

**Plan B**

TRUSTEES LIMITED

# Plan B Superannuation Fund

For the Financial Year ended 30 June 2009

SFN 305 260 942 RSE Registration No R1000702 ABN 83 187 780 991

2009 Annual Report to Members

09

# Important information

The Trustee of the Plan B Superannuation Fund is Plan B Trustees Limited. It is a member of the Plan B Group of Companies.

This Annual Report has been prepared without taking into account the personal objectives, financial situation or needs of any person. You should consider the appropriateness of the information having regard to your own objectives, financial situation and needs and obtain professional financial advice prior to making any decision. Plan B Wealth Management Ltd (AFSL 220382) is licensed to provide personal financial product advice and can assist you in this regard. Before making any decision in regards to the Plan B Superannuation Fund, you should obtain and consider the information contained in the Product Disclosure Statement (PDS).

Investment performance shown within this Annual Report are past performance figures only. Past performance is not an indicator of future performance.

The annual fund information for members of the Plan B Superannuation Fund includes this Annual Report and your Member Benefit Statement.

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## Managing Director's Year in Review



Denys Pearce  
Managing Director

*"the September 2009 quarter produced the highest return for the S&P/ASX 300 Index"*

The 2008/09 financial year began with little relief for investors who were looking for respite after a turbulent 2007/08. Instead, the Global Financial Crisis hit its most critical stage during the first half of the financial year.

However, whilst the fundamental economic news continued on its negative path, global equity markets started to see some recovery during 2009 – albeit far from the highs of 2007.

In Australia, the September 2009 quarter produced the highest return for the S&P/ASX 300 Index since the quarter ending 30 September, 1987. It was the seventh consecutive month of positive returns for the Index.

Importantly, our portfolios benefited when the returns of both the Australian and International market were boosted by the superior performance of small capitalisation and value shares.

This upswing in the world markets has reinforced the importance of remaining invested in a well structured and diversified portfolio.

This, along with the overall approach at Plan B of maintaining a focussed exposure to a broad investment market, has once again provided protection to investors in the turbulent market environment.

Our highly diversified investment pools have been engineered to capture the returns of the underlying asset classes during market rises and falls. Similarly, our strategic tilts to small and value shares have been designed to capture the return premium that exists in these parts of the market over the long-term.

The after fees performance of our superannuation funds over the past two years demonstrates the value of Plan B's approach. As at 30 September 2009, investors in Inflation Plus 1 require only a 1.6% gain to return to pre-September 2007 levels. Inflation Plus 1 targets a mix of 65% cash and fixed interest and 35% Australian and global shares.

# Managing Director's Year in Review

At the other end of the spectrum is Inflation Plus 7, which invests in 95% local and global shares, and 5% cash and fixed interest. This higher risk fund needs to grow 24.7% to return to September 2007 levels, however this compares favourably with the wider ASX 500 which requires 37%.

On another important note, the rigorous filtering criteria that Plan B applies to asset class exposure in our portfolios also means that we avoided exposure to the troubled asset classes, such as CDOs and unlisted property, that have caused so much pain for investors in recent times.

We readily acknowledge there is inherent risk in investment markets, and that the level of risk taken and return gained are related. Whilst these are positive factor for investors, unfortunately it can also feed on the fear and uncertainty that arises during volatile times.

Only a well structured and diversified portfolio with appropriate risk exposure, together with a high level of focus from the individual investor, can bring confidence of long-term positive reward.

The structure of our portfolios together with our commitment to controlling investment expenses and minimising tax costs, means you are well placed to benefit from the long-term benefits the markets will undoubtedly bring.

We recommend you regularly revisit your risk appetite and see if anything has changed with your personal situation. If it hasn't, the most important thing is to stay disciplined and focused, as a diversified investment strategy will see you well placed to benefit from future positive returns.



D K Pearce

Managing Director

# Super Wrap-Up

## *Changes to Contribution Caps*

From 1 July 2009, the concessional contributions cap was reduced to \$25,000 per annum, from \$50,000 per annum. Concessional contributions include superannuation guarantee, salary sacrifice and personal deductible contributions.

