).

On 1 July 2020, the bring-forward rule was extended to people aged 65 or 66 at the start of a financial year (see the previous section for further information). From an expected date of 1 July 2022, the Government has announced that access to the bring-forward rule will be further extended to people aged under 75³ any time during a financial year.

At the time of writing (7 December 2021), it is unclear whether the proposed change would involve a tapering of the contribution amount permitted under the bring-forward rule as a person gets closer to age 75.

It is important to note that your non-concessional contributions cap (including under the bring-forward rule) may also be reduced based on your total superannuation balance.

² Age 74 includes the period up to 28 days after the end of the month in which you turn 75.

³ Under general contribution eligibility requirements, any non-concessional contributions would need to be made no later than 28 days after the end of the month in which you turn 75.

Regulatory changes

Increasing the maximum releasable amount under the First Home Super Saver Scheme

Under existing First Home Super Saver Scheme (FHSSS) rules, a person can only apply to have up to \$30,000 of their eligible voluntary contributions plus a deemed earnings amount released from super to purchase their first home.

From an expected date of 1 July 2022, the Government has proposed increasing the maximum releasable contributions amount for the FHSSS from \$30,000 to \$50,000.

Reduction of the eligibility age for downsizer contributions

The downsizer contribution allows people to make a one-off after-tax contribution to super of up to \$300,000 from the proceeds of selling their home they have held for at least 10 years. Under the rules both members of a couple can make downsizer contributions in respect of the same home, and the contributions do not count towards a member's non-concessional contributions caps.

Currently you must be aged 65 or over to make a downsizer contribution. However, from an expected date of 1 July 2022, the Government has proposed expanding access to allow eligible people aged 60 or over to make a downsizer contribution.

Removal of the \$450 per month minimum Super Guarantee threshold

From an expected date of 1 July 2022, the Government has proposed removing the \$450 per month minimum Super Guarantee income threshold. Under the current rules, an employer is not required to pay Super Guarantee contributions for an employee who earns less than \$450 per month.

1. Employers determine whether an employee has a stapled fund by checking with the ATO.

Abridged financial report Rollover & Superannuation Fund

The financial report of the Colonial First State Rollover & Superannuation Fund (the Fund) has been audited by PricewaterhouseCoopers, and in their opinion, present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Fund as at 30 June 2021 and the results of its operations for the year ended 30 June 2021. Set out below is an abridged version of the accounts for the Fund for the year to 30 June 2021 along with comparatives for the year to 30 June 2020. The abridged financial report is unaudited and only the annual financial report has been audited. For a better understanding of the financial report and auditor's report, the abridged financial information should be read in conjunction with the annual financial report for the year ended 30 June 2021.

Statement of Financial Position as at 30 June 2021

	2021 \$'000	2020 \$'000
Assets		
Cash and cash equivalents	82,714	30,707
Contributions receivable	960	975
Receivables	9	147
Income tax receivable	–	4,474
Financial investments	2,950,668	2,464,571
Total assets	3,034,351	2,500,874
Liabilities		
Benefits payable	1,131	747
Other payables	309	255
Income tax payable	19,238	–
Deferred tax liabilities	53,934	12,028
Total liabilities excluding member benefits	74,612	13,030
Net assets available for member benefits	2,959,739	2,487,844
Defined contribution member liabilities	2,958,472	2,484,954
Total net assets	1,267	2,890
Equity		
Unallocated surplus/(deficit)	1,267	2,890
Total equity	1,267	2,890

Abridged financial report

Rollover & Superannuation Fund

Income Statement for the year ended 30 June 2021

	2021 \$'000	2020 \$'000
Superannuation activities		
Interest income	20	233
Distribution income	222,600	143,946
Net changes in fair value of financial investments	473,554	(158,032)
Other income	136	4,411
Total income	696,310	(9,442)
Administration expenses	1,407	22,630
Advisor service fees	269	214
Other expenses	–	–
Total expenses	1,676	22,844
Results from superannuation activities before income tax expense	694,634	(32,286)
Income tax benefit/(expense)	(53,851)	19,007
Results from superannuation activities after income tax expense	640,783	(13,279)
Net benefits allocated to defined contribution members	(642,406)	12,709
Operating result after income tax	(1,623)	(570)

Statement of Changes in Member Benefits for the year ended 30 June 2021

	2021 \$'000	2020 \$'000
Opening balance of member benefits	2,484,954	2,742,228
Member contributions	21,844	18,814
Employer contributions	43,353	44,500
Transfers from other superannuation funds	16,444	21,756
Transfers to other superannuation funds	(154,084)	(220,963)
Income tax on contributions	(7,710)	(7,831)
Net after tax contributions	(80,153)	(143,724)
Benefits to members or beneficiaries	(87,914)	(99,413)
Death and disability benefits credited to member accounts	1,173	793
Insurance premiums charged to members	(1,994)	(2,221)
Net benefits allocated comprising:		
– Net investment income	644,082	10,135
– Net administration fees	(1,407)	(22,630)
– Advisor service fees	(269)	(214)
Closing balance of members benefits	2,958,472	2,484,954

Enquiries

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