

# Advance Retirement Suite

Personal Super  
Allocated Pension

Annual Report for the year ended 30 June 2011



**ADVANCE**

### **In this Annual Report**

- 'Account' or 'Accounts' refers to either or all of the Advance Super Account and Advance Allocated Pension Account.
- 'Advance Retirement Suite' refers to all of the Accounts.
- 'Super Account' refers to the Advance Super Account.
- 'Asgard', 'we', 'us' and 'our' are references to Asgard Capital Management Ltd ABN 92 009 279 592 AFSL 240695.
- 'Advance' refers to Advance Asset Management Limited ABN 98 002 538 329 AFSL 240902.

### **Important information**

Asgard is the trustee of the Advance Retirement Suite ABN 95 068 282 166 and has issued this Annual Report.

The investment information or general advice provided in this publication doesn't take into account your personal objectives, financial situation or needs and because of that you should consider the appropriateness of the information or advice having regard to these factors. Before deciding whether to open or to continue to hold a financial product issued by us, you should obtain and consider the Product Disclosure Statement (PDS) for that product, available from us or your financial adviser.

### **Asgard and Advance**

Advance has entered into an agreement with us relating to the establishment and administration of the Advance Retirement Suite and, under this Agreement, Advance may ask us to retire as the trustee of the Advance Retirement Suite and we must do all things reasonably required by Advance to facilitate the appointment of a person nominated by Advance as our replacement. You'll be notified if we're asked to retire as the trustee. When we retire, we'll be released from any future obligations in relation to the Advance Retirement Suite and the replacement trustee will agree to take on all duties and obligations of the trustee.

Advance and Asgard are subsidiaries of Westpac Banking Corporation (Westpac) ABN 33 007 457 141. An investment in the Advance Retirement Suite is not a deposit with, investment in, or other liability of Westpac or any other company within the Westpac Group. It's subject to investment risk, including possible delays in repayment and loss of income and principal invested. Neither Westpac nor any other company within the Westpac Group stands behind or otherwise guarantees the capital value or investment performance of the Advance Retirement Suite.

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# Advance Retirement Suite

For the year ended 30 June 2011

## Introduction

We're pleased to present the Annual Report for the Accounts at 30 June 2011. This report is issued in accordance with the Corporations Act 2001. It contains general information, providing details of the financial position and management of the Accounts.

The report also details how you can obtain additional information about your account. You can request additional information (including the trust deed, financial statements and auditor's report) from the Contact Centre.

Advance  
GPO Box B87  
Perth WA 6838  
Contact Centre: 1800 819 935  
Email: [investorservices@advance.com.au](mailto:investorservices@advance.com.au)

## About Advance

### Advanced thinking...

Advance offers a wide choice of quality investments and the security of ongoing monitoring and analysis. The Advance investment team provides in-depth analysis of the underlying investment funds and the managers behind them, with the aim of offering broad diversification, quality risk management and access to some of the world's best investment managers.

## About the Accounts

All administrative, accounting, reporting and audit requirements of the investment are provided for investors through the Accounts.

We're responsible for the day-to-day management of these Accounts. Our duties include administering individual investor accounts, organising the payment of benefits, dealing with tax matters relating to your investments and providing you with regular, consolidated reports. When necessary, we'll engage external experts, such as accountants and solicitors, to provide assistance.

We provide you with detailed information on the individual investment performance of your account, the overall market

performance and individual exposure to asset classes within each investment portfolio in consolidated Investor Reports (issued half-yearly). Other information may be available on request.

## Investment choice

As an investor in the Advance Retirement Suite, you have access to a quality investment menu.

The diagram below illustrates the types of investments available to you, including diversified and sector multi-manager options (known as multi-manager funds) and a range of discretionary investments (known as single manager funds). From these managed investment options, you and your financial adviser can build an investment profile to suit your individual needs.

You also get investment flexibility. As your investment needs or objectives change, you can switch your investments at any time, quickly and easily.