From 1 July 2009, the transitional concessional contribution, which applies to an individual aged 50 and over at any time during the transitional period (2007/08 to 2011/12), will be halved from \$100,000 per annum to \$50,000 per annum.

Excess concessional contributions are subject to tax of 31.5% in addition to the contributions tax of 15%.

The annual non concessional contributions cap will remain at \$150,000 per annum. There has been no change to the \$450,000 3 year bring forward provision for under 65s.

## *Government Co -Contribution*

Effective 1 July 2009, a temporary reduction of the government co-contribution from \$1.50 to \$1.00 will apply to every dollar contributed as an eligible personal superannuation contribution. The government will increase this to \$1.25 for every dollar contributed from 2012/2013 and we will see a return to \$1.50 for every dollar contributed from 2014/2015 onwards.

To be eligible for the co-contribution scheme in the 2009/10 financial year, you must earn less than \$61,919 and make a personal superannuation contribution. The maximum tax free co-contribution of \$1,000 is available if you earn \$30,920 or less in 2009/10 and make a \$1,000 personal contribution.

## *Minimum draw downs*

The 50% reduction in the minimum annual pension payments amounts for certain superannuation income streams was extended into the 2009/10 financial year. The reduction applies to account based, allocated and term allocated pensions.

# Super Wrap-Up

The reduced drawdown rates are set out in the table below.

Age at start of Pension and then each 1 July following	Original percentage of account balance (p.a.)	Reduced drawdown percentage for 2009/10
Under 65	4%	2%
65-74	5%	2.5%
75-79	6%	3%
80-84	7%	3.5%
85-89	9%	4.5%
90-94	11%	5.5%
95 or more	14%	7%

## *Certain lost superannuation accounts to be transferred to the Australian Tax Office (ATO)*

From 1 July 2010, superannuation providers will be required to transfer accounts of lost members with balances less than \$200 and those which have been inactive for a period of five years and have insufficient records to identify the owner of the account to the ATO. Affected persons will be able to reclaim this money from the ATO.

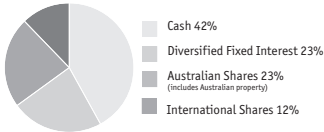
If you've had multiple employers over the years, chances are you've had accounts in several different superannuation funds. The fact is you may have lost track of some or all of your accounts. Take back what is yours.

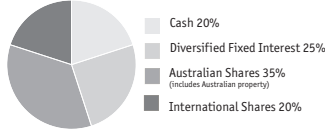
The ATO offer a free service to establish whether you have savings in the lost member register. This service, known as 'SuperSeeker', can be accessed online at [www.ato.gov.au](http://www.ato.gov.au) or by calling 13 28 65.

To learn more about contributions, or to find out about personal financial advice, please contact our Client Services Team on 1300 362 082 – they'll be happy to help you with any questions.

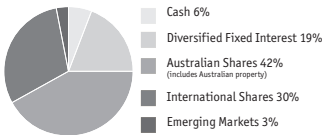
## Investment Overview

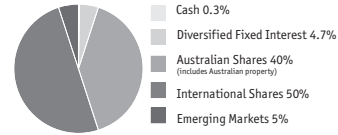
The Plan B Superannuation Fund offers you a range of choices so you can identify how you want to access the market and select the strategy that best suits you. The following information describes the investment objectives, performance, and asset allocations for each investment option. Please note that investment performance is shown net of all management costs and taxes but is gross of member fees. Applicable member fees are deducted directly from your account as shown on your Member Benefit Statement.

Inflation Plus 1	
<b>Investment objective</b>	To generate consistent returns from a diversified portfolio with special focus on defensive or income assets. Achievement of a return that is 0-2% above inflation over rolling 5 year periods, after making an allowance for tax, investment costs and other costs.
<b>Strategic asset allocation</b>	 <ul style="list-style-type: none"> <li>■ Cash 42%</li> <li>■ Diversified Fixed Interest 23%</li> <li>■ Australian Shares 23% (includes Australian property)</li> <li>■ International Shares 12%</li> </ul>
	The manager of the Inflation Plus 1 strategy is Plan B Trustees Limited as Responsible Entity of the Lifetime Asset Management Programme.

