

**2019**

# **ANNUAL REPORT**

## **Rollover & Superannuation Fund**

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



### **Your Annual Report**

I am pleased to present the Annual Report for the financial year ended 30 June 2019.

This Annual Report is the final component of the reporting information for the 2018–2019 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 'M. Venter', written in a cursive style.

Michael Venter  
Acting Chief Operating Officer  
Colonial First State

## Contents

<b>Investment options</b>	<b>2</b>
<b>Asset allocations</b>	<b>3</b>
<b>Performance</b>	<b>7</b>
<b>Other important information</b>	<b>8</b>
<b>Regulatory changes</b>	<b>13</b>
<b>Abridged financial report</b>	<b>15</b>

**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 2019.

# Investment options

## Rollover & Superannuation Fund

The objective and strategy of each investment option is available on our website at [www.colonialfirststate.com.au](http://www.colonialfirststate.com.au) or call us on 13 13 36.

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

\*From August 2019, Colonial First State Global Asset Management is known as First Sentier Investors

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 2019 (%) Rollover & Superannuation Fund

<b>Balanced Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	21.47%	21.55%	21.46%	21.59%
International shares	16.96%	16.08%	16.95%	16.10%
Property	5.03%	4.97%	5.03%	4.98%
Fixed interest	23.60%	25.46%	23.60%	25.50%
International fixed interest	15.61%	13.37%	15.61%	13.39%
Cash	17.33%	18.57%	17.35%	18.44%

<b>Capital Secure Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
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%

<b>Conservative Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	15.17%	15.27%	15.18%	15.25%
International shares	9.88%	9.29%	9.89%	9.28%
Property	5.05%	4.99%	5.06%	4.98%
Fixed interest	24.90%	27.29%	24.93%	27.25%
International fixed interest	15.54%	13.65%	15.56%	13.63%
Cash	29.46%	29.51%	29.38%	29.61%

<b>Diversified Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	31.49%	30.80%	31.37%	30.98%
International shares	25.92%	25.40%	25.81%	25.57%
Property	4.90%	4.86%	4.88%	4.89%
Fixed interest	17.06%	18.15%	16.99%	18.27%
International fixed interest	11.50%	9.70%	11.46%	9.77%
Cash	9.13%	11.09%	9.49%	10.52%

## Asset allocation as at 30 June 2019 (%)

### Rollover & Superannuation Fund

<b>Australian Share Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	97.27%	96.08%	97.28%	95.68%
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	2.73%	3.92%	2.72%	4.32%

<b>Future Leaders Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	96.37%	97.13%	96.22%	97.27%
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	3.63%	2.87%	3.78%	2.73%

<b>Geared Global Share Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	89.92%	92.36%	90.95%	93.33%
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	10.08%	7.64%	9.05%	6.67%

<b>Global Healthcare &amp; Biotechnology Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	92.13%	90.42%	92.10%	90.62%
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	7.87%	9.58%	7.90%	9.38%

## Asset allocation as at 30 June 2019 (%) Rollover & Superannuation Fund

<b>Geared Share Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	92.35%	94.76%	92.43%	94.74%
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	7.65%	5.24%	7.57%	5.26%

<b>Global Technology &amp; Communications Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	92.42%	88.63%	91.53%	88.55%
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	7.58%	11.37%	8.47%	11.45%

<b>High Growth Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	48.29%	46.84%	48.12%	46.60%
International shares	44.50%	45.00%	44.35%	44.76%
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	7.21%	8.16%	7.53%	8.64%

<b>Worldwide Leaders Option</b>	<b>Nil Entry Fee</b>		<b>Entry Fee</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	81.78%	80.01%	82.99%	81.43%
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	18.22%	19.99%	17.01%	18.57%

## Asset allocation as at 30 June 2019 (%)

### Rollover & Superannuation Fund

Property Securities Option	Nil Entry Fee		Entry Fee	
	2018	2019	2018	2019
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	0.00%	0.00%	0.00%	0.00%
Property	97.08%	97.13%	97.14%	97.44%
Fixed interest	0.00%	0.00%	0.00%	0.00%
International fixed interest	0.00%	0.00%	0.00%	0.00%
Cash	2.92%	2.87%	2.86%	2.56%