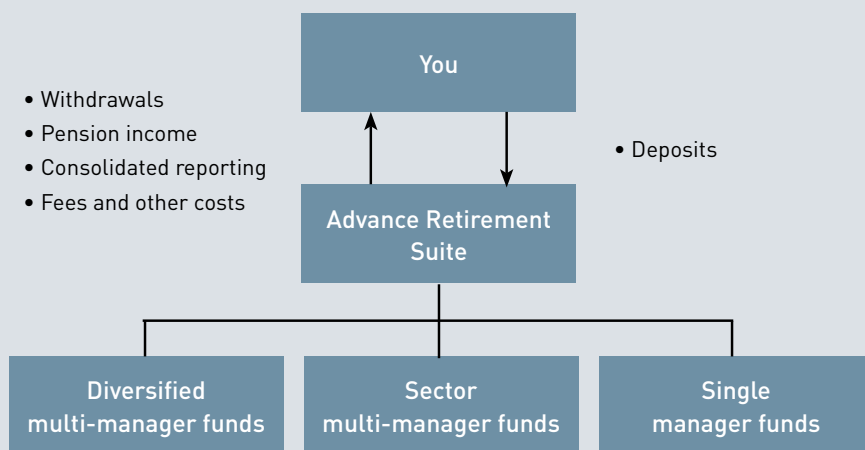
## Investment Option profiles

The Investment Option profile section gives you a snapshot of each Investment Option together with other information including:

- the full range of Investment Options available within the Accounts
- the investment objectives and strategy of each Investment Option
- asset allocation information, including strategic range, allocations for 30 June 2010 and 30 June 2011, and the neutral position for the diversified multi-manager funds.

### How the Advance Retirement Suite works

Please note the managed investment options offered may change from time to time and without prior notice to you.



Advance Defensive Multi-Blend Fund ARS				
Objective	To provide secure income with a low risk of capital loss over the short to medium term with some capital growth over the long term.			
Strategy	To invest in a diverse mix of assets with a majority in defensive assets of cash and fixed income, and a modest investment in growth assets such as shares. The Fund's exposure to these asset sectors will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts			
Investment management	Alleron Investment Management AQR Capital Management Ausbil Dexia BT Investment Management CB Richard Ellis Global Real Estate Securities, LLC Celeste Funds Management Colonial First State Global Asset Management Contango Asset Management Credit Suisse Asset Management European Investors Incorporated Franklin Templeton IMS Funds Management Kapstream Capital Lazard Asset Management Lion Global Investors	Massachusetts Financial Services Mellon Capital Management Corporation Northcape Capital Pty Ltd Overlay Asset Management Perennial Investment Partners Ramius Alternative Solutions LLC Schroders Investment Management Australia Limited Standish Mellon Asset Management Company LLC State Street Global Advisors Tradewinds Global Investors, LLC Tribeca Investment Management Trilogy Global Advisers, LLC Wellington Management, LLP		
Investment timeframe	3 years +			
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Neutral position (%)	Strategic range (%)
Australian shares	14.7	14.3	13.5	10.5–16.5
International shares	7.6	7.9	6.5	3.5–9.5
Property	3.9	4.1	4	1–7
Australian fixed interest	10.8	18.2	18	1–21
International fixed interest	21.8	26.7	27	24–30
Other	11.8	5.4	6	3–9
Cash	29.4	23.4	25	17–33

## Advance Retirement Suite

For the year ended 30 June 2011

Advance Moderate Multi-Blend Fund ARS				
Objective	To provide relatively stable total returns over the short to medium term with some capital growth over the long term through a diversified mix of growth and defensive assets.			
Strategy	To invest in a diverse mix of assets with an emphasis on secure income producing assets. The Fund's exposure to these asset sectors will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.			
Investment management	Alleron Investment Management AQR Capital Management Ausbil Dexia BT Investment Management CB Richard Ellis Global Real Estate Securities, LLC Celeste Funds Management Colonial First State Global Asset Management Contango Asset Management Credit Suisse Asset Management European Investors Incorporated Franklin Templeton IMS Funds Management Kapstream Capital	Lazard Asset Management Lion Global Investors Massachusetts Financial Services Mellon Capital Management Corporation Northcape Capital Pty Ltd Overlay Asset Management Perennial Investment Partners Ramius Alternative Solutions LLC Schroders Investment Management Australia Limited Standish Mellon Asset Management Company LLC State Street Global Advisors Tribeca Investment Management		
Investment timeframe	4 years +			
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Neutral position (%)	Strategic range (%)
Australian shares	24.8	25.1	23.5	20.5–26.5
International shares	15.1	15.6	14	11–17
Property	4.9	5.0	5	2–8
Australian fixed interest	9.8	15.7	15.2	12.2–18.2
International fixed interest	18.8	22.2	22.8	19.8–25.8
Other	10.2	7.7	7.5	4.5–10.5
Cash	16.4	16.1	12	4–20

