SuperWrap Annual Report

For the year ended 30 June 2014

Contents

This annual report dated 20 November 2014 is issued by BT Funds Management Limited (ABN 63 002 916 458, RSE L0001090) ('Trustee'), the issuer and trustee of SuperWrap, which is part of the super fund known as Retirement Wrap (ABN 39 827 542 991, RSE R1001327).

The Trustee is an approved trustee under the Superannuation Industry (Supervision) Act 1993 (Cth) ('SIS').

SuperWrap, which comprises of the Personal Super Plan, Pension Plan and Term Allocated Pension Plan, is part of the complying superannuation fund known as Retirement Wrap, constituted under the Retirement Wrap Trust Deed dated 1 February 1999. Members of SuperWrap are bound by the provisions of the trust deed, as amended from time to time.

Welcome

Dear member,

We are pleased to provide you with the annual report for SuperWrap for the financial year ending 30 June 2014. This report provides you with updates on product and regulatory changes that may affect your superannuation, as well as financial and other important information.

Our focus throughout 2014 has been on investing in improvements which benefit you. We have made it easier for you to switch to eStatements, expanded the available investments menu and included income payment schedules into our eStatement offer.

Both global and local investment markets have enjoyed relatively strong conditions over the past year, providing the right environment for your superannuation investment. You can view your SuperWrap account's actual performance by logging on to investorwrap.com.au and referring to your Annual Statement or Performance Report.

We are committed to supporting you and your adviser to plan for your best retirement. We will continue to invest in order to improve your experience and of course, we will communicate important changes to you or your adviser as they occur.

If you have any questions about the annual report or a general account query please contact your adviser or call one of our SuperWrap consultants on 1300 657 010.

Yours sincerely,

Brad Cooper

Chief Executive Officer
BT Financial Group
For and on behalf of the Trustee of SuperWrap

Recent legislative change

1. 2014/15 superannuation thresholds

The superannuation contributions caps and various other superannuation thresholds that apply for the 2014/15 financial year are as follows:

Low rate cap:	$185,000
Concessional contributions cap:	
‣ Age 49 or over on 30 June 2014	$35,000
‣ Under age 49 on 30 June 2014	$30,000
Non-concessional contributions cap:	$180,000[1]
Capital Gains Tax (CGT) Cap: (lifetime limit)	$1,355,000
Government Co-contributions:	
‣ Maximum co-contribution[2]	$500
‣ Lower threshold	$34,488
‣ Upper threshold (cut off)	$49,488

2. Higher concessional contributions cap

From 1 July 2014 the general concessional contributions cap is $30,000 pa.

A higher concessional contributions cap of $35,000 pa (not indexed) is available from the 2014/15 financial year for individuals aged 49 or over on 30 June 2014.

The higher cap will cease to apply when the general concessional contributions cap reaches $35,000 as a result of indexation.

1_ If you were under age 65 on 1 July 2014 you may be able to make up to $540,000 of non-concessional contributions over three financial years. If you triggered the 'bring forward non-concessional cap' in 2012/13 or 2013/14, you can only make non-concessional contributions up to $450,000 over the relevant 3 year period.

2_The maximum co-contribution payable is phased out by 3.333 cents for every dollar of total income over the lower threshold, until it reaches zero at the upper threshold.

3. Preservation Age increases

Generally you can access your superannuation when you have permanently retired on or after reaching your preservation age or after you reach age 65. You can access your superannuation in other limited circumstances such as if you become permanently incapacitated, are suffering from a terminal medical condition or are suffering severe financial hardship.

If you are aged between preservation age and age 65 you can also commence a transition to retirement pension allowing you to access your superannuation in the form of a non-commutable income stream.

If you were born before 1 July 1960 your preservation age is 55. If you were born on or after 1 July 1960 your preservation age is between 56 and 60 depending on your date of birth (see the table below).

