



BT Super Trust


Annual Report for Year Ended
30 June 2011



Incorporating:

BT Super Trust – Investment Fund
(Fund Registration Number: R1004021)
(ABN: 67 158 042 450)

BT Super Trust – Capital Stable Fund
(Fund Registration Number: R1004014)
(ABN: 77 143 880 163)

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This annual report is dated 15 December 2011.

→ Your 2010/2011 Annual Report

This is the annual report for the year ended 30 June 2011 for the BT Super Trust (Funds). This report represents the final component of the reporting information for the 2010/2011 financial year and provides information about the management, investment performance and the financial position of the Fund/s in which you are invested.

The Trustee of the Funds is:

BT Funds Management Limited
ABN 63 002 916 458
AFSL 233724
RSE L0001090

Level 20, Westpac Place
275 Kent Street
Sydney NSW 2000

BT Funds Management Limited is part of the BT Financial Group (BT).

BT has been helping Australians create, manage and protect their wealth since 1969 and is today one of Australia's leading providers of superannuation, investment and insurance products. In Australia and New Zealand, BT provides a diverse range of investment choices, including multi-manager investments through relationships with some of the world's leading global and local investment managers, as well as funds managed by the Funds' primary investment manager, BT Investment Management (RE) Limited (ABN 17 126 390 627, AFSL 316455) (BTIM).

If you have questions about this annual report or your investments generally, please contact our Contact Centre on the details provided at the back of this report.

Additionally, we encourage you to go online to www.btim.com.au. The BTIM website also offers information on unit prices, fund performance, fund fact sheets and investment manager commentaries.

Thank you for your continued support.

→ About BT Investment Management

BT Investment Management (RE) Limited (BTIM) is a 'multi-boutique' specialist investment fund manager providing a diverse range of investment choices for both individual and institutional investors.

Our vision is to combine the benefits of our strong institutional foundation and performance-focused culture with a multi-boutique specialist investment approach. BTIM's investment capabilities are grouped into three specialised investment teams or 'boutiques': Equity Strategies, Income & Fixed Interest Strategies, and Macro Strategies. We believe this approach positions BTIM to achieve outstanding risk-adjusted returns for our clients.

BTIM's investment teams develop products in asset classes such as equities, bonds, fixed interest and alternative investments, where we believe our investment capabilities and processes have a comparative advantage. We focus on utilising a large, talented resource pool and applying disciplined investment processes to generate true-to-label performance.

We also partner with leading global and domestic external investment managers with complementary capabilities. These managers are specialists in their asset classes and are selected by BTIM for their reputation, skill and experience. These alliances enable investors to access a broader range of expertise and perspectives.

BT Investment Management is listed on the Australian Securities Exchange and manages over A\$32.7 billion (30 September 2011) for investors. BTIM is majority owned by the Westpac Group.

To find out more about BTIM, visit www.btim.com.au.

→ Performance overview

BT Super Trust ¹	Inception date	One year returns to 30 June					3 year compound average of net earnings at 30 June 2011 (%)	5 year compound average of net earnings at 30 June 2011 (%)
		2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)		
Investment Fund ²	January 1985	7.34	8.98	-12.38	-9.86	11.12	0.82	0.53
Capital Stable Fund ²	December 1988	5.79	8.15	-5.13	-4.59	7.33	2.77	2.14

¹ Performance figures are calculated in accordance with the Investment & Financial Services Association (IFSA) standards. Total returns are calculated:

- using withdrawal prices appropriate for the month end; and
- taking into account management costs of the relevant investment option; and
- taking into account earnings tax up to a maximum of 15% plus withholding tax paid on foreign income (if any).

Investment returns are historical. Investment returns can move up or down and past performance is not necessarily indicative of future performance. Future performance is not guaranteed.

² The asset allocation neutral position and ranges and the benchmarks that the Fund aims to outperform have changed over time. As it is historical information, the Fund performance reflects the asset allocation neutral position and ranges of the Fund at the relevant points in time.