Advance Balanced Multi-Blend Fund ARS					
Objective	To provide moderate to high total returns (before fees and taxes) over the medium term from a combination of capital growth and income through a diversified mix of growth and defensive assets.				
Strategy	To invest in a diverse mix of assets with both income-producing assets of cash and fixed interest and growth assets of shares and property. The Fund's exposure to these asset sectors will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.				
Investment management	Alleron Investment Management AQR Capital Management Ausbil Dexia BT Investment Management CB Richard Ellis Global Real Estate Securities, LLC Celeste Funds Management Colonial First State Global Asset Management Contango Asset Management Credit Suisse Asset Management European Investors Incorporated Franklin Templeton IMS Funds Management Kapstream Capital	Lazard Asset Management Lion Global Investors Massachusetts Financial Services Mellon Capital Management Corporation Northcape Capital Pty Ltd Overlay Asset Management Perennial Investment Partners Ramius Alternative Solutions LLC Schroders Investment Management Australia Limited Standish Mellon Asset Management Company LLC State Street Global Advisors Tribeca Investment Management			
Investment timeframe	5 years +				
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Neutral position (%)	Strategic range (%)	
Australian shares	32.8	32.8	31.5	28.5–34.5	
International shares	24.7	25.6	23.5	20.5–26.5	
Property	6.1	6.1	6	3–9	
Australian fixed interest	4.9	10.1	9.6	9.6–12.6	
International fixed interest	9.9	14.0	14.4	11.4–17.4	
Other	11.9	8.2	9	6–12	
Cash	9.7	3.2	6	0–14	

# Advance Retirement Suite

For the year ended 30 June 2011

Advance Growth Multi-Blend Fund				
Objective	To provide moderate to high total returns (before fees and taxes) over the medium to long term largely through capital growth by investing in a mix of growth and defensive assets.			
Strategy	To invest in a diverse mix of assets with an emphasis on growth orientated assets of Australian and global shares, with investment in defensive assets of cash and fixed interest providing some income and stability of returns. The Fund's exposure to these asset sectors will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.			
Investment management	Alleron Investment Management AQR Capital Management Ausbil Dexia BT Investment Management CB Richard Ellis Global Real Estate Securities, LLC Celeste Funds Management Colonial First State Global Asset Management Contango Asset Management Credit Suisse Asset Management European Investors Incorporated Franklin Templeton IMS Funds Management Kapstream Capital	Lazard Asset Management Lion Global Investors Massachusetts Financial Services Mellon Capital Management Corporation Northcape Capital Pty Ltd Overlay Asset Management Perennial Investment Partners Ramius Alternative Solutions LLC Schroders Investment Management Australia Limited Standish Mellon Asset Management Company LLC State Street Global Advisors Tribeca Investment Management		
Investment timeframe	6 years +			
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Neutral position (%)	Strategic range (%)
Australian shares	38.6	38.4	37.5	34.5–40.5
International shares	31.1	32.1	30	27–33
Property	7.2	6.8	7	4–10
Australian fixed interest	1.0	4.0	4.8	1.8–7.8
International fixed interest	3.0	7.2	7.2	4.2–10.2
Other	12.3	10.5	10.5	7.5–13.5
Cash	6.8	0.8	3	0–11

Advance High Growth Multi-Blend Fund				
Objective	To provide superior total returns (before fees and taxes) over the long term through capital growth by investing in growth assets.			
Strategy	To invest primarily in Australian and global shares with some exposure to property. The Fund's exposure to these asset sectors will be obtained primarily by investing into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.			
Investment management	Alleron Investment Management AQR Capital Management Ausbil Dexia BT Investment Management CB Richard Ellis Global Real Estate Securities, LLC Celeste Funds Management Colonial First State Global Asset Management Contango Asset Management Credit Suisse Asset Management European Investors Incorporated Franklin Templeton IMS Funds Management	Kapstream Capital Lazard Asset Management Lion Global Investors Massachusetts Financial Services Mellon Capital Management Corporation Northcape Capital Pty Ltd Overlay Asset Management Perennial Investment Partners Ramius Alternative Solutions LLC Schroders Investment Management Australia Limited		
Investment timeframe	7 years +			
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Neutral position (%)	Strategic range (%)
Australian shares	43.9	43.5	44.5	41.5–47.5
International shares	38.9	40.9	39.5	36.5–42.5
Property	4.2	3.7	4	1–7
Other	10.6	11.6	12	9–15
Cash	2.4	0.2	0	0–8