Inflation Plus 3	
<b>Investment objective</b>	To generate long-term capital growth accompanied by a reasonable level of income from a diversified portfolio, with a slight bias towards income and growth assets. Achievement of a return that is 2-4% above inflation over rolling 5 year periods, after making an allowance for tax, investment costs and other fund costs.
<b>Strategic asset allocation</b>	 <ul style="list-style-type: none"> <li>■ Cash 20%</li> <li>■ Diversified Fixed Interest 25%</li> <li>■ Australian Shares 35% (includes Australian property)</li> <li>■ International Shares 20%</li> </ul>
	The manager of the Inflation Plus 3 strategy is Plan B Trustees Limited as Responsible Entity of the Lifetime Asset Management Programme.

# Investment Overview

Inflation Plus 5
<p><b>Investment objective</b></p> <p>To provide investors with good prospects for maximising capital growth over the long-term with little emphasis on the level of income from a diversified portfolio with a significant bias to growth asset classes such as Australian and international shares and property. Achievement of a return that is 4-6% above inflation over rolling 5 year periods, after making an allowance for tax, investment costs and other fund costs.</p>
<p><b>Strategic asset allocation</b></p>  <ul style="list-style-type: none"> <li>■ Cash 6%</li> <li>■ Diversified Fixed Interest 19%</li> <li>■ Australian Shares 42% (includes Australian property)</li> <li>■ International Shares 30%</li> <li>■ Emerging Markets 3%</li> </ul>
<p>The manager of the Inflation Plus 5 strategy is Plan B Trustees Limited as Responsible Entity of the Lifetime Asset Management Programme.</p>

Inflation Plus 7
<p><b>Investment objective</b></p> <p>To provide investors with good prospects for maximising capital growth over the long-term with no emphasis on the level of income from a diversified portfolio with a very strong bias to growth asset classes. Achievement of a return that is 6-8% above inflation over rolling 5 year periods, after making an allowance for tax, investment costs and other fund costs.</p>
<p><b>Strategic asset allocation</b></p>  <ul style="list-style-type: none"> <li>■ Cash 0.3%</li> <li>■ Diversified Fixed Interest 4.7%</li> <li>■ Australian Shares 40% (includes Australian property)</li> <li>■ International Shares 50%</li> <li>■ Emerging Markets 5%</li> </ul>
<p>The manager of the Inflation Plus 7 strategy is Plan B Trustees Limited as Responsible Entity of the Lifetime Asset Management Programme.</p>

# Investment Overview

Period	Investment Performance			
	Inflation Plus 1	Inflation Plus 3	Inflation Plus 5	Inflation Plus 7
<b>2008 / 09</b>				
Employer & Personal	-3.69%	-7.39%	-12.20%	-16.36%
Account Based Pension	-3.95%	-7.55%	-13.15%	-
<b>2007 / 08</b>				
Employer & Personal	-3.40%	-6.82%	-10.96%	-15.44%
Account Based Pension	-3.43%	-7.47%	-12.18%	-
<b>2006 / 07</b>				
Employer & Personal	9.69%	13.32%	16.37%	16.99%
Account Based Pension	11.14%	14.60%	18.13%	-
<b>2005 / 06</b>				
Employer & Personal	7.72%	11.01%	14.05%	17.31%
Account Based Pension	8.45%	11.67%	14.90%	-
<b>2004 / 05</b>				
Employer & Personal	7.23%	9.65%	11.44%	12.18%
Account Based Pension	8.44%	11.32%	13.13%	-
<b>5-year average return (p.a.)</b>				
Employer & Personal	3.34%	3.55%	2.95%	1.72%
Account Based Pension	3.93%	4.03%	3.21%	-

The manager of these strategies is Plan B Trustees Limited as Responsible Entity of the Lifetime Asset Management Programme.