Janus Henderson Global Natural Resources Option	Nil Entry Fee		Entry Fee	
	2018	2019	2018	2019
Australian shares	0.00%	0.00%	0.00%	0.00%
International shares	96.64%	97.20%	96.88%	96.94%
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	3.36%	2.80%	3.12%	3.06%



## Performance returns as at 30 June 2019 (%) Rollover & Superannuation Fund

	Annual effective rate of net earnings <sup>1</sup>					5 year compound average rate of return	Since Inception
	2019	2018	2017	2016	2015		
Balanced NEF Option <sup>3</sup>	6.42	6.68	3.94	2.40	4.92	4.86	3.99
Capital Secure NEF Option <sup>3</sup>	0.81	0.68	0.71	0.98	1.26	0.89	2.48
Conservative NEF Option <sup>3</sup>	5.35	4.62	2.16	1.92	4.44	3.69	3.92
Diversified NEF Option <sup>3</sup>	7.46	8.26	5.62	2.75	7.25	6.25	4.38
Australian Share NEF Option <sup>3</sup>	7.94	20.78	3.22	3.25	5.65	7.98	7.14
Future Leaders NEF Option <sup>3</sup>	-4.40	28.13	1.44	9.13	-1.93	5.87	7.00
FirstChoice Geared Global Option <sup>3</sup>	3.31	18.57	19.33	-7.60	22.70	10.63	0.96
Global Health & Biotechnology NEF Option <sup>3</sup>	8.61	6.16	13.17	-4.06	49.33	13.33	5.10
Geared Share NEF Option <sup>3</sup>	15.45	27.93	22.50	-1.51	10.28	14.47	10.33
Global Technology & Communications NEF Option <sup>3</sup>	15.46	16.17	21.92	4.22	26.84	16.67	5.07
High Growth NEF Option <sup>3</sup>	5.92	13.11	8.47	4.16	8.47	7.98	4.95
Stewart Investors Worldwide Leaders NEF Option <sup>3</sup>	7.35	10.18	7.31	9.41	16.53	10.11	2.08
Property Securities NEF Option <sup>3</sup>	15.34	9.41	-6.66	19.20	15.84	10.22	3.81
Janus Henderson Global Natural Resources NEF Option <sup>3</sup>	-2.19	-	-	-	-	-	-3.22
Balanced Option <sup>3</sup>	6.81	7.11	4.33	2.77	5.33	5.26	6.21
Capital Secure Option <sup>3</sup>	1.15	1.03	1.06	1.32	1.62	1.23	3.17
Conservative Option <sup>3</sup>	5.86	5.12	2.54	2.31	4.88	4.13	5.34
Diversified Option <sup>3</sup>	7.86	8.63	5.99	3.11	7.58	6.61	6.09
Australian Share Option <sup>3</sup>	8.38	21.46	3.47	3.66	6.41	8.48	9.31
Future Leaders Option <sup>3</sup>	-3.64	28.98	1.77	9.63	-1.53	6.43	6.86
FirstChoice Geared Global Option <sup>3</sup>	3.61	19.08	19.79	-7.29	23.18	11.04	1.48
Global Technology & Communications NEF Option <sup>3</sup>	9.00	6.62	13.46	-3.85	50.39	13.78	3.80
Geared Share Option <sup>3</sup>	16.52	29.47	23.80	-1.15	10.68	15.36	11.18
Global Technology & Communications Option <sup>3</sup>	15.81	16.62	22.44	4.50	27.54	17.12	2.24
High Growth Option <sup>3</sup>	6.29	13.49	8.89	4.38	9.09	8.38	5.68
Stewart Investors Worldwide Leaders Option <sup>3</sup>	7.73	10.62	7.72	10.02	16.77	10.52	4.70
Property Securities Option <sup>3</sup>	14.69	9.73	-6.51	20.31	16.77	10.57	5.79
Janus Henderson Global Natural Resources Option <sup>3</sup>	-2.23	-	-	-	-	-	-3.23

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

### 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 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.

### Partial refund of 2016/2017 Regulatory Reform Fee

Since 2015 and up to 2018, members in FirstChoice Employer were charged an annual Stronger Super/Regulatory Reform Fee, as communicated in each year.

Following a review of fees charged, it was identified that in the 2016/2017 financial year the fee charged was more than the final expenditure on regulatory reform for the same year. In January 2019 the excess amount, including interest calculated as the greater of actual investment return or the RBA Cash Rate plus 6% p.a. for each investment option, was credited back to the fund as reflected through a small increase in the unit price of each investment option and a temporary increase in the interest rate of the FirstSaver investment option.