## Advance Retirement Suite

For the year ended 30 June 2011

Advance International Shares Multi-Blend Fund ARS			
Objective	To provide long-term capital growth from a diversified portfolio of global shares and currencies. The Fund aims to provide investors with a total investment return (before fees and taxes) that outperforms the MSCI World ex Aust Accumulation Index in Australian dollars over periods of five years or longer.		
Strategy	To invest in a wide range of global shares listed, or expected to be listed, on world stock exchanges, including emerging markets and across a diverse range of industries. The Fund seeks to add value by actively investing in currencies.		
Investment management	AQR Capital Management Lazard Asset Management Massachusetts Financial Services Mellon Capital Management Corporation Overlay Asset Management Schroders Investment Management Australia Limited Tradewinds Global Investors Trilogy Global Advisers LLC		
Investment timeframe	5 years +		
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Strategic range (%)
International shares	96.9	99.9	95–100
Cash	3.1	0.1	0–5

Advance Money Market Fund ARS			
Objective	To provide security of capital together with a secure regular income through investment in cash and money market securities. The Fund aims to provide investors with a total investment return (before fees and taxes) that is at least equal to the UBS Bank Bill Index.		
Strategy	To invest in various types of short-term money market securities. Liquidity, credit and duration risks will be managed by analysing the monetary policy cycle and other economic factors.		
Investment management	IMS Funds Management		
Investment timeframe	No minimum		
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Strategic range (%)
Cash	100	100	100

Advance Australian Shares Fund ARS			
Objective	To provide long-term capital growth from a diversified portfolio of Australian Shares. The Fund aims to provide investors with a total investment return (before fees and taxes) that outperforms the S&P/ASX 200 Accumulation Index over periods of five years or longer.		
Strategy	To invest in a wide range of Australian shares, listed or expected to be listed, on the Australian Securities Exchange.		
Investment management	Maple-Brown Abbott		
Investment timeframe	5 years +		
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Strategic range (%)
Australian shares	98.1	97.1	95-100
Cash	1.9	2.9	0-5

Advance Australian Geared Equity Fund			
Objective	To provide magnified long-term capital growth by borrowing to invest in securities listed, or expected to be listed, on the Australian Securities Exchange. The Fund aims to provide investors with a total investment return (before fees and taxes) that outperforms the S&P/ASX 200 Accumulation Index over periods of five years or longer.		
Strategy	To invest in a wide range of Australian shares listed, or expected to be listed, on the Australian Securities Exchange. Currently it is intended that the Fund's strategy be implemented by investing in the Advance Sharemarket Fund. Most of the investment will comprise companies in the S&P/ASX 200 Index.		
Investment management	Maple-Brown Abbott		
Investment timeframe	5 years +		
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Strategic range (%)
Australian shares	98.1	97.4	95-100
Cash	1.9	2.6	0-5

## Advance Retirement Suite

For the year ended 30 June 2011

Advance Concentrated Australian Share Fund			
Objective	To provide strong medium to long-term capital growth from a diversified portfolio of Australian shares. The Fund aims to provide investors with a total investment return (before fees and taxes) that outperforms the S&P/ASX 200 Accumulation Index by greater than 4.5% pa over periods of five years or longer.		
Strategy	To invest in a wide range of Australian shares listed, or expected to be listed, on the Australian Securities Exchange.		
Investment management	Alleron Investment Management		
Investment timeframe	5 years +		
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Strategic range (%)
Australian shares	97.4	97.0	95–100
Cash	2.6	3.0	0–5

Advance Asian Equity Fund (super only)			
Objective	To provide long-term capital growth by investing in Asian (ex Japan) securities listed, or expected to be listed, on world stock exchanges. The Fund aims to provide investors with a total return (before fees and taxes) that outperforms the MSCI All Countries Asia Free Excluding Japan Accumulation Index in Australian dollars over periods of five years or longer.		
Strategy	To invest in a diverse range of securities listed, or expected to be listed, on world stock exchanges excluding Japan, across a diverse range of industries.		
Investment management	Lion Global Investors Limited		
Investment timeframe	5 years +		
Sector	Asset mix at 30 June 2011 (%)	Asset mix at 30 June 2010 (%)	Strategic range (%)
Australian shares	96.0	99.6	90–100
Cash	4.0	0.4	0–10

## Earnings paid to your account

Earnings, in the form of capital growth, income distributions 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.