Date of Birth	Preservation Age	When you will reach Preservation Age
Before 1 July 1960	55	Before 1 July 2015
1 July 1960 – 30 June 1961	56	1 July 2016 – 30 June 2017
1 July 1961 – 30 June 1962	57	1 July 2018 – 30 June 2019
1 July 1962 – 30 June 1963	58	1 July 2020 – 30 June 2021
1 July 1963 – 30 June 1964	59	1 July 2022 – 30 June 2023
After 30 June 1964	60	After 30 June 2024

4. Superannuation Guarantee (SG) rate increases

From 1 July 2014, the SG rate increased from 9.25% to 9.5%. The SG rate will remain at 9.5% until 30 June 2021. From 1 July 2021, the SG rate will increase to 10% and thereafter will increase by 0.5% each financial year until it reaches 12% at 1 July 2025.

The table below shows both the current schedule for increases in the SG rate and that applying under previous law.

Financial year	SG Rate (%)	
	Previous Law	Current Law
2014-15	9.5	9.5
2015-16	10.0	9.5
2016-17	10.5	9.5
2017-18	11.0	9.5
2018-19	11.5	9.5
2019-20	12.0	9.5
2020-21	12.0	9.5
2021-22	12.0	10.0
2022-23	12.0	10.5
2023-24	12.0	11.0
2024-25	12.0	11.5
2025-26 onwards	12.0	12.0

5. Low Income Super Contribution

From 2012/13, those with adjusted taxable income[1] of up to $37,000 who have received concessional contributions during the year, may be eligible to receive a government super payment of up to $500 to help save for their retirement. This payment is called the low income super contribution (LISC).

The Government has abolished LISC payments from 1 July 2017. LISC payments will continue to be payable in relation to concessional contributions received in financial years 2012/13 to 2016/17 inclusive.

6. Temporary Budget Repair Levy and Medicare Levy increase

A Temporary Budget Repair (TBR) Levy of 2% will apply to the amount of a person's taxable income above $180,000 for 2014/15, 2015/16 and 2016/17 financial years only. The TBR Levy will also be reflected in a number of other tax rates that are currently based on the top marginal tax rate, for the same 3 year period.

From 1 July 2014 the Medicare Levy also increased by 0.5% to 2.0% to help fund DisabilityCare Australia (previously known as the National Disability Insurance Scheme).

The TBR and increased Medicare Levy will impact the tax withheld from some payments you receive from your pension and super accounts as outlined below.

Income payments

This means for the 2014/15 financial year the tax payable on income payments you receive from your pension will include the increased Medicare Levy and may also include the TBR Levy.

Lump sum payments

Tax withheld from lump sum payments you, or your non-dependant (tax) beneficiaries[2], receive from your pension or super account will include the increased Medicare Levy but will not include the TBR Levy. If you or your non-dependant (tax) beneficiaries[2] receive a lump sum payment and have taxable income above $180,000 for 2014/15 additional tax may be payable as part of the tax return process.

From 1 July 2014 if you are eligible to access your superannuation as a lump sum, the tax we are required to withhold will depend on your age and the tax components within your benefit, as shown in the table below.

Age	Tax witheld on the Taxable component	Tax witheld on the Tax-free component
Under preservation age[3]	A rate of 22% (including the Medicare Levy)	Nil
Preservation age[3] to 59	Up to the low rate cap[4]: Nil Above the low rate cap[4]: a rate of 17% (including the Medicare Levy)	Nil
60 or over	Tax-free	Nil

1_Adjusted taxable income is the sum of taxable income, adjusted fringe benefits, target foreign income, total net investment loss, tax-free pension or benefits and reportable superannuation contributions less deductible child maintenance expenditure.

2_Death benefits paid as a lump sum to your dependants (for tax purposes) are tax-free. A dependant for tax purposes includes your spouse or former spouse, your children under 18, a person who was wholly or substantially financially dependent on you at the time of your death and a person with whom you were in an interdependency relationship at the time of your death.

3_Your preservation age is between 55 and 60 depending on your date of birth.

4_A lifetime limit of $185,000 for 2014/15, indexed to AWOTE rounded down to the nearest $5,000 in subsequent years.

Death benefits paid on or after 1 July 2014 as a lump sum to a non-dependant for tax purposes[1] will have tax withheld in the following manner:

Tax-free component	Tax-free
Taxable component	Taxed at 17% (including the Medicare Levy)
Taxable component (untaxed element)	Taxed at 32% (including the Medicare Levy)

Departing Australia Superannuation Payments (DASP)

If you receive a DASP during 2014/15, we will be required to deduct tax from the taxable component of the payment at 38% (up from 35% in 2013/14).