On average, the benefit to each member account in FirstChoice Personal Super and Pension was \$0.93, (varying according to individual account balances). The Regulatory Reform Fee is no longer charged.

### 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

## Other important information

the country, we may be required to pay your account balance to the Australian Taxation Office (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 using the online application system, which is available on the ATO website at [ato.gov.au/Forms/Application-for-payment-of-ATO-held-superannuation-money/](http://ato.gov.au/Forms/Application-for-payment-of-ATO-held-superannuation-money/)

### Working holiday makers

From 1 July 2017, Departing Australia Superannuation Payments (DASPs) made to working holiday makers will be taxed at a different rate to those paid to 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/International-tax-for-individuals/Coming-to-Australia/Working-holiday-makers/](http://www.ato.gov.au/Individuals/International-tax-for-individuals/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.

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](http://www.ato.gov.au).

## Other important information

### Transfer to the Eligible Rollover Fund (ERF)

If your account is low, or written communications are returned unclaimed (defined as 'lost' under superannuation law), then your benefit may be transferred to an ERF (after deducting any outstanding fees, taxes and liabilities). We will contact you at your last known address before transferring your account to the ERF. The ERF selected by Colonial First State is the SuperTrace Eligible Rollover Fund (SuperTrace) ABN 73 703 878 235 which can be contacted at:

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

The trustee is Colonial Mutual Superannuation Pty Ltd ABN 56 006 831 983.

If your benefit is transferred to SuperTrace, you will cease to be a member of the Fund. You 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.

### 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) if lodged on or after 1 November 2018.

Online: [afca.org.au](http://afca.org.au)  
Email: [info@afca.org.au](mailto: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 [colonialfirststate.com.au](http://colonialfirststate.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	11%	Colonial First State Global Asset Management* Fixed Interest Trust 3	36%
		Colonial First State Wholesale Cash Fund	11%
		Colonial First State Wholesale Industrial Share Fund – Core	11%
		Colonial First State Wholesale Industrial Share Fund	11%
		Colonial First State Global Asset Management* Multi Sector Trust 1	11%
		Colonial First State Wholesale Global Share Fund	8%
		Commonwealth Global Share Fund 22	8%
		Colonial First State Wholesale Global Property Securities Fund	5%
Colonial First State Wholesale Diversified Fund	19%	Colonial First State Global Asset Management* Fixed Interest Trust 3	25%
		Colonial First State Wholesale Industrial Share Fund – Core	16%
		Colonial First State Wholesale Industrial Share Fund	16%
		Colonial First State Global Asset Management* Multi Sector Trust 1	11%
		Colonial First State Wholesale Global Share Fund	10%
		Commonwealth Global Share Fund 22	10%
		Colonial First State Wholesale Global Listed Infrastructure Securities Fund	5%
Colonial First State Wholesale Australian Share Fund	26%	BHP Group Ltd	9%
		CSL Ltd	8%
		Commonwealth Bank of Australia	8%
		Westpac Banking Corporation	6%
Colonial First State Wholesale High Growth Fund	6%	Colonial First State Wholesale Global Share Fund	25%
		Commonwealth Global Share Fund 22	25%
		Colonial First State Wholesale Industrial Share Fund – Core	20%
		Colonial First State Wholesale Industrial Share Fund	20%
		Colonial First State Developing Companies Fund	9%

\*From August 2019, Colonial First State Global Asset Management is known as First Sentier Investors

## Other important information

<b>Investments Directly Held</b>	<b>%</b>	<b>Investments Indirectly Held</b>	<b>%</b>
Colonial First State Wholesale Capital Secure Fund	8%	Westpac Banking Corp NCD	11%
		Cash	10%
		Australia & New Zealand Bank NCD	9%
		Suncorp Metway NCD	7%
		National Australia Bank NCD	7%
Colonial First State Wholesale Geared Share Fund*	15%	BHP Group Ltd	19%
		Commonwealth Bank of Australia	19%
		CSL Ltd	18%
		Westpac Banking Corporation	15%
		Macquarie Group Ltd	10%
		Rio Tinto Ltd	9%
		Brambles Ltd	8%
		Aristocrat Leisure Ltd	8%
		Woolworths Group Ltd	8%
		Australia & New Zealand Banking Group Ltd	6%
		A2 Milk Co Ltd	6%
		James Hardie Industries	6%
		Goodman Group	6%
		National Australia Bank Ltd	5%
		Colonial First State Wholesale Cash Fund	5%
Seek Ltd	5%		

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

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 20 November 2019.