Gains and losses are reflected through changes in the value (unit price) of your investments. Distribution payments from your investments are credited to your account when received.

## Understanding the risks of investing

No matter which Investment Option you choose to invest in, there will always be some level of investment risk. The variability of returns is known as investment risk. Generally, the higher level of risk you are prepared to accept, the higher the potential returns, or losses.

Risk can be managed and even minimised, but not eliminated and there's always a chance you may lose money on any investments you make. You should be aware of these risks when investing and understand that not all risks are foreseeable.

Some common types of investment risks are outlined in the table below.

## Use of derivative financial instruments

The Accounts are not directly exposed to, or involved in, the use of derivative financial instruments. The investment strategy of the Accounts is not to enter, hold or issue derivative financial instruments for trading purposes. However, the Advance managed investments available through the Accounts are permitted to invest in options, futures and other derivative contracts and may use some hedging to help protect the market value of their investments. This may have a positive or negative effect on the value of these investments.

Risk type	Description of risk
Market risk	Markets are subject to a host of factors, including economic conditions, government regulations, market sentiment, local and international political events, and environmental and technological issues. Market risk may have different impacts on each investment and investment style in that market at different times.
Security specific risk	An investment in a company may be affected by unexpected changes in that company's operations (such as changes in management or loss of a big customer) and business environment.
International investments risk	Investing internationally in one of the major asset classes will give exposure to different or potentially greater risks that are not associated with investing in Australia. International investments may be more affected by political and economic uncertainties, lower regulatory supervision, movements in foreign currency and interest rates, and more volatile, less liquid markets.
Currency risk	For investments in international assets, a rise in the Australian dollar relative to other currencies, may negatively impact investment values and returns.
Interest rate risk	Changes in interest rates can have a direct or indirect impact on the investment value and/or returns of all types of assets. Interest rates may affect a company's cost of borrowings as well as the value of fixed interest securities.
Credit risk	Credit risk refers to a risk of loss arising from the failure of a borrower or other party to a contract to meet its obligations. This may arise in securities such as derivatives, fixed interest securities and mortgage securities.
Liquidity risk	This is the risk that an investment may not be easily converted into cash with little or no loss of capital and minimum delay because of either inadequate market depth or disruptions in the market place. Securities of small companies in particular may, from time-to-time, and especially in falling markets, become less liquid.
Derivative risk	The value of derivatives is linked to the value of the underlying assets and can be highly volatile. Potential gains and losses from derivative transactions can be substantial.

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The International Shares Multi-Blend Fund may seek to add value by actively investing in currencies. As a result, the total currency position of this Fund may vary over time. For the Advance Australian Geared Equity Fund, derivatives are permitted to be used to leverage (or gear) the Fund as an alternative to borrowings. For further information, please refer to the PDS for the relevant managed investment.

## Investor Online

Investor *Online* is fast and secure, and gives you access to the information you need to know about your account online, such as account balances, investments held, transaction details, insurance details and asset allocation.

You can also:

- change your address, contact and email details
- change your PIN
- submit your Tax File Number
- download Product Disclosure Statements
- access all your Investor Reports
- download a range of forms
- view tax and distribution information.

Using your account number and Personal Identification Number (PIN), your account information is available in an easy-to-read format by visiting [advance.com.au](http://advance.com.au) and logging on to Investor *Online*.

## Recent developments in superannuation

### 2011/12 superannuation thresholds

The annual superannuation contributions caps and various other superannuation thresholds that apply for the 2011/12 financial year are as follows.

Low rate cap	\$165,000
Concessional contributions cap	
— Age 50 or over	\$50,000
— Under age 50	\$25,000
Non concessional contributions cap	\$150,000 <sup>#</sup>
Capital Gains Tax (CGT) Cap (lifetime limit)	\$1,205,000
Government co-contributions	
— Maximum co-contribution*	\$1,000
— Lower threshold	\$31,920
— Upper threshold (cut off)	\$61,920

<sup>#</sup> If you were under age 65 on 1 July 2011 you may be able to make up to \$450,000 of non-concessional contributions over three financial years.