If we don't have your TFN

If we don't have your TFN at 30 June of a financial year, we are generally required to deduct additional tax from any employer contributions received for you during the financial year. For 2014/15 this additional tax, known as no-TFN contributions tax, will be 34% (up from 31.5% in 2013/14).

If we don't have your TFN we are also generally required to deduct tax from any income or lump sum payments you receive from your pension and super accounts at the highest marginal tax rate plus Medicare Levy. For 2014/15 this is 49% (up from 46.5% in 2013/14).

Excess non-concessional contributions

From 1 July 2014, the rate of tax payable on excess non-concessional contributions will increase from 46.5% to 49%. This tax is not deducted by super funds but is assessed by the ATO.

Note that effective from 1 July 2013, the Government intends to provide individuals the option of releasing their excess non-concessional contributions and any associated earnings from their super fund. If this proposal becomes law, excess contributions tax will only apply where this option is not taken and excess contributions remain in the individual's super fund.

1_Adjusted taxable income is the sum of taxable income, adjusted fringe benefits, target foreign income, total net investment loss,tax-free pension or benefits and reportable superannuation contributions less deductible child maintenance expenditure.

7. Deeming of account-based income streams

From 1 January 2015 the income test treatment of account-based pensions for social security and DVA purposes will change. From that date, the deeming rules which currently apply to other financial assets will be extended to certain account-based income streams. The deeming rules assume your financial assets are earning a certain rate of income, regardless of the income they actually earn.

You may be eligible to continue to have your account-based pension income assessed using the current income test from 1 January 2015 if:

- you were in receipt of an income support payment immediately before 1 January 2015; and
- you have been continuously receiving an 'income support payment' since 1 January 2015; and
- your account-based pension commenced before 1 January 2015 and has continued to be provided to you since the commencement date.

An income support payment includes common pensions and allowances such as the age pension, disability support pension, carer payment (not carer allowance), a DVA service pension, DVA income support supplement and newstart allowance.

If you are eligible to continue to be assessed using the current income test from 1 January 2015 you should note that:

- any changes in your circumstances resulting in you becoming ineligible for income support after 1 January 2015 may mean income from your account-based pension will be assessed using the deeming rules
- if you commute your existing pension to commence a new account-based pension, income from the new pension will be assessed using the deeming rules
- if you have made an automatic reversionary death benefit nomination for your spouse to continue to receive your account-based pension in the event of your death, your spouse may be eligible to continue to have income from the pension assessed using the current income test provided certain conditions are satisfied

You should speak to your financial adviser or Centrelink or DVA about how these changes may impact your income support payment entitlements.

Proposed changes to superannuation

1. Tax treatment of excess non-concessional contributions

Currently, if you make super contributions that exceed your non-concessional contributions cap the excess contributions are taxed at the highest marginal tax rate (for 2014/15 this is 49% including Medicare Levy). The full amount of any excess non-concessional contributions tax must be withdrawn from your super fund.

For excess non-concessional contributions made from 1 July 2013, the Government intends to give individuals the option of withdrawing their excess contributions and any associated earnings from their super fund. If the proposed changes become law:

- if you choose to withdraw your excess non-concessional contributions and related earnings from your super, no excess contributions tax will be payable and the earnings will be taxed at your marginal tax rate
- excess non-concessional contributions retained your super fund will continue to attract tax at the highest marginal tax rate.

This proposal is not yet law and the above details are subject to change.

SuperWrap enhancements

We continued to invest in our platform over the past 12 months to further improve your experience with us.

eStatements

We have made it possible for members to view and change their statement delivery method via investorwrap.com.au. This means that you can easily switch to greener eStatements, which also allows you to access your statements up to two weeks earlier. In addition, we have included income payment schedules within our eStatement offer.

Pension Amendment Tool

This tool was made available for nearly 3 months during financial year end (compared with 2 weeks in previous years). This tool allows your adviser to submit online changes to your future pension payments on your behalf, removing the need for you to send paperwork to us.

