

Rollover & Superannuation Fund

Annual Report 2014

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



Dear Investor

Your Annual Report

We are pleased to present the Annual Report for the financial year ended 30 June 2014. This Annual Report is the final component of the reporting information for the 2013–14 financial year.

If you have any questions about the Annual Report please call us on **13 13 36** Monday to Friday, 8am to 7pm, AEST.

Yours sincerely,



A handwritten signature in black ink, appearing to read 'L Elkins', written in a cursive style.

Linda Elkins
Executive General Manager
Colonial First State

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

Postal Address: 11 Harbour Street Sydney NSW 2000

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

Fax Number: (02) 9303 3200

These accounts were prepared on 30 November 2014.

Investment options

Rollover & Superannuation Fund

The objective and strategy of each investment option is available free of charge on our website, colonialfirststate.com.au or by calling us on 13 13 36.

Investment options	Underlying manager(s)
Australian Share	Colonial First State Global Asset Management
Australian Share – nil entry fee ¹	Colonial First State Global Asset Management
Balanced	Colonial First State Global Asset Management
Balanced – nil entry fee ¹	Colonial First State Global Asset Management
Capital Secure	Colonial First State Global Asset Management
Capital Secure – nil entry fee ¹	Colonial First State Global Asset Management
Conservative	Colonial First State Global Asset Management
Conservative – nil entry fee ¹	Colonial First State Global Asset Management
Diversified	Colonial First State Global Asset Management
Diversified – nil entry fee ¹	Colonial First State Global Asset Management
FirstChoice Geared Global Share	Acadian Asset Management LLC, Alliance Bernstein, Baillie Gifford, Capital Group, Hexavest, Sarasin & Partners, J O Hambro Capital Management
FirstChoice Geared Global Share – nil entry fee ¹	Acadian Asset Management LLC, Alliance Bernstein, Baillie Gifford, Capital Group, Hexavest, Sarasin & Partners, J O Hambro Capital Management
Future Leaders ¹	Colonial First State Global Asset Management
Future Leaders – nil entry fee ¹	Colonial First State Global Asset Management
Geared Share	Colonial First State Global Asset Management
Geared Share – nil entry fee ¹	Colonial First State Global Asset Management
Global Health & Biotechnology	Wellington Management
Global Health & Biotechnology – nil entry fee ¹	Wellington Management
Global Resources	Colonial First State Global Asset Management
Global Resources – nil entry fee ¹	Colonial First State Global Asset Management
Global Technology & Communications	Wellington Management
Global Technology & Communications – nil entry fee ¹	Wellington Management
High Growth	Colonial First State Global Asset Management
High Growth – nil entry fee ¹	Colonial First State Global Asset Management
Income ²	Colonial First State Global Asset Management
Income – nil entry fee ^{1,2}	Colonial First State Global Asset Management
Property Securities	Colonial First State Global Asset Management
Property Securities – nil entry fee ¹	Colonial First State Global Asset Management
Worldwide Leaders	Colonial First State Global Asset Management
Worldwide Leaders – nil entry fee ¹	Colonial First State Global Asset Management

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

1 This option was closed to new investors effective 28 February 2005.

2 Option terminated effective 9 November 2012.

Asset allocation as at 30 June 2014 (%) Rollover & Superannuation Fund

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Australian Share Option				
Australian shares	97.75	98.19	97.62	98.16
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	2.25	1.81	2.38	1.84

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Balanced Option				
Australian shares	20.10	19.80	20.10	19.79
International shares	24.30	23.49	24.31	23.48
Property	4.95	5.15	4.95	5.14
Fixed interest	24.04	27.87	24.05	27.89
International fixed interest	11.31	7.65	11.32	7.65
Cash	15.30	16.04	15.27	16.05

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Capital Secure Option				
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

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Conservative Option				
Australian shares	14.79	14.78	14.74	14.79
International shares	10.01	9.17	9.97	9.18
Property	5.00	5.21	4.99	5.22
Fixed interest	27.34	31.82	27.24	31.84
International fixed interest	12.87	8.74	12.82	8.74
Cash	29.99	30.28	30.24	30.23