\* 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.

### Minimum pension payments

The Government has provided a reduced level of relief from the minimum pension payment requirements for the 2011/12 financial year. Your minimum pension payment specified by Government regulations will be reduced by 25% for the year ending 30 June 2012. For example, if your minimum payment requirement for the 2011/12 financial year was \$10,000, you will be able to choose to take a payment of only \$7,500 for the financial year.

### Flood Levy

The Government introduced a Temporary Flood and Cyclone Reconstruction Levy (flood levy) for the 2011/12 financial year only. The flood levy applies to Australian and foreign resident individuals who have a taxable income over \$50,000 in the 2011/12 financial year. This means the flood levy applies to certain payments from superannuation included in your taxable income.

If you're under age 60 when you receive a lump sum superannuation payment in 2011/12, flood levy of up to 1% may be withheld from the taxable component in addition to the current rates of withholding tax.

Flood levy doesn't apply to lump sum payments you receive in 2011/12 if:

- you're aged 60 or over
- the taxable component of the payment is \$50,000 or less
- you haven't provided your TFN (tax will be withheld from the taxable component at the top marginal rate, 46.5% for residents and 45% for non-residents)
- the total payment is less than \$200 and is your entire superannuation benefit
- you receive the payment because you have a terminal medical condition
- the payment is a Departing Australia Superannuation Payment (DASP)

In addition, no flood levy will be payable for a superannuation lump sum payment paid as a result of the death of a member to a beneficiary who is a dependant for tax purposes.

Where required, flood levy will be withheld from the taxable component of a lump sum superannuation payment at the rates shown in the following table. No flood levy will apply to the tax free component of superannuation payments.

Taxable component of superannuation payment	Flood levy
Up to \$50,000	Nil
\$50,000 to \$100,000	0.5% of the taxable component exceeding \$50,000
Over \$100,000	1% of taxable component exceeding \$100,000 plus \$250 (being 0.5% of the taxable component between \$50,000 and \$100,000)

If you have a pension account, are under age 60 and the total taxable component of all income payments received from your pension in the 2011/12 financial year is more than \$50,000, flood levy of up to 1% may be withheld from the taxable component of your income payments in addition to the current rates of withholding tax.

You may be exempt from paying the flood levy if you:

- were eligible for an Australian Government Disaster Recovery Payment for a natural disaster that occurred during 2010/11 and you received the payment before 30 June 2012
- were affected by an event that occurred during 2010/11 and declared as a natural disaster under the Natural Disaster Relief and Recovery Arrangements and meet certain other criteria
- received an ex-gratia payment from Centrelink before 30 June 2012 because you're a New Zealand citizen holding a special category visa and were not eligible to receive an Australian Government Disaster Recovery Payment

Additional conditions apply. Further information is available at [www.ato.gov.au](http://www.ato.gov.au).

## Insurance enhancements

We understand insurance is an essential part of your overall financial plan. In partnership with AIA Australia Limited (the Insurer), one of Australia's leading insurers, we've added more features

and service enhancements to our insurance offering.

These enhancements took effect on 28 March 2011 for the Advance Personal Protection Package (APPP) and include changes such as:

- **Introduction of Guaranteed Future Insurability Benefit (life stages cover)**  
The Guaranteed Future Insurability Benefit (life stages cover) allows you to apply for increases to the amount of the Life Protection cover and any TPD insurance cover (if applicable) when certain 'personal events' and 'business events' occur, without providing further evidence of health or insurability, as long as you are less than 55 years old.
- **More generous terms and conditions**  
We've introduced a number of benefit enhancements to our insurance, offering you even greater value for money. Our insurance is now rated top quartile according to the 2011 Heron Partnership Independent Review of 160 superannuation products in the market.
- **Easy ways to apply for insurance**  
Whether you're transferring your existing insurance from elsewhere, setting up new insurance or increasing your existing insurance with us, we have a number of quick and easy ways to help you and your adviser.  
Our generous takeover terms allow you to transfer your existing insurance with another superannuation fund or insurer to us without any underwriting, regardless of how long ago you obtained that cover.

We've also recently increased our short form application limit to allow for more clients to apply for new insurance or to increase their existing insurance without having to complete a personal statement.