Investments

To continue providing a diverse range of investment possibilities, we have expanded the range of investments available to members. In 2013/14 we added 66 managed funds to our menu, including 6 Advance Lifestage Funds. Lifestage Funds offer a diversified investment portfolio whose investment strategy is automatically managed according to the age of members born in the relevant decade. For more information please refer to the current Investment Options booklet. A copy of the latest Investment Options Booklet is available from your adviser.

Automatic assessment for anti-detriment payments

An 'anti-detriment amount' is a payment that may be made, to broadly compensate for contributions tax charged on certain contributions made to your account. This only applies where your account balance is paid on your death as a lump sum to your spouse, former spouse or child, either directly or through your estate.

From 1 July 2014, eligible beneficiaries are no longer required to submit to the Trustee a request for the anti-detriment amount to be calculated and paid, as this process will occur automatically.

Investment information

SuperWrap offers a wide selection of investment strategies to enable you and your adviser to plan your retirement needs. Under these strategies, there are a number of options including cash, listed securities and managed funds. As the investment climate or your needs change, you can change your investment as often as you want, provided you maintain the minimum balance in your Cash Account and any applicable investment limits are not exceeded.

The investments available to you will depend on the SuperWrap product you hold. You should refer to the latest Investment Options Booklet for the product you hold for details of the investments currently available to you. A copy of the latest Investment Options Booklet is available from your adviser.

SuperWrap has been designed to provide a range of investment strategies and options, for you and your adviser to plan your investment goals. All of the strategies (except the sector specific direct

strategies and certain cash options, such as Term Deposits) are invested in managed funds. Each strategy has different risk and return characteristics and investment time frames.

Each of the available investments (detailed in the applicable Investment Options Booklet) falls within one of the investment strategies. The Trustee does not manage the underlying investments. Consequently, the Trustee has no control over the performance of the underlying fund or the time the fund manager takes to make and redeem investments. The Trustee may place restrictions on the percentage that you may invest in a particular investment strategy or investment. Please refer to the SuperWrap Product Disclosure Statement and the Investment Options Booklet for further details regarding any investment restrictions.

The following pages provide a guide to the characteristics of each investment strategy offered under SuperWrap.

However, this information is provided as a guide only. Before deciding to invest in any particular investment, you are responsible for determining whether the investment is appropriate for your needs. You should consult with your adviser before deciding to invest in any particular investment.

The Trustee may remove, withdraw or add managed fund, listed security and term deposit investments at its discretion at any time and may change the conditions associated with investing in these options. In determining whether to remove or withdraw an option, the Trustee can take into account a variety of issues including, but not limited to, performance, administration and the liquidity of the option. If an option is removed, the Trustee will redeem your funds from that option and place them into your Cash Account. Where an investment is withdrawn, you may continue to retain your investment in that option. However, no new investments (including distribution reinvestments) may be placed into that option unless approved by the Trustee. Please note that the Trustee does not directly invest in derivative securities.

Changes to investment strategies

The Trustee may change the investment strategies for SuperWrap at any time. The Trustee will notify you of any such changes.

Investments exceeding 5%

As at 30 June 2014, the combined value of all term deposits issued by Westpac Banking Corporation and held through SuperWrap represents 7.5% of the total assets of SuperWrap.

The combined value of each member's Cash Account (which is invested in one or more underlying bank accounts at Westpac Banking Corporation) represents 10.15% of the total assets of SuperWrap as at 30 June 2014. The values are accurate as at 30 June 2014, but will continue to change over time.

There are no other combinations of investments that the Trustee knows or ought reasonably to know are invested, directly or indirectly, in a single enterprise or single group of associated enterprises and that have a combined value in excess of 5% of the total assets of SuperWrap as at 30 June 2014.

Strategies offered to SuperWrap members

Please note that some of these investment strategies may not be available to you. Please contact your adviser or refer to the latest Investment Options Booklet for the SuperWrap product you hold for further information about what investment strategies are available to you.

Use of derivatives

SuperWrap are not actively involved in the use of derivatives. Some underlying investments may invest in derivatives such as options or futures. These may, as part of that fund manager's investment strategy, be used to hedge or partially hedge against specific exposures. The investment strategy of SuperWrap is not to enter or issue derivatives for trading purposes.

Earnings

Earnings, in the form of capital growth, income distribution or dividends, received from your investments are credited to your account. Your investment earnings will depend on the performance of the investments you choose and the amount of money invested in each.