## Recent legislative changes to superannuation

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

### Work test exemption for recent retirees

If you are aged between 65 and 74<sup>1</sup>, you are required to have worked at least 40 hours within 30 consecutive days in a financial year before you or your employer can make voluntary super contributions.<sup>2</sup>

However, from 1 July 2019, if you are aged 65 to 74 (measured at the time of the contribution) you may be able to continue making voluntary contributions for a further 12 months from the end of the financial year in which you last met the required work test, due to the work test exemption.

To qualify to make contributions under the work test exemption, your total superannuation balance (just prior to the financial year of contribution) must be less than \$300,000. Once you have used the work test exemption for a financial year, it cannot be used again in the future.

### Catch-up concessional contributions

A standard cap (currently \$25,000) applies to any concessional (pre-tax) contributions you and your employer make each financial year.

If you haven't reached your concessional contributions cap during a financial year, you may be able to carry forward unused cap amounts to use in future years. Access to these unused cap amounts can apply from 1 July 2019 and will be limited to those individuals with a total superannuation balance less than \$500,000 and to unused amounts from the previous five financial years (starting 1 July 2018).

### 'Protecting Your Super' changes

The Federal Government's Protecting Your Super law began on 1 July 2019. The changes aim to help protect super accounts from being eroded by fees and insurance premiums – giving your super the best chance to grow.

The key regulatory changes are as follows:

- Exit fees can't be charged from 1 July 2019.
- If your account balance is under \$6,000, your fees will be capped at 3% per financial year (based on the total combined amount of administration fees, investment fees and indirect costs). Your account will be assessed when you leave the fund, or at 30 June each year.
- If you have insurance cover and your account has been 'inactive' (a contribution or rollover has not been received in your account) for 16 months, we are required by law to cancel your insurance cover unless you have told us in writing that you would like to keep your cover. We will contact you at various points throughout the 16 month period of inactivity to inform you of your options.
- If your account doesn't have insurance, has been inactive for 16 months and has a balance of less than \$6,000, it could be transferred to the Australian Taxation Office (ATO). Some exceptions apply. The ATO will then, where possible, try to reunite your funds with an active account. We will contact you prior to transferring your account to inform you of your options.

<sup>1</sup> Includes the period up to 28 days after the end of the month in which you turn 75.

<sup>2</sup> Excludes downsizer contributions which can be made from age 65 if you meet eligibility requirements, regardless of your work status. Spouse contributions cannot be made for you once you reach age 70, regardless of your work status.

# Regulatory changes

## Further insurance changes

From 1 April 2020, superannuation funds are prohibited from providing insurance (in most cases) to:

- new members under the age of 25, unless the member has elected to take out insurance cover, and
- members with balances less than \$6,000 unless the member has elected to take out or maintain their insurance cover.

## Superannuation Guarantee (SG) exemption for people with multiple employers to prevent inadvertent concessional cap breaches.

From 1 January 2020, if you have multiple employers and their combined compulsory SG contributions would lead to you breaching your concessional contributions cap, you can apply to the ATO for a certificate exempting your wages from certain employers from SG. Where this exemption applies to an employer, you may then be able to negotiate to receive additional salary and wages to make up for the lost SG contributions.

## Proposed future changes to superannuation

The following are some key proposed future changes to superannuation. At the time of writing, these proposals have not been legislated.

### Increasing the age from which the work test applies for voluntary contributions

Under existing rules, once you reach age 65 you must meet a work test (or alternatively qualify for a work test exemption) to make voluntary contributions<sup>3</sup> to super. From 1 July 2020, the Government has proposed allowing people age 65 and 66 to make voluntary contributions to superannuation without the meeting the work test or work test exemption.

### Extending the maximum age for spouse contributions

Under existing rules, most voluntary contributions cannot be made from age 75<sup>4</sup>, regardless of your work status, however contributions that your spouse makes for you (spouse contributions) cannot be made once you reach age 70.