Most importantly, all these enhancements are available to our new and existing clients at no additional cost.

For further information on these enhancements, to apply for new insurance or to increase your existing insurance cover, please contact your financial adviser or call our Contact Centre on 1800 819 935.

## Information you should know about the Advance Retirement Suite

### Closed accounts

Under the trust deed, if an amount is received for a former member (with a closed account), the trustee is able to determine that the member is not entitled to some, or all, of that amount.

Accordingly, the trustee has determined that former members will not be entitled to all amounts less than \$50 credited to their closed accounts and these amounts will be applied for the general benefit of all current members of the fund.

### Refund of contributions tax as an anti-detriment payment

Tax law allows the trustee to calculate an increased amount, known as an 'anti-detriment' payment, to be paid when a death benefit payment is made to a beneficiary who was a spouse, former spouse or child of the member.

An 'anti-detriment' payment represents a refund of contributions tax paid on all contributions made to the fund by the member since joining the Advance Retirement Suite.

Note that an 'anti-detriment' payment cannot be paid if the death benefit is paid as a pension.

We've established a reserve to facilitate these refunds. At 30 June 2011, the

# Advance Retirement Suite

For the year ended 30 June 2011

amount held in this reserve was \$48,627 (2010: \$6,709). We manage the reserve by holding it in cash, as the liquidity is needed to ensure refunds can readily be made on an ongoing basis.

## Contributing to your super via the BPAY® payment facility

BPAY® is a quick and easy way for you to make deposits directly into your account. All you need is your customer reference number and the relevant Biller Code.

Depending on what type of contribution you're making, different Biller Codes apply (see table below).

Contribution type	Biller Code
Personal deducted	66472
Personal undeducted	66480
Salary sacrifice	66456
Super guarantee	66449
Employer	66464
Spouse	68007

© Registered to BPAY® Pty Ltd  
ABN 69 079 137 518

**Note:** by using a Biller Code to make a BPAY® deposit, you acknowledge you've received PDSs for the investments in your account (including information about significant events or matters affecting them) electronically on Investor *Online*. You can access these documents via the 'PDSs' menu option on the Investor *Online* homepage.

## Providing information to you electronically

We're progressively increasing the range of reporting, transaction and product information you can access electronically through Investor *Online*.

Through Investor *Online* you can access PDSs for the investments in your portfolio electronically. We'll also provide you with the following information electronically.

- Notifications of any adverse changes and significant adverse events affecting your managed investments.
- Notice of any proposal to introduce new fees and/or other costs, or to increase current fees or costs, affecting your account. This includes notice of our intention to receive and retain, as an additional fee for its services, any rebate, fee, commission or other payment in relation to an investment in your account.
- This Annual Report.

We may also use Investor *Online* in the future to provide you with any information (including Investor Reports) which may be sent, given or made available to you, under the trust deed or superannuation law.

You will of course also continue to have access to all of this information through your financial adviser and we may still choose to send some or all of this information to you. Additionally, unless you've previously agreed to receive this information and other notifications electronically, you can ask us to send the required information to you in paper form free of charge, by contacting us in advance and placing yourself on our paper distribution list.

You can access Investor *Online* at [advance.com.au](http://advance.com.au). If you've forgotten your Investor *Online* PIN, or have any other questions about Investor *Online*, email [investorservices@advance.com.au](mailto:investorservices@advance.com.au) or call the Contact Centre.

## Eligible rollover fund

The Advance Retirement Savings Account (Advance RSA) ABN 43 950 829 383, RSE R1005561 is our nominated Eligible Rollover Fund. We're also the trustee of this fund. Both Asgard and Advance are wholly owned subsidiaries of the Westpac Group. We may transfer your benefits to this fund if:

- the value of your account is less than \$2,000
- we've written to you twice and both times the mail has been returned unclaimed
- it's otherwise permitted by superannuation law.

On transferring to the Advance RSA, your rights in the Advance Retirement Suite will cease and you'll no longer be able to make contributions to your Advance Retirement Suite account. Instead, you'll become a member of the Advance RSA and be subject to its governing rules. We'll send you a PDS for the Advance RSA and also make it available on our website.

It's important to note the following are some of the conditions that differ.

- You'll no longer receive regular reports for your Advance Retirement Suite account.
- Any insurance cover you may have held through your Advance Retirement Suite account will cease.
- A different fee structure will apply.
- Holding an interest in the Advance RSA may result in different risks and returns to those applicable in your current investments.