Asset allocation as at 30 June 2014 (%)

Rollover & Superannuation Fund

Diversified Option	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Australian shares	30.16	29.82	30.25	29.76
International shares	34.39	33.24	34.48	33.20
Property	4.85	5.16	4.86	5.15
Fixed interest	15.74	18.62	15.78	18.60
International fixed interest	9.38	6.96	9.40	6.95
Cash	5.48	6.20	5.23	6.34

FirstChoice Geared Global Share Option	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Australian shares	0.00	0.00	0.00	0.00
International shares	97.23	94.97	97.56	96.23
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	2.77	5.03	2.44	3.77

Future Leaders Option	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Australian shares	95.81	97.51	95.95	97.35
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	4.19	2.49	4.05	2.65

Geared Share Option	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Australian shares	95.62	96.07	95.80	96.17
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	4.38	3.93	4.20	3.83

Asset allocation as at 30 June 2014 (%) Rollover & Superannuation Fund

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Global Health & Biotechnology Option				
Australian shares	0.00	0.00	0.00	0.00
International shares	92.94	90.55	92.92	90.48
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	7.06	9.45	7.08	9.52

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Global Resources Option				
Australian shares	0.00	0.00	0.00	0.00
International shares	96.34	96.51	96.34	96.52
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	3.66	3.49	3.66	3.48

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Global Technology & Communications Option				
Australian shares	0.00	0.00	0.00	0.00
International shares	95.22	91.20	94.37	91.26
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	4.78	8.80	5.63	8.74

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
High Growth Option				
Australian shares	48.99	48.45	48.99	48.35
International shares	47.35	46.24	47.36	46.14
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	3.66	5.31	3.65	5.51

Asset allocation as at 30 June 2014 (%)

Rollover & Superannuation Fund

Income Option	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
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

Property Securities Option	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Australian shares	0.00	0.00	0.00	0.00
International shares	0.00	0.00	0.00	0.00
Property	97.49	95.82	97.69	95.65
Fixed interest	0.00	0.00	0.00	0.00
International fixed interest	0.00	0.00	0.00	0.00
Cash	2.51	4.18	2.31	4.35

Worldwide Leaders Option	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Australian shares	0.00	0.00	0.00	0.00
International shares	97.20	79.49	97.91	81.21
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	2.80	20.51	2.09	18.79

Performance returns as at 30 June 2014 (%)

