

2016

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

Dear Investor,

I am pleased to present the Annual Report for the financial year ended 30 June 2016.

This Annual Report is the final component of the reporting information for the 2015–2016 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 be 'L Elkins', written in a cursive style.

Linda Elkins
Executive General Manager

Contents

Investment options	2
<hr/>	
Asset allocations	3
<hr/>	
Performance	7
<hr/>	
Other important information	8
<hr/>	
Abridged financial report	11
<hr/>	

**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 2016.

Investment options

Rollover & Superannuation Fund

The objective and strategy of each investment option is available on our website, colonialfirststate.com.au/prospects/FS5565.pdf or call us on 13 13 36.

Investment options	Underlying manager(s)
Australian Share ¹	Colonial First State Global Asset Management
Australian Share – nil entry fee ²	Colonial First State Global Asset Management
Balanced ¹	Colonial First State Global Asset Management
Balanced – nil entry fee ²	Colonial First State Global Asset Management
Capital Secure ¹	Colonial First State Global Asset Management
Capital Secure – nil entry fee ²	Colonial First State Global Asset Management
Conservative ¹	Colonial First State Global Asset Management
Conservative – nil entry fee ²	Colonial First State Global Asset Management
Diversified ¹	Colonial First State Global Asset Management
Diversified – nil entry fee ²	Colonial First State Global Asset Management
FirstChoice Geared Global Share ¹	Investec Asset Management, Hexavest, Alliance Bernstein, Sarasin & Partners, J O Hambro Capital Management, Acadian Asset Management, Baillie Gifford
FirstChoice Geared Global Share – nil entry fee ²	Investec Asset Management, Hexavest, Alliance Bernstein, Sarasin & Partners, J O Hambro Capital Management, Acadian Asset Management, Baillie Gifford
Future Leaders ¹	Colonial First State Global Asset Management
Future Leaders – nil entry fee ²	Colonial First State Global Asset Management
Geared Share ¹	Colonial First State Global Asset Management
Geared Share – nil entry fee ²	Colonial First State Global Asset Management
Global Health & Biotech ¹	Wellington Management
Global Health & Biotech – nil entry fee ²	Wellington Management
Global Resources ¹	Colonial First State Global Asset Management
Global Resources – nil entry fee ²	Colonial First State Global Asset Management
Global Technology & Communications ¹	Wellington Management
Global Technology & Communications – nil entry fee ²	Wellington Management
High Growth ¹	Colonial First State Global Asset Management
High Growth- nil entry fee ²	Colonial First State Global Asset Management
Income ³	Colonial First State Global Asset Management
Income – nil entry fee ^{2,3}	Colonial First State Global Asset Management
Property Securities ¹	Colonial First State Global Asset Management
Property Securities – nil entry fee ²	Colonial First State Global Asset Management
Stewart Investors Worldwide Leaders ¹	Colonial First State Global Asset Management
Stewart Investors Worldwide Leaders – nil entry fee ²	Colonial First State Global Asset Management

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

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

3 Option terminated effective 9 November 2012.

Asset allocation as at 30 June 2016 (%) Rollover & Superannuation Fund

	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Australian Share Option				
Australian shares	96.85%	96.46%	96.70%	96.48%
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	3.15%	3.54%	3.30%	3.52%

	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Balanced Option				
Australian shares	20.21%	19.73%	20.20%	19.75%
International shares	23.46%	24.84%	23.45%	24.86%
Property	5.13%	5.27%	5.13%	5.27%
Fixed interest	26.74%	27.42%	26.75%	27.44%
International fixed interest	9.11%	7.76%	9.10%	7.77%
Cash	15.35%	14.98%	15.37%	14.91%

	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
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	
	2015	2016	2015	2016
Conservative Option				
Australian shares	14.32%	14.51%	14.36%	14.53%
International shares	9.49%	9.78%	9.52%	9.79%
Property	4.98%	5.36%	5.00%	5.37%
Fixed interest	29.80%	31.40%	29.90%	31.45%
International fixed interest	10.14%	8.89%	10.17%	8.90%
Cash	31.27%	30.06%	31.05%	29.96%

Asset allocation as at 30 June 2016 (%)

Rollover & Superannuation Fund

Diversified Option	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Australian shares	29.55%	29.31%	29.44%	29.23%
International shares	32.84%	34.59%	32.73%	34.51%
Property	5.00%	5.23%	4.98%	5.22%
Fixed interest	18.36%	19.53%	18.29%	19.48%
International fixed interest	7.37%	5.53%	7.34%	5.51%
Cash	6.88%	5.81%	7.22%	6.05%