For further information contact:

Advance  
GPO Box B87  
Perth WA 6838  
Telephone: 1800 819 935

## Professional indemnity insurance

As trustee of the Advance Retirement Suite, Asgard is responsible for the day-to-day administration and ensuring it complies with all relevant laws and the provisions of the trust deed. To cover any potential liabilities, Asgard has taken out professional indemnity insurance.

## Enquiries and complaints

Further financial information, including information about fees and charges and other effects arising from a rollover or transfer of your benefit entitlements, not contained in this Annual Report, is available on request.

If you have any enquiries or complaints about the operation or management of one of the Accounts, please let us know.

**Telephone**  
1800 819 935

**Fax**  
08 9481 4318

**Email**  
investorservices@advance.com.au

**Mail**  
Advance  
GPO Box B87  
Perth WA 6838

We'll advise you if there is a charge for any information requested.

We'll acknowledge any complaint in writing within five business days and respond in writing within 45 days. If you're not satisfied with our actions, you can contact our Complaints Officer on the above number or address.

If a complaint has not been resolved within 45 days or you're not satisfied with the decision, you may contact the Superannuation Complaints Tribunal (SCT) – an independent complaints resolution scheme whose decisions are binding on us.

If you've made a complaint to us about a decision which affects you, and your complaint has not been resolved to your satisfaction, you may have a right to lodge a complaint about the decision with the Superannuation Complaints Tribunal.

The Tribunal is a body established by the Commonwealth Government to review trustee decisions relating to members (as opposed to trustee decisions relating to the management of the fund as a whole).

The contact details for the SCT are:

Superannuation Complaints Tribunal,  
Locked Bag 3060  
GPO Melbourne VIC 3001  
Telephone: 1300 884 114

# Advance Retirement Suite

For the year ended 30 June 2011

## Financial report

### The Advance Retirement Suite

Superannuation legislation allows us to provide you with abridged financial statements relating to the Accounts in this Annual Report. The following abridged financial information for the Advance Retirement Suite is based on the audited financial statements for the Advance Retirement Suite for the period 1 July 2010 to 30 June 2011. You can request a full set of these audited financial statements and auditor's report at any time.


## Abridged financial information

### Operating statement as at 30 June 2011

Advance Retirement Suite		
	2011	2010
	\$'000	\$'000
<b>Revenue</b>		
Investment revenue	31,818	37,872
Contributions revenue	12,610	13,485
Other revenue	287	1,050
<b>Total revenue/(loss) as a result of operations</b>	<b>44,715</b>	<b>52,407</b>
<b>Less: expenses</b>		
Benefits accrued as a result of operations before income tax	43,308	50,999
Less: income tax expense/(benefit) attributable to benefits accrued as a result of operations	4,309	3,533
<b>Benefits accrued as a result of operations after income tax</b>	<b>38,999</b>	<b>47,466</b>

### Statement of financial position as at 30 June 2011

Advance Retirement Suite		
	2011	2010
	\$'000	\$'000
<b>Assets</b>		
Cash and cash equivalents	336	713
Receivables	322	450
Current tax receivables	—	—
Deferred tax assets	9,945	12,269
Investments	377,870	382,230
<b>Total assets</b>	<b>388,473</b>	<b>395,662</b>
<b>Less: liabilities</b>		
Payables	133	293
Current tax liabilities	1,568	235
Deferred tax liabilities	—	—
<b>Total liabilities</b>	<b>1,701</b>	<b>528</b>
<b>Net assets available to pay benefits</b>	<b>386,772</b>	<b>395,134</b>
<b>Represented by</b>		
<b>Liability for accrued benefits</b>		
• Allocated to members' accounts	376,827	382,865
• Unallocated to members' accounts	9,945	12,269
<b>Total Liabilities for accrued benefits</b>	<b>386,772</b>	<b>395,134</b>



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## Advance contact details

Advance Asset Management  
GPO Box B87  
Perth WA 6838

t: 1800 819 935

e: [investorservices@advance.com.au](mailto:investorservices@advance.com.au)

w: [advance.com.au](http://advance.com.au)

## Trustee's address

Asgard Capital Management Limited  
Level 20 275 Kent Street  
Sydney NSW 2000

**ADVANCE**