Rollover & Superannuation Fund

	Annual effective rate of net earnings ¹					5 year compound average rate of return	Since inception
	2014	2013	2012	2011	2010		
Rollover – Australian Share	17.06	25.23	-8.22	10.32	12.52	10.80	9.53
Rollover – Australian Share NEF ²	16.34	24.53	-8.44	9.84	12.27	10.35	6.81
Rollover – Balanced	9.91	11.26	-3.29	5.66	8.78	6.33	6.46
Rollover – Balanced NEF ²	9.80	10.82	-3.61	5.30	8.38	6.00	3.64
Rollover – Capital Secure	1.60	2.02	3.42	3.69	2.85	2.71	3.69
Rollover – Capital Secure NEF ²	1.25	1.67	3.06	3.32	2.51	2.36	3.12
Rollover – Conservative	6.76	8.57	0.65	5.11	7.77	5.73	5.67
Rollover – Conservative NEF ²	6.32	8.41	0.28	4.73	7.38	5.38	4.01
Rollover – Diversified	12.57	16.36	-1.62	6.28	10.62	8.66	5.96
Rollover – Diversified NEF ²	12.07	16.10	-1.94	5.91	10.26	8.30	3.65
Rollover – FirstChoice Geared Global Share	24.35	43.15	-2.84	13.57	2.57	15.04	-2.09
Rollover – FirstChoice Geared Global Share NEF ²	23.93	42.78	-3.11	13.31	2.15	14.69	-2.65
Rollover – Future Leaders ²	23.53	10.10	-8.54	15.04	17.75	11.00	7.02
Rollover – Future Leaders NEF ²	22.79	9.54	-8.77	14.61	17.31	10.53	7.45
Rollover – Geared Share	31.23	57.13	-25.44	7.61	13.15	13.36	9.84
Rollover – Geared Share NEF ²	29.97	54.25	-25.15	7.13	13.08	12.69	8.72
Rollover – Global Health & Biotech	28.43	34.28	9.78	4.48	6.75	16.12	0.37
Rollover – Global Health & Biotech NEF ²	28.06	33.62	9.86	4.30	6.02	15.76	1.99
Rollover – Global Resources	25.16	-9.18	-29.77	13.76	15.37	0.93	7.35
Rollover – Global Resources NEF ²	24.35	-9.43	-29.89	13.02	14.75	0.48	5.95
Rollover – Global Tech & Comm	27.34	32.36	4.15	6.11	9.91	15.41	-2.72
Rollover – Global Tech & Comm NEF ²	26.73	32.48	3.87	5.72	9.51	15.09	0.78
Rollover – High Growth	15.43	22.59	-5.91	8.14	9.83	9.60	4.81
Rollover – High Growth NEF ²	14.92	22.12	-6.18	7.71	9.36	9.17	3.76
Rollover – Income ³	12.76	6.24	2.62	5.66	3.57	6.11	4.66
Rollover – Income NEF ³	12.47	5.54	2.28	5.30	3.20	5.70	4.35
Rollover – Property Securities	7.92	20.14	7.26	4.14	14.46	10.64	4.55
Rollover – Property Securities NEF ²	7.27	19.05	6.56	3.72	13.80	9.94	1.37
Rollover – Worldwide Leaders	10.73	31.00	-0.35	1.89	0.66	8.19	3.20
Rollover – Worldwide Leaders NEF ²	10.89	30.99	-0.64	1.66	0.35	8.04	-0.95

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 Applications.

3 Fund is suspended.

Past performance is no indication of future performance.

Other important information

Guarantee under RSE licence

The Trustee has the benefit of a guarantee of \$5 million from Commonwealth Bank of Australia (CBA) (ABN 48 123 123 124) in respect of the performance of its duties as an RSE Licensee.

CBA is the ultimate holding company of the Trustee. The guarantee is available for inspection by contacting the Company Secretary of the Trustee. CBA and its subsidiaries do not guarantee the performance of or the repayment of capital by Colonial First State Rollover & Superannuation Fund. With the exception of FirstRate, investments in Colonial First State Rollover & Superannuation Fund are not deposits or other liabilities of CBA or its subsidiaries, and the investment-type products are subject to investment risk, including loss of income and capital invested.

Indemnity insurance

As required under the terms of approval for Colonial First State Investments Limited to act as the Trustee of the Trust, indemnity insurance exists in respect of its activities whilst acting in that capacity.

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 Derivatives Risk Statement 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 this 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 DASP benefit within six months of the later of your temporary visa expiring and you leaving the country, we may be required to pay your account balance to the 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 are not obliged to notify or give an exit statement to you in this circumstance as allowed by ASIC Class Order 09/437. Once your account balance has been transferred to the ATO, you may claim your benefit by contacting the ATO and downloading a DASP application from its website, ato.gov.au, or by calling on 13 10 20 or emailing it at DASPmail@ato.gov.au.

Superannuation contribution surcharge

The superannuation surcharge was a tax paid by higher income earners on certain super contributions and employer-paid ETPs. The superannuation surcharge has been abolished for contributions made after 1 July 2005. Superannuation surcharge still applies to contributions made in previous years and these amounts will continue to be assessed by the Australian Taxation Office (ATO). The ATO will contact the investor directly regarding any superannuation surcharge obligations. Surcharge may be deducted from the investor's account and will be taken in proportion to the amounts held in the investor's different investment holdings at that time.

Transfer to the Eligible Rollover Fund (ERF)

If an investor's account balance is below \$1,500 or written communications are returned unclaimed (defined as 'lost' under superannuation law), then their benefit may be transferred at no additional cost to an ERF. The transfer will take place on the date specified in our communications to you. The ERF selected by Colonial First State is the SuperTrace Eligible Rollover Fund (SuperTrace) which can be contacted at:

Fund Administrator
SuperTrace Eligible Rollover Fund (SuperTrace)
Locked Bag 5429
Parramatta NSW 2124
Freecall: 1300 788 750

If an investor's benefit is transferred to SuperTrace, they will cease to be a member of the Fund. Investors will cease to have rights associated with the Fund, and will no longer receive regular statements from Colonial First State.