## Investment Overview

Investment objective	Investment Performance					
	2004/05	2005/06	2006/07	2007/08	2008/09	5-year average return (p.a.)
<b>Cash and Fixed Interest</b>						
To invest in a diversified portfolio of cash, government and corporate bonds and other fixed income securities suitable for investors with funds that are surplus to daily needs and available for short to medium term commitments.	Employer & Personal					
	5.56%	1.95%	4.05%	5.16%	3.73%	4.08%
	Account Based Pension					
	6.46%	2.59%	4.97%	6.25%	4.21%	4.89%
<b>Australian shares</b>						
To provide exposure to a diversified portfolio of Australian shares	Employer & Personal					
	22.05%	18.69%	24.04%	-11.76%	-15.92%	5.92%
	Account Based Pension					
	25.31%	19.58%	27.05%	-13.99%	-16.06%	6.57%

The manager of the Cash and Fixed Interest strategy is the Bank of Western Australia and Plan B Trustees Limited as Responsible Entity of the Lifetime Asset Management Programme.

The manager of the Australian Shares Strategy is Plan B Trustees Limited as Responsible Entity of the Lifetime Asset Management Programme.

## Supersure Approved Deposit Fund

Investment objective	Investment Performance					
	2004/05	2005/06	2006/07	2007/08	2008/09	5-year average return (p.a.)
To provide a return in line with prevailing cash rates with the lowest possible exposure to negative movements in capital values	3.74%	3.87%	4.42%	5.09%	3.43%	4.11%

The manager of the strategy is the Bank of Western Australia.

# Investment Overview

## General Investment Information

(applying to all investment strategies)

### Use of derivatives

It is the Trustee's policy to only use derivative financial instruments to hedge or partially hedge specific exposures. The Fund's instrument strategy is to not enter, hold or issue derivative financial instruments for trading purposes. Some of the Fund's underlying investments are in externally managed funds which, as part of that fund manager's investment strategy, use derivative financial instruments.

### Allocation of earnings

Each investment strategy is divided into units with each unit constituting an equal interest in the net market value of the strategy. Earnings increase the net market value of the strategy, thereby increasing the strategy's unit price.

The Trustee may also distribute a strategy's earnings to members up to twice a year. These distributions are based on the number of units held and are credited directly to each member's super account.

### Disclosure of significant investments

The Trustee has not acquired any assets from members, their relatives or associates.

The Fund has an investment in the Lifetime Asset Management Programme (ARSN 088 043 234) that constitutes more than 5% of the Fund's assets as at 30 June 2009.

# Your Board Members



## **Mr D C de Burgh (Chairman)**

David has broad financial management experience and significant knowledge of superannuation and investment funds. David held previous positions with Plan B including Financial Controller and Deputy CEO.



## **Mr P A Setchell**

Paul is a chartered accountant with experience in a variety of industries. For many years he ran a consultancy business, specialising in financially-orientated computer systems for major WA enterprises.



## **Mr G N Reynolds (Deputy Chairman)**

Graham has over 40 years experience in the insurance and risk management industry and has held various executive positions. He is also heavily involved in community service.



## **Mr B J Honey**

Barry has over 30 years experience as a chartered accountant, initially with KPMG and more recently with Honey & Honey Chartered Accountants.



## **Mr D K Pearce**

With over 20 years experience in the financial services industry, Denys was appointed Managing Director in 2004.

The Trustee, Plan B Trustees Limited, maintains an indemnity insurance policy to cover it against any claims made against it as Trustee of the Fund.