DIVERSIFIED MANAGED INVESTMENT STRATEGIES	Standard risk measure	Time frame	Investment objective	Indicative ranges	
Growth	Risk bands 6-7 (High to very high)	Recommended for 5 years or more	To provide investors with growth over rolling five year periods through higher exposure to growth assets such as shares and property, with some fixed interest and cash investments. Funds in this strategy will suit investors who want to grow the value of their investment over the long term and accept that returns over the short term will fluctuate and may even be negative.	**Growth assets** 70% – 100%	**Defensive assets** 0% – 30%
Balanced	Risk bands 3-5 (Low-medium to medium-high)	Recommended for 5 years or more	To provide investors with growth over rolling five year periods through a balanced exposure to growth assets (such as shares and property) and income producing assets (such as fixed interest and cash investments). Funds in this strategy will suit investors who want a balanced exposure to growth and income producing assets and accept that returns over the short term will fluctuate and may even be negative.	**Growth assets** 40% – 70%	**Defensive assets** 30% – 60%
Conservative	Risk bands 1-2 (Very low to low)	Recommended for 3 years or more	To provide investors primarily with income and also some growth over rolling three year periods through an investment portfolio consisting mainly of fixed interest and cash investments, but which normally will also have some exposure to growth assets such as shares and property. Funds in this strategy will suit investors who prefer a higher exposure to income producing investments, while having limited exposure to growth investments and accept that returns over the short term will fluctuate and may even be negative.	**Growth assets** 0% – 40%	**Defensive assets** 60% – 100%

SECTOR SPECIFIC MANAGED INVESTMENT STRATEGIES	Standard risk measure	Time frame	Investment objective
Australian shares	Risk bands 6-7 (High to very high)	Recommended for 5 years or more	To provide investors with growth to the value of their investments over rolling five year periods primarily through exposure to Australian shares in a variety of market sectors. Within this strategy funds may have a specific focus such as smaller companies or employ internal leverage. Funds in this strategy will suit investors who want to grow the value of their investment over the long term and accept that returns over the short term will fluctuate and may even be negative.
International shares	Risk bands 6-7 (High to very high)	Recommended for 5 years or more	To provide investors with growth to the value of their investments over rolling five year periods primarily through exposure to shares from around the world (including Australia), in a variety of countries, geographical regions and industry sectors with no limit on the amount that can be invested in any one country, sector or region. Within this strategy funds may have a specific focus such as smaller companies or employ internal leverage. Funds in this strategy will suit investors who are seeking to invest in international share markets through a managed investment vehicle and who accept that returns over the short term will fluctuate and may even be negative.
Property securities	Risk bands 5-7 (Medium-high to very high)	Recommended for 5 years or more	To provide investors with income and some growth to the value of their investments over rolling five year periods through exposure primarily to property related listed securities in Australia and New Zealand and/or global property related listed securities. Funds in this strategy will suit investors who want mostly income returns while maintaining some growth in the value of their investment over the long term and accept that returns over the short term will fluctuate and may even be negative.
Global REITs	Risk bands 6-7 (High to very high)	Recommended for 5 years or more	To provide investors with growth to the value of their investments over rolling five year periods through exposure primarily to property related listed securities around the world (excluding Australia). Funds in this strategy will suit investors who want to grow the value of their investments over the long term and accept that returns over the short term will fluctuate and may even be negative.
Direct property	Risk bands 4-6 (Medium to high)	Recommended for 5 years or more	To provide investors with income and some growth to the value of their investments over rolling five year periods through exposure primarily to direct property. Funds in this strategy may have internal leverage and could experience limited liquidity due to the direct property exposure and therefore may have delays in redemptions. Funds in this strategy will suit investors who want mostly income returns while maintaining some growth in the value of their investment over the long term and accept that returns over the short term will fluctuate and may even be negative.
Australasian fixed interest	Risk bands 1-4 (Very low to medium)	Recommended for 3 years or more	To provide investors with returns that are above inflation and cash over rolling three year periods through exposure to Australian and New Zealand fixed interest securities. Funds in this strategy will suit investors who want to maintain the value of their investment over the medium term and accept that returns over the short term will fluctuate and may even be negative.
International fixed interest	Risk bands 1-4 (Very low to medium)	Recommended for 3 years or more	To provide investors with returns that are above inflation and cash over rolling three year periods through exposure to fixed interest securities from around the world (including Australia) with no limit on what or how much can be invested in any one country or region. Funds in this strategy will suit investors who want to diversify their investment portfolio whilst aiming to maintain the value of their investment over the medium term and accepting that returns over the short term will fluctuate and may even be negative.
Alternative asset[1]	Risk bands 4-7 (Medium to very high)	Recommended for 3 years or more	To provide investors with returns uncorrelated to the direction of the share and bond markets. Funds in this strategy may not be managed to track a specific index, such as the All Ordinaries, Dow Jones or MSCI, may invest in both physical securities and derivatives and may use leverage with a clear goal to deliver an absolute return to investors. They will suit investors who are seeking uncorrelated returns and who are willing to accept greater levels of risk than traditional investment strategies.
Short term fixed interest	Risk bands 1-2 (Very low to low)	Recommended for 1 year or more	To provide investors with returns that are higher than cash over rolling one year periods through exposure to a range of cash, fixed interest securities and directly, or indirectly, in first ranking mortgages (which may reduce liquidity). Funds in this strategy will suit investors seeking returns slightly higher than those available from cash investments and want to maintain the value of their investment over the short term.
Cash	Risk bands 1-2 (Very low to low)	Recommended for 1 year or more	To provide investors with returns that are above at call bank deposit rates through exposure to a range of short term securities, government and bank backed securities and corporate securities. Funds in this strategy will suit investors seeking high investment liquidity for short periods with a low risk of capital loss.