→ Fund profiles

	BT Super Trust – Investment Fund			BT Super Trust – Capital Stable Fund		
Investment objective	The Fund aims to maximise the rate of return from a broad investment portfolio over the medium to long term within acceptable levels of risk.			The Fund aims to earn consistent returns in the medium term, while maintaining the stability of the capital invested.		
Investment strategy	The Fund invests in a balanced mix of growth and defensive assets.			The Fund invests in a high proportion of defensive assets with some exposure to growth assets.		
Recommended investment timeframe	5 years or more			5 years or more		
Fund size¹	26.46 million			3.99 million		
How was the Fund invested at 30 June 2011?² (%)	Australian shares	■	36.6	Australian shares	■	14.8
	International shares	■	20.8	International shares	■	8.8
	Australian property	■	5.5	Australian property	■	3.1
	International property	■	3.0	International property	■	2.0
	Australian fixed interest	■	15.1	Australian fixed interest	■	33.3
	International fixed interest	■	7.6	International fixed interest	■	16.1
	Cash	■	3.4	Cash	■	15.8
	Alternative investments	■	8.0	Alternative investments	■	6.1
How was the Fund invested at 30 June 2010?² (%)	Australian shares	■	35.0	Australian shares	■	13.5
	International shares	■	20.0	International shares	■	7.9
	Australian property	■	5.9	Australian property	■	3.2
	International property	■	3.3	International property	■	2.2
	Australian fixed interest	■	17.4	Australian fixed interest	■	33.6
	International fixed interest	■	7.1	International fixed interest	■	15.7
	Cash	■	3.4	Cash	■	17.6
	Alternative investments	■	8.0	Alternative investments	■	6.2
Asset allocation neutral position (NP) and range³ (%)		NP	Range		NP	Range
	Australian shares	33	23–43	Australian shares	15	5–25
	International shares	18	10–30	International shares	8	0–18
	Australian property	4	0–10	Australian property	3	0–10
	International property	3	0–10	International property	2	0–10
	Australian fixed interest	17	5–32	Australian fixed interest	34	20–55
	International fixed interest	7	0–20	International fixed interest	15	5–35
	Cash	10	0–20	Cash	17	0–40
Alternative investments	8	0–20	Alternative investments	6	0–20	

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¹ Fund size is at 30 June 2011.

² In preparing the Fund investment information, we use the effective exposure, which is the percentage of the gross assets held in each asset class including the impact of derivative positions. Market exposure of the Fund may change significantly each day.

³ The asset allocation neutral position is the starting point for all asset allocation decisions. The investment manager may adjust the exposure within the specified minimum and maximum ranges (as shown) based on investment views.

Investment managers

Asset class	Investment manager
Australian shares	BT Investment Management
Australian property	BT Investment Management
Australian fixed interest	BT Investment Management
International shares ¹	AQR Capital Management, LLC
International property	AEW Capital Management LP
International fixed interest	BT Investment Management
Alternative investments ²	BT Investment Management

Fees

Fund name	2011 ICR (%)
BT Super Trust — Investment Fund ³	1.67
BT Super Trust — Capital Stable Fund ³	1.67

The Indirect Cost Ratios (ICR) for the Funds for the 2010/2011 financial year are shown in the table above. The ICR is a measure of the fund's management costs that are not deducted directly from an investor's account over the financial year. It includes the management fees we charge, certain fees charged by other investment managers we appoint and other expense recoveries where applicable.

We are entitled to be reimbursed for expenses we incur in the proper performance of our duties. These expense recoveries represent a reimbursement from the Funds to cover those expenses incurred by us in connection with the day to day operation of the Funds. Such recoverable expenses include registry costs, investment management expenses, printing costs, and certain direct expenses such as overseas custodian charges and audit fees.

At the date of this report these expense recoveries are charged back to the Funds.

Please refer to your periodic statement for any direct fees and charges during the year ended 30 June 2011. Further information on any fees and expenses associated with your investment is available on www.btim.com.au or by contacting the BT Contact Centre.

Buy-sell spread

Fund name	2011 buy-sell spread
BT Super Trust – Investment Fund	0.31%
BT Super Trust – Capital Stable Fund	0.22%

There was no change to the buy-sell spread for the Funds for the 2010/2011 financial year. Updated buy-sell spread information can be obtained from www.btim.com.au.

1_Where AQR Capital Management, LLC (AQR) is the manager for international shares, currency decisions are actively managed by BTIM's Macro Strategies team.

2_The Funds have an exposure to the BT Global Return Fund which was terminated effective 21 April 2009 and is in the process of being wound up.

3_Management costs for the Funds include certain underlying hedge fund manager fees required to be disclosed when investing in alternative investments. Such fees may increase or decrease over time as the allocation to, or level of fees charged by, those investments change.

→ Additional Information

Investment exceeding 5%

The Funds invest in other funds that we manage ('interfund investments'). Following are the interfund investments and other Fund holdings that exceed 5% as at 30 June 2011.