Future Leaders Option	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Australian shares	96.89%	93.64%	96.93%	93.75%
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	3.11%	6.36%	3.07%	6.25%

FirstChoice Geared Global Share Option	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	92.57%	90.47%	93.39%	91.94%
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	7.43%	9.53%	6.61%	8.06%

Geared Share Option	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Australian shares	90.15%	89.41%	90.63%	89.54%
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	9.85%	10.59%	9.37%	10.46%

Asset allocation as at 30 June 2016 (%) Rollover & Superannuation Fund

	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Global Health & Biotechnology Option				
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	90.11%	93.76%	90.66%	92.13%
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	9.89%	6.24%	9.34%	7.87%

	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Global Resources Option				
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	98.13%	97.24%	98.26%	97.66%
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	1.87%	2.76%	1.74%	2.34%

	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Stewart Investors Worldwide Leaders Option				
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	79.11%	81.03%	81.77%	83.44%
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	20.89%	18.97%	18.23%	16.56%

	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Global Technology & Communications Option				
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	92.69%	90.49%	92.09%	91.03%
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	7.31%	9.51%	7.91%	8.97%

Asset allocation as at 30 June 2016 (%)

Rollover & Superannuation Fund

High Growth Option	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
Australian shares	48.26%	48.21%	48.11%	48.09%
International shares	46.58%	46.61%	46.43%	46.49%
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	5.16%	5.18%	5.46%	5.42%

Income Option	Nil Entry Fee		Entry Fee	
	2015	2016	2015	2016
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	
	2015	2016	2015	2016
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	0.00%	0.00%	0.00%	0.00%
Property	97.00%	96.26%	97.66%	96.33%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	3.00%	3.74%	2.34%	3.67%

Performance returns as at 30 June 2016 (%) Rollover & Superannuation Fund

	Annual effective rate of net earnings ¹					5 year compound average rate of return	Since Inception
	2016	2015	2014	2013	2012		
Rollover – Australian Share	3.66	6.41	17.06	25.23	-8.22	8.22	9.09
Rollover – Australian Share NEF ²	3.25	5.65	16.34	24.53	-8.44	7.67	6.48
Rollover – Balanced	2.77	5.33	9.91	11.26	-3.29	5.06	6.22
Rollover – Balanced NEF ²	2.40	4.92	9.80	10.82	-3.61	4.73	3.64
Rollover – Capital Secure	1.32	1.62	1.60	2.02	3.42	1.99	3.48
Rollover – Capital Secure NEF ²	0.98	1.26	1.25	1.67	3.06	1.64	2.84
Rollover – Conservative	2.31	4.88	6.76	8.57	0.65	4.59	5.47
Rollover – Conservative NEF ²	1.92	4.44	6.32	8.41	0.28	4.23	3.89
Rollover – Diversified	3.11	7.58	12.57	16.36	-1.62	7.41	5.90
Rollover – Diversified NEF ²	2.75	7.25	12.07	16.10	-1.94	7.05	3.83
Rollover – Future Leaders	9.63	-1.53	23.53	10.10	-8.54	6.07	6.62
Rollover – Future Leaders NEF ²	9.13	-1.93	22.79	9.54	-8.77	5.60	6.90
Rollover – FirstChoice Geared Global Share	-7.29	23.18	24.35	43.15	-2.84	14.58	-0.91
Rollover – FirstChoice Geared Global Share NEF ²	-7.60	22.70	23.93	42.78	-3.11	14.22	-1.44
Rollover – Geared Share	-1.15	10.68	31.23	57.13	-25.44	10.96	9.22
Rollover – Geared Share NEF ²	-1.51	10.28	29.97	54.25	-25.15	10.26	8.09
Rollover – Global Health & Biotech	-3.85	50.39	28.43	34.28	9.78	22.32	2.71
Rollover – Global Health & Biotech NEF ²	-4.06	49.33	28.06	33.62	9.86	21.91	4.26
Rollover – Global Resources	-1.82	-15.60	25.16	-9.18	-29.77	-7.93	5.50
Rollover – Global Resources NEF ²	-2.23	-15.71	24.35	-9.43	-29.89	-8.24	3.73
Rollover – Stewart Investors Worldwide Leaders	10.02	16.77	10.73	31.00	-0.35	13.18	4.14
Rollover – Stewart Investors Worldwide Leaders NEF ²	9.41	16.53	10.89	30.99	-0.64	12.97	0.85
Rollover – Global Tech & Comm	4.50	27.54	27.34	32.36	4.15	18.53	-0.57
Rollover – Global Tech & Comm NEF ²	4.22	26.84	26.73	32.48	3.87	18.18	2.62
Rollover – High Growth	4.38	9.09	15.43	22.59	-5.91	8.68	5.03
Rollover – High Growth NEF ²	4.16	8.47	14.92	22.12	-6.18	8.27	4.11
Rollover – Income ³	-2.49	16.50	12.76	6.24	2.62	6.91	4.86
Rollover – Income NEF	-2.85	16.35	12.47	5.54	2.28	6.53	4.62
Rollover – Property Securities	20.31	16.77	7.92	20.14	7.26	14.33	5.83
Rollover – Property Securities NEF ²	19.20	15.84	7.27	19.05	6.56	13.45	3.45