SECTOR SPECIFIC DIRECT INVESTMENT STRATEGIES	Risk return profile	Time frame	Investment objective
Listed Australian shares	High risk	Recommended for 5 years or more	To provide investors with returns higher than fixed interest securities over rolling five year periods through exposure to a choice of listed securities on the ASX. Investments in this strategy will suit investors who want to manage their own portfolio of listed Australian securities and accept a high level of risk associated with this type of investment and the possibility of negative returns in any year.
Listed trusts (including Property)	High risk	Recommended for 5 years or more	To provide investors with growth in the value of their investment over rolling five year periods through exposure to a choice of listed property securities and investment trusts available on the ASX. Investments in this strategy will suit investors seeking to invest in listed property and investment trusts and who accept a high level of risk associated with this type of investment and the possibility of negative returns in any year.
Listed debt securities (Australian fixed interest)	Moderate risk	Recommended for 3 years or more	To provide investors with returns that are above inflation and cash over rolling three year periods through exposure to a choice of listed debt securities. Investments in this strategy will suit investors who want to manage their own portfolio of listed Australian debt securities and accept a moderate level of risk associated with this type of investment.

1_Some of the alternative asset investments have characteristics that are different to other managed fund investments. These characteristics include infrequent pricing of units (eg monthly rather than daily or weekly pricing) and possible extended delays in processing withdrawals or redemptions (eg in some cases 5 months or more depending on the liquidity of underlying assets). Before deciding to invest in an alternative asset fund investment you should consult your adviser and ensure you read and understand the relevant offer document and Product Profile for the relevant alternative asset investment.

Other important information

How is my investment valued?

Your benefit in SuperWrap is equal to the number of units, listed securities, or term deposits you hold in the underlying investment multiplied by the relevant withdrawal or sale price of each investment, plus the value of your Cash Account, less all taxes payable and SuperWrap charges.

Your Cash Account is an interest bearing account and forms part of your investment. The Cash Account serves a number of purposes including receipt of contributions, a settlement account for your investment transactions and the account from which fees and charges are deducted and to which income is credited.

The value of the managed fund holdings are determined by the governing rules of the underlying fund manager and reflect the value of the underlying investments held by the underlying managed fund. As the value of these underlying assets goes up and down, so will the value of your managed fund holdings.

Similarly the value of any listed security investments you hold will fluctuate with movements in the prices of the securities.

Your withdrawal benefit in SuperWrap will differ from your total benefit, as the Trustee will create a provision for fees, charges and tax payable, that have accrued but have not yet been deducted from your account.