BT Super Trust			%
Investment Fund	Direct Holdings >5%	BT Wholesale Balanced Returns Fund	98.8
	Indirect Holdings >5%	BT Institutional Core Australian Share Sector Trust	32.7
		BT Institutional International Share Interfund	17.8
		BT Government Bond Fund	10.3
		BT Institutional Liquidity Management Fund	7.9
		BT Total Return Fund	5.8
		BT Wholesale Enhanced Credit Fund	5.2
Capital Stable Fund	Direct Holdings >5%	BT Wholesale Conservative Outlook Fund	99.8
	Indirect Holdings >5%	BT Government Bond Fund	20.9
		BT Institutional Liquidity Management Fund	15.3
		BT Institutional Core Australian Share Sector Trust	15.1
		BT Wholesale Enhanced Credit Fund	11.8
		BT Institutional Hedged Global Bond Fund	11.2
		BT Institutional International Share Interfund	8.1

There are no further 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 each Fund.

Non-compliance

If your superannuation entity ceases to be complying, you must advise us immediately and take all reasonable steps to immediately dispose of the units in the Fund/s, unless the Australian Prudential Regulation Authority (APRA) or the Australian Taxation Office (ATO) directs otherwise. Once we become aware that a superannuation entity is non-complying, we may withdraw its investment in the Fund/s and deduct a sum of money from the withdrawal proceeds to cover any additional costs incurred by the Fund/s as a result of the non-compliance.

Further information and complaints

Complaint resolution is a priority for us. If you have a complaint with the financial products and services that we provide, you can:

- as a first step, contact us on 1800 813 886 from 8.00am to 5.30pm, (Sydney time), Monday to Friday
- contact us in writing to 'The Complaints Officer' at the registered office address below:

The Complaints Officer
 BT Investment Management
 Level 14, The Chifley Tower
 2 Chifley Square
 Sydney NSW 2000

If your complaint has not been resolved to your satisfaction, you can refer your complaint to the Superannuation Complaints Tribunal.

Contact details for the Superannuation Complaints Tribunal are as follows:

Locked Bag 3060
 MELBOURNE VIC 3001
 Telephone: 1300 884 114

For more information on how we handle complaints please go online to www.btim.com.au/ContactUs and select 'How we deal with complaints'.

→ Financial information — Balance sheet

	BT Super Trust			
	Investment Fund		Capital Stable Fund	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$	30 June 2010 \$
Assets				
Cash and cash equivalents	10	5	4,146	4,696
Accrued income	43	910	88,350	124,023
Due from brokers — receivable for securities sold	51	52	140,642	—
Receivables	1	2	217	235
Financial assets held at fair value through profit or loss	26,097	26,653	3,903,947	4,282,559
Tax refund due	—	—	—	167
Deferred tax assets	324	309	4,401	4,860
Total assets	26,526	27,931	4,141,703	4,416,540
Liabilities				
Payables	68	70	143,551	3,085
Income tax payable	—	—	4,987	—
Total liabilities	68	70	148,538	3,085
Equity				
Unitholders' funds	26,458	27,861	3,993,165	4,413,454

The audited financial statements, the auditor's report and other information concerning the Funds is available on request, free of charge, by calling BT Contact Centre.

→ **Financial information — Statement of comprehensive income**

	BT Super Trust			
	Investment Fund		Capital Stable Fund	
	Year Ended		Year Ended	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$	30 June 2010 \$
Investment income				
Interest income	—	—	295	154
Distribution income	43	910	153,650	210,667
Net gains/(losses) on financial instruments held at fair value through profit or loss	2,144	1,725	130,697	200,681
Other investment income	—	—	2	3
Total net investment income/(loss)	2,187	2,635	284,644	411,505
Expenses				
Trustee's fees	132	137	20,612	21,750
Other operating expenses	83	86	15,617	16,311
Total operating expenses	215	223	36,229	38,061
Operating profit/(loss) before income tax	1,972	2,412	248,415	373,444
Income tax expense/(revenue)	(15)	(50)	8,542	7,476
Profit/(loss) for the year	1,987	2,462	239,873	365,968
Other comprehensive income	—	—	—	—
Total comprehensive income	1,987	2,462	239,873	365,968

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Investment
Management

**If you need more information,
please contact:**

- your financial adviser, master trust or wrap account operator
- the BT Contact Centre on 1800 813 886, from 8.00am to 5.30pm, (Sydney time), Monday to Friday

**For all written correspondence,
write to your financial adviser
or to BT at:**

- BT Financial Group
GPO Box 2675
Sydney NSW 2001
- You can also visit BT online at www.btim.com.au

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