# Abridged Financial Information

## Statement of Financial Position as at 30 June 2009

	2009	2008
	\$	\$
<b>Assets</b>		
Cash and cash equivalents	21,598,956	22,751,686
<b>Receivables</b>		
Distributions receivable – related managed funds	810,655	2,912,569
Distributions receivable – other managed funds	120,599	183,434
Other receivables	129,377	253,016
<b>Investments</b>		
Units in related managed funds	65,149,646	75,587,396
Units in other managed funds	7,309,871	7,529,937
<b>Other assets</b>		
Deferred tax assets	911,202	-
<b>Total assets</b>	<b>96,030,306</b>	<b>109,218,038</b>
<b>Liabilities</b>		
Payables	65,411	134,559
Current tax liabilities	326,778	146,216
Deferred tax liabilities	-	40,748
<b>Total liabilities (excluding net assets available to pay benefits)</b>	<b>392,189</b>	<b>321,523</b>
<b>Net assets available to pay benefits</b>	<b>95,638,117</b>	<b>108,896,515</b>
<i>Represented by:</i>		
<b>Liability for accrued benefits</b>		
Allocated to members' accounts	95,610,803	108,587,247
Unallocated to members' accounts	27,314	309,268
	<b>95,638,117</b>	<b>108,896,515</b>

# Abridged Financial Information

## Operating statement for the year ended 30 June 2009

	2009	2008
	\$	\$
<b>Investment revenue</b>		
Distributions – related managed funds	1,218,012	5,240,242
Distributions – other managed funds	120,599	300,287
Interest	1,149,214	1,740,216
Movement in net market value of investments	(10,769,179)	(14,223,086)
	(8,281,354)	(6,942,341)
<b>Contributions income</b>		
Employers	8,531,570	9,031,378
Members	631,345	972,732
Transfers from other funds	727,682	1,453,785
	9,890,597	11,457,895
<b>Other income</b>		
Insurance claims	-	5,348
Other income	1,617	1,919
	1,617	7,267
<b>Expenses</b>		
Trustee remuneration	(898,376)	(990,348)
Life policy premiums	(134,823)	(130,352)
Adviser fees	(230)	(2,140)
Superannuation contribution surcharge tax	(169)	(1,346)
General administration expenses	-	(1)
	(1,033,598)	(1,124,187)
<b>Benefits accrued as a result of operations before income tax</b>	577,262	3,398,634
Income tax expense attributable to benefits accrued as a result of operations	(151,553)	(354,189)
<b>Benefits accrued as a result of operations</b>	425,709	3,044,445

# Auditor's Report

The Plan B Superannuation Fund and its accounts for the 2008/09 year have been audited by KPMG. A copy of the 2008/09 financial statements and the audit report stating that the financial statements are presented fairly, and that the Fund had complied with the relevant requirements of the Superannuation Industry (Supervision) Act 1993 and Regulations, are available to members upon request.

If you need any further assistance or if you are unsure about any of the information in this report, please contact the Client Services Team at Plan B on (08) 9324 6000 or 1300 362 082 or your Adviser.



In April 2007 Plan B's portfolio administration and investment management subsidiary and trustee company, Plan B Trustees Limited, was independently certified as adhering to international standards in fiduciary investment stewardship practices by CEFEX. CEFEX is an independent global certification organisation that provides independent assessments of conformity to fiduciary practices. Plan B Trustees Limited is the first entity in the southern hemisphere to be CEFEX certified.

Successful completion of the rigorous certification process confirms Plan B's commitment to the highest standards of care and evidences Plan B's quality fiduciary identity.

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## **The Plan B Group provides a comprehensive range of specialist services**

### **Personal financial planning**

Lifetime investment planning tailored to meet your personal goals.

### **Investment funds**

Ongoing advice and management of your investment portfolio.

### **Superannuation funds management**

Prudent professional management of your retirement nest egg.

### **Finance services**

Professional solutions in residential lending, commercial and equipment finance and vehicle leasing.

### **Remuneration planning and packaging**

Strategic advice and salary packaging to maximise benefits and minimise tax.

### **Wealth protection**

Life insurance and income protection insurance.

### **Estate and trust administration**

Professional administration of estates and the creation and management of trusts.

### **Wills and estate planning**

Specialist advice on wills and estate planning.

### **Corporate solutions**

Financial consulting for executives and business owners.

Contact our Client Services Team on  
1300 362 082 or email us at [planb@planbonline.com](mailto:planb@planbonline.com)

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