These provisions are required to ensure that there are sufficient funds left to meet these accrued liabilities if you leave the fund before these liabilities fall due. In calculating this provision the Trustee will make an assessment as to what value, if any, will be given for franking credits received or credited and losses incurred.

Performance information

Past performance of investments available through SuperWrap is not a reliable indicator of future performance.

Eligible Rollover Fund for SuperWrap

The Eligible Rollover Fund ('ERF') currently selected for SuperWrap is:

SuperTrace Eligible Rollover Fund
Locked Bag 5429
Parramatta NSW 2124

If your benefit is transferred to SuperTrace:

- you will cease to be a member of SuperWrap and any insurance cover provided will also cease on the date of transfer or the end of any continuation period that may apply, if that period is after the cessation date
- you will need to contact the SuperTrace Administrator on 1300 788 750 in order to claim your benefit back or deal with your benefit
- you will not be able to make contributions to the ERF
- you will not have any investment choice – the trustee of the ERF will nominate the investment strategy that will apply
- the ERF will normally ensure that your benefits will not be eroded by administration fees and charges;however, other fees may apply. Refer to the ERF's disclosure statement for more information.

Currently your benefit may be transferred to the ERF in the following circumstances:

- If you are a member of the Personal Super Plan and become a lost member, that is:
  - one piece of written communication has been returned unclaimed, or
  - the Trustee has never received your address details

  unless during the last two years the Trustee has verified that your address is correct and has no reason to believe it is not correct. It is important that you inform the Trustee of any changes to your address details so that you are not transferred to the ERF. Trustees of regulated super funds report details of lost members to the Australian Tax Office ('ATO'), which maintains a lost members register. Persons may search the register to ascertain whether they have benefits, which are lost
- If your Cash Account balance falls below the minimum required balance (unless you are a member of the Pension Plans and the total value of your pension account is below the minimum amount). If this happens, you will be requested to make an additional investment or sell down investment holdings to increase your balance over the minimum. If you do not increase your balance, your benefit may be transferred to the ERF
- If you request to transfer your benefit to another fund and that request cannot be processed due to insufficient information, or the other fund returns the money to SuperWrap because they have been unable to process the request
- If you cease to have an adviser that is authorised to sell or distribute interests in SuperWrap
- If the Distributor of the SuperWrap product you hold ceases to distribute SuperWrap
- If circumstances discussed in the 'Cooling-off period' section of the SuperWrap Product Disclosure Statement (available through your adviser) apply
- In any other circumstances permitted under superannuation law.

What if I have a complaint?

SuperWrap has arrangements in place for dealing with members' inquiries or complaints. If you have any inquiries or complaints about SuperWrap that cannot be discussed with your adviser, please contact a SuperWrap consultant on 1300 657 010 from 8.00am to 6.30pm, Monday to Friday (Sydney time).

If it cannot be resolved over the phone, you can outline your complaint in writing to:

The Complaints Officer
SuperWrap
GPO Box 2675
Sydney NSW 2001

The Complaints Officer will endeavour to resolve your complaint within 30 days of receiving your letter.

However, if you are not satisfied with the response or have not received a response within 90 days, you may contact the Superannuation Complaints Tribunal ('the Tribunal') by calling 1300 884 114, by faxing (03) 8635 5588, or by writing to:

Superannuation Complaints Tribunal
Locked Bag 3060
Melbourne VIC 3001

The Tribunal is an independent body established by the Government to help members of superannuation funds resolve complaints. The Tribunal will attempt to resolve your complaint through conciliation, helping you and the Trustee to reach an agreement. If your dispute cannot be resolved through conciliation, the Tribunal may ask for submissions and make a binding determination.

Superannuation surcharge

Any surcharge amounts will be deducted from your account.

Indemnity insurance

The Trustee is indemnified by a professional indemnity insurance policy in respect of its duties as Trustee of SuperWrap.

Temporary residents

A temporary resident is a holder of a temporary visa under the Migration Act 1958.

From 1 April 2009, if you are, or were, a temporary resident and are not an Australian citizen, New Zealand citizen or permanent resident of Australia, or a holder of a retirement visa (Subclass 405 or 410), you can generally only access your preserved super benefits if you become permanently incapacitated, have a terminal medical condition, or have departed Australia permanently and your visa has ceased, or your beneficiaries may access your benefits if you die. You may also be able to access your benefit if you satisfied another condition of release under superannuation law before 1 April 2009.