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 (the Fund). 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

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 Derivatives 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 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 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 ATO, under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999. 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 is low, or written communications are returned unclaimed (defined as 'lost' under superannuation law), then their benefit may be transferred to an ERF (after deducting any outstanding fees, taxes and liabilities). We will contact the investor at their last known address before transferring their account to the ERF. 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:

- a copy of the most recent Product Disclosure Statement and the Rollover & Superannuation Fund Flyer 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
- the full audited financial statements for the 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

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

Investments ¹	Market value (\$'000)
Colonial First State Wholesale Australian Share Fund	700,257
Colonial First State Wholesale Balanced Fund	320,512
Colonial First State Wholesale Capital Secure Fund	276,058
Colonial First State Wholesale Conservative Fund	154,125
Colonial First State Wholesale Diversified Fund	576,680
Colonial First State Wholesale Geared Share Fund	300,972
Colonial First State Wholesale High Growth Fund	159,471

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 2016 and the results of its operations for the year ended 30 June 2016. Set out below is an abridged version of the accounts for the Fund for the year to 30 June 2016 along with comparatives for the year to 30 June 2015. 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 2016.

	2016		2015	
	\$'000	\$'000	\$'000	\$'000
Net assets as at 30 June 2015 and 30 June 2014		3,011,820		3,128,190
Income				
Members' contributions	24,863		24,901	
Employers' contributions	62,030		67,231	
Transfers from other funds	11,756		22,865	
Interest income	354		380	
Distribution income	156,149		193,398	
Changes in net market value	(62,070)		47,393	
Proceeds from group life insurance	153		869	
Other income	2,287	195,522	2,350	359,387
Expenses				
Trustee fees	(29,197)		(31,812)	
Expenses recharged	(641)		(800)	
Insurance premiums	(2,942)		(2,896)	
Contribution surcharge	(6)		(6)	
Advisor service fees	(278)		(300)	
Benefits paid and payable	(341,855)		(438,121)	
Other expenses	(2)	(374,921)	(4)	(473,939)
Income tax benefit/(expense)		6,617		(1,818)
Net assets as at 30 June 2016 and 30 June 2015		2,839,038		3,011,820

Abridged financial report

The net assets at 30 June 2015 and 30 June 2014 were made up as follows:

	2016		2015	
	\$'000	\$'000	\$'000	\$'000
Assets				
Cash and cash equivalents	18,396		19,737	
Investments:				
– Managed investment schemes	2,781,032		2,951,960	
Contributions receivable	1,782		5,601	
Other receivables	838		870	
Income tax receivable	6,567		6,481	
Deferred tax assets	34,562	2,843,177	33,685	3,018,334
Liabilities				
Members' benefits payable	(1,581)		(3,780)	
Creditors and accruals	(2,558)	(4,139)	(2,734)	(6,514)
Net assets as at 30 June 2016 and 30 June 2015		2,839,038		3,011,820

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Enquiries

Investor Services: **13 13 36**

Website: **colonialfirststate.com.au**

Email: **contactus@colonialfirststate.com.au**

Colonial First State Investments Limited ABN 98 002 348 352, AFS Licence 232468 ('Colonial First State') is the issuer of investments in the Rollover & Superannuation Fund from Colonial First State Rollover & Superannuation Fund ABN 88 854 638 840. Colonial First State is a wholly owned subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124, AFS Licence 234945 ('the Bank'). The Bank and its subsidiaries do not guarantee the performance of FirstChoice products or the repayment of capital for your investment. 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. 22883/FS4001/1116