From 1 July 2020, the Government has proposed increasing the maximum age at which spouse contributions can be made for you to 74.<sup>4</sup>

Note that from age 65 (or age 67 under the Government's proposal above), you will need to meet the work test or qualify for the work test exemption for spouse contributions to be made for you.

### Increasing the maximum age to use the 'bring forward rule'

Under current rules, if you are aged under 65 any time during a financial year, you may be able to use a 'bring forward rule' to make up to \$300,000 in after tax contributions at one time – which is above the standard cap of \$100,000 per financial year. From 1 July 2020, the Government has proposed allowing access to the 'bring forward rule' to people aged under 67 any time during a financial year.

It is important to note that under existing legislation, your after tax contributions cap (including under the 'bring forward rule') may also be reduced based on your total superannuation balance.

<sup>3</sup> Excludes downsizer contributions which can be made from age 65 if you meet eligibility requirements, regardless of your work status.  
Spouse contributions cannot be made for you once you reach age 70, regardless of your work status.

<sup>4</sup> Includes the period up to 28 days after the end of the month in which you turn 75.



## 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 2019 and the results of its operations for the year ended 30 June 2019. Set out below is an abridged version of the accounts for this product within the Fund for the year to 30 June 2019 along with comparatives for the year to 30 June 2018. The abridged financial report is unaudited and only the consolidated fund 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 2019.

### Statement of Financial Position as at 30 June 2019

	2019 \$'000	2018 \$'000
<b>Assets</b>		
Cash and cash equivalents	35,450	26,172
Receivables	348	762
Income tax receivable	11,280	9,570
Financial investments	2,719,904	2,806,854
<b>Total assets</b>	<b>2,766,982</b>	<b>2,843,358</b>
<b>Liabilities</b>		
Other payables	2,476	2,570
Deferred tax liabilities	18,818	5,998
<b>Total liabilities excluding member benefits</b>	<b>21,294</b>	<b>8,568</b>
<b>Net assets available for member benefits</b>	<b>2,745,688</b>	<b>2,834,790</b>
Defined contribution member liabilities	2,742,228	2,830,035
<b>Total net assets</b>	<b>3,460</b>	<b>4,755</b>
<b>Equity</b>		
Unallocated surplus/(deficit)	3,460	4,755
<b>Total equity</b>	<b>3,460</b>	<b>4,755</b>

## Abridged financial report

### Income Statement for the year ended 30 June 2019

	2019 \$'000	2018 \$'000
<b>Superannuation activities</b>		
Interest revenue	420	324
Distribution income	189,945	161,198
Net changes in fair value of financial investments	34,401	237,215
Other income	1,577	4
<b>Total income</b>	<b>226,343</b>	<b>398,741</b>
Administration expenses	26,204	28,569
Advisor service fees	223	248
Other expenses	2	2
<b>Total expenses</b>	<b>26,429</b>	<b>28,819</b>
<b>Results from superannuation activities before income tax expense</b>	<b>199,914</b>	<b>369,922</b>
Income tax benefit/(expense)	6,459	(13,460)
<b>Results from superannuation activities after income tax expense</b>	<b>206,373</b>	<b>356,462</b>
Net benefits allocated to defined contribution members	(207,668)	(368,643)
<b>Operating result after income tax</b>	<b>(1,295)</b>	<b>(12,181)</b>

### Statement of Changes in Member Benefits for the year ended 30 June 2019

	2019 \$'000	2018 \$'000
<b>Opening balance of member benefits</b>	<b>2,830,035</b>	<b>2,736,630</b>
Member contributions	17,687	17,357
Employer contributions	47,081	51,021
Transfers from other superannuation funds	10,871	14,326
Transfers to other superannuation funds	(266,403)	(258,409)
Income tax on contributions	(8,108)	(8,604)
<b>Net after tax contributions</b>	<b>(198,872)</b>	<b>(184,309)</b>
Benefits to members or beneficiaries	(94,891)	(89,653)
Death and disability benefits credited to member accounts	971	1,539
Insurance premiums charged to members	(2,683)	(2,815)
Net benefits allocated comprising:		
– Net investment income	234,097	397,462
– Net administration fees	(26,206)	(28,571)
– Advisor service fees	(223)	(248)
<b>Closing balance of members benefits</b>	<b>2,742,228</b>	<b>2,830,035</b>



## **Enquiries**

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