The Australian Government also requires us to pay temporary residents' unclaimed super to the ATO after at least six months have passed since the later of:

- the date a temporary resident's visa ceased to be in effect and
- the date a temporary resident permanently left Australia.

The ATO identifies and informs the Trustee of the impacted members on a twice yearly basis. Once your benefit has been transferred to the ATO you will need to claim it directly from the ATO (ato.gov.au).

If your benefit has not yet been transferred to the ATO, applications to claim your benefit can be made using the ATO Departing Australia Superannuation Payment ('DASP') online application system. To access this system and full information regarding DASP procedures and current tax rates visit ato.gov.au.

We are permitted under, and rely on, ASIC relief under Class Order CO 09/437 to not notify or provide an exit statement to a non-resident in circumstances where we pay unclaimed superannuation to the ATO under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999.

Financial information

Retirement Wrap – SuperWrap

Statements of net assets as at 30 June 2014

SUPERWRAP	2014 $'000	2013 $'000
Assets		
Cash and cash equivalents	473,679	558,291
Equity securities	4,438,420	3,626,871
Fixed Interest Securities	241,056	186,729
Derivatives	633	489
Term deposits	5,091,524	5,303,748
Unlisted Unit Trusts	22,167,132	18,559,086
Receivables	784,404	472,589
Other assets	90,964	60,627
Current tax asset	50,219	53,161
Deferred tax asset	-	64,674
Total assets	**33,338,031**	**28,886,265**
Liabilities		
Payables	90,517	89,812
Deferred tax liability	21,834	-
Total liabilities	**112,351**	**89,812**
Net assets available to pay benefits	**33,225,680**	**28,796,453**

Statements of changes in net assets for the year ended 30 June 2014

SUPERWRAP	2014 $'000	2013 $'000
Net assets available to pay benefits at the beginning of the year	28,796,453	24,298,419
Investment income		
Dividend income	191,478	164,888
Interest income	232,444	272,795
Distribution income	969,674	696,006
Changes in the net market value of investments	1,971,024	2,420,174
Other investment income	138	150
Total investment income	**3,364,758**	**3,554,013**
Contributions revenue		
Members' contributions	1,107,967	926,191
Employers' contributions	468,589	385,772
Transfers from other funds	3,583,299	3,337,190
Total contribution revenue	**5,159,855**	**4,649,153**
Other revenue	**17,691**	**16,408**
Benefits paid	**3,490,100**	**3,214,702**
General administration expenses		
Trustee's fees	23,893	19,732
Adviser fees	242,092	205,261
Account keeping fees	134,589	118,978
Other expenses	189,949	156,019
Total general administration expenses	**590,523**	**499,990**
Changes in net assets before income tax	**4,461,681**	**4,504,882**
Income tax expense/(benefit)	32,454	6,848
Changes in net assets after income tax	**4,429,227**	**4,498,034**
Net assets available to pay benefits at the end of the year	**33,225,680**	**28,796,453**

This annual report contains unaudited abridged financial information for the financial year ended 30 June 2014 in relation to SuperWrap as part of Retirement Wrap (Fund). The full Retirement Wrap's audited, auditor's report and annual report accounts are available on request by contacting the SuperWrap Consultants on 1300 657 010.

Tax Reserve Account

MOVEMENT	2014 $'000	2013 $'000	2012 $'000
Opening balance	60,627	47,478	44,653
Movement in account	30,337	13,149	2,825
Closing balance	90,964	60,627	47,478

The Investment strategy for the Tax Reserve Account (TRA) is 100% Cash to ensure that there is appropriate liquidity to remit tax to the Australian Taxation Office (ATO) when required. The TRA was established to hold SuperWrap members' taxes in transition between members and the ATO. To meet this strategy, the TRA comprises of an at-call Westpac bank account earning a variable interest rate.

For more information

Speak to your adviser

Call one of our SuperWrap consultants on 1300 657 010 from 8.00am to 6.30pm, Monday to Friday (Sydney time)

Mail SuperWrap
GPO Box 2337
Adelaide SA 5001

Visit investorwrap.com.au