Being transferred to the ERF may affect your 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 its 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 your benefit in a low risk strategy, which directly affects the rate of interest credited to your account. You should evaluate whether this strategy is appropriate to your specific circumstances.

Other important information

Further information you may request to receive

Investors may also request the following additional information from Colonial First State at any time, free of charge:

- please refer to our website to download a Product Disclosure Statement at www.colonialfirststate.com.au
- the full audited financial statements for the Fund
- additional financial information for each individual investment option comprising Operating Statement, Statement of Financial Position and Statement of Cash Flows
- a copy of the most recent Product Disclosure Statement covering the relevant investment strategies and options, contribution levels and insurance cover of the Fund
- audited financial statements for Colonial First State Investments Limited
- 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, and
- 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

Investments ¹	Market value (\$'000)
Colonial First State Wholesale Conservative Fund	177,670
Colonial First State Wholesale Balanced Fund	376,793
Colonial First State Wholesale Diversified Fund	632,882
Colonial First State Wholesale High Growth Fund	162,388
Colonial First State Wholesale Australian Share Fund	771,442
Colonial First State Wholesale Geared Share Fund	333,084
Colonial First State Wholesale Capital Secure Fund	327,744

1. More than one option of the Fund invests into each of these investments.

Abridged financial report

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 2014 and the results of its operations for the year ended 30 June 2014. Set out below is an abridged version of the accounts for the Fund for the year to 30 June 2014 along with comparatives for the year to 30 June 2013. 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 2014.

	2014		2013	
	\$'000	\$'000	\$'000	\$'000
Net assets as at 1 July 2013 and 1 July 2012		3,026,054		2,879,013
Income				
Members' contributions	41,921		39,187	
Employers' contributions	67,960		71,747	
Interest income	272		645	
Distribution income	109,341		93,242	
Changes in fair value of investments	332,204		434,192	
Other income	–	551,698	53	639,066
Expenses				
Trustee fees	(29,307)		(28,462)	
Transaction costs	(1,365)		(924)	
Insurance premiums	(2,874)		(2,785)	
Advisor service fees	(329)		(340)	
Benefits paid and payable	(422,475)		(463,254)	
Contribution surcharge	–	(456,350)	(38)	(495,803)
Income tax benefit/(expense)		6,787		3,778
Net assets as at 30 June 2014 and 30 June 2013		3,128,189		3,026,054

Abridged financial report

The net assets at 30 June 2014 and 30 June 2013 were made up as follows:

	2014		2013	
	\$'000	\$'000	\$'000	\$'000
Assets				
Cash and cash equivalents	13,581		13,690	
Financial assets held for trading:				
– unlisted related managed investment schemes	3,069,049		2,969,537	
Members' contributions receivable	775		–	
Employers' contributions receivable	2,032		–	
Other receivables	783		815	
Provision for income tax	6,172		5,397	
Deferred tax asset	41,102	3,133,494	39,871	3,029,310
Liabilities				
Members' benefits payable	(2,467)		(171)	
Creditors and accruals	(2,838)		(3,085)	
Provision for income tax	–	(5,305)	–	(3,256)
Net assets as at 30 June 2014 and 30 June 2013		3,128,189		3,026,054

Investments in Rollover & Superannuation Fund (Fund) are offered from the Colonial First State Rollover & Superannuation Fund ABN 88 854 638 840 by Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468. The information contained in this annual report is general advice and information only and does not take into account your individual objectives, financial situation or needs. You should read this information carefully and assess whether the information is appropriate for you and consider talking to a financial adviser before making an investment decision. For further information about these products refer to the product disclosure statement available at colonialfirststate.com.au or by calling us on 13 13 36.

Enquiries

Investor Services: 13 13 36
Website: colonialfirststate.com.au
Email: contactus@colonialfirststate.com.au

