

Personal Pension Plan

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 blue ink, appearing to read 'L Elkins', with a long horizontal flourish extending to the right.

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

Personal Pension Plan

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 options¹	Underlying manager(s)
Australian Share	Colonial First State Global Asset Management
Australian Share – nil entry fee	Colonial First State Global Asset Management
Balanced	Colonial First State Global Asset Management
Balanced – nil entry fee	Colonial First State Global Asset Management
Capital Secure	Colonial First State Global Asset Management
Capital Secure – nil entry fee	Colonial First State Global Asset Management
Conservative	Colonial First State Global Asset Management
Conservative – nil entry fee	Colonial First State Global Asset Management
Diversified	Colonial First State Global Asset Management
Diversified – nil entry fee	Colonial First State Global Asset Management
High Growth	Colonial First State Global Asset Management
High Growth – nil entry fee	Colonial First State Global Asset Management
Property Securities	Colonial First State Global Asset Management
Property Securities – nil entry fee	Colonial First State Global Asset Management
Worldwide Leaders	Colonial First State Global Asset Management
Worldwide Leaders – nil entry fee	Colonial First State Global Asset Management

1. All options were closed 30 June 2005.

Asset allocation as at 30 June 2014 (%) Personal Pension Plan

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Australian Share Option				
Australian shares	97.82	98.32	97.73	98.29
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	2.18	1.68	2.27	1.71

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Balanced Option				
Australian shares	20.12	19.79	20.12	19.80
International shares	24.32	23.48	24.34	23.49
Property	4.95	5.14	4.95	5.15
Fixed interest	24.06	27.86	24.06	27.88
International fixed interest	11.32	7.65	11.32	7.66
Cash	15.23	16.08	15.21	16.02

	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	14.81	14.78	14.81	14.80
International shares	10.03	9.17	10.03	9.19
Property	5.01	5.21	5.01	5.22
Fixed interest	27.38	31.82	27.38	31.86
International fixed interest	12.88	8.74	12.88	8.75
Cash	29.89	30.28	29.89	30.18

Asset allocation as at 30 June 2014 (%)

Personal Pension Plan

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Diversified Option				
Australian shares	30.24	29.87	30.24	29.87
International shares	34.48	33.29	34.48	33.30
Property	4.87	5.17	4.86	5.17
Fixed interest	15.79	18.65	15.78	18.66
International fixed interest	9.41	6.97	9.40	6.97
Cash	5.21	6.05	5.24	6.03

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Worldwide Leaders Option				
Australian shares	0.00	0.00	0.00	0.00
International shares	97.93	81.21	98.03	81.30
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	2.07	18.79	1.97	18.70

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
High Growth Option				
Australian shares	49.05	48.51	49.01	48.49
International shares	47.43	46.30	47.38	46.28
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	3.52	5.19	3.61	5.23

	Nil Entry Fee		Entry Fee	
	2013	2014	2013	2014
Property Securities Option				
Australian shares	0.00	0.00	0.00	0.00
International shares	0.00	0.00	0.00	0.00
Property	97.85	95.66	97.86	95.72
Fixed interest	0.00	0.00	0.00	0.00
International fixed interest	0.00	0.00	0.00	0.00
Cash	2.15	4.34	2.14	4.28

Performance returns as at 30 June 2014 (%) Personal Pension Plan

Investment options	Annual effective rate of net earnings ¹					5 year compound average rate of return	Since inception
	2014	2013	2012	2011	2010		
Pension – Aust Share	18.55	26.89	-7.95	11.07	14.58	12.00	9.98
Pension – Aust Share NEF	18.02	26.33	-8.29	10.65	14.08	11.53	9.63
Pension – Balanced	10.76	11.69	-3.06	6.15	9.33	6.83	5.60
Pension – Balanced NEF	10.26	11.19	-3.50	5.67	8.83	6.35	4.71
Pension – Capital Secure	1.96	2.50	4.08	4.38	3.39	3.26	4.46
Pension – Capital Secure NEF	1.51	2.04	3.61	3.92	2.93	2.80	3.77
Pension – Conservative	7.41	9.26	1.02	5.72	8.52	6.34	6.33
Pension – Conservative NEF	6.92	8.77	0.57	5.24	8.03	5.87	5.10
Pension – Diversified	13.51	17.51	-1.42	6.69	11.14	9.29	6.78
Pension – Diversified NEF	13.00	16.99	-1.85	6.20	10.63	8.80	5.29
Pension – High Growth	16.88	23.89	-5.73	8.67	10.55	10.40	5.12
Pension – High Growth NEF	16.35	23.34	-6.15	8.16	10.09	9.91	6.01
Pension – Property	9.22	23.01	8.41	4.34	16.99	12.20	2.24
Pension – Property NEF	8.73	22.42	7.94	3.89	16.48	11.69	1.34
Pension – Worldwide Leaders	12.31	32.45	-0.49	1.73	0.29	8.60	-0.04
Pension – Worldwide Leaders NEF	11.80	31.88	-1.01	1.29	-0.17	8.09	0.90

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.

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 Personal Pension Plan. With the exception of FirstRate, investments in Colonial First State Personal Pension Plan 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 Fund, 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 is exempt from taxation in this Personal Pension Plan.

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.

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.

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.

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), which includes Personal Pension Plan, 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	–	519,127	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	–	(423,779)	(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

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 the Colonial First State Personal Pension Plan are offered by Colonial First State Rollover & Superannuation Fund (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

