

A woman with blonde hair tied back, wearing a blue and white checkered short-sleeved shirt, is smiling broadly while using pruning shears on a green bush. The background is a soft-focus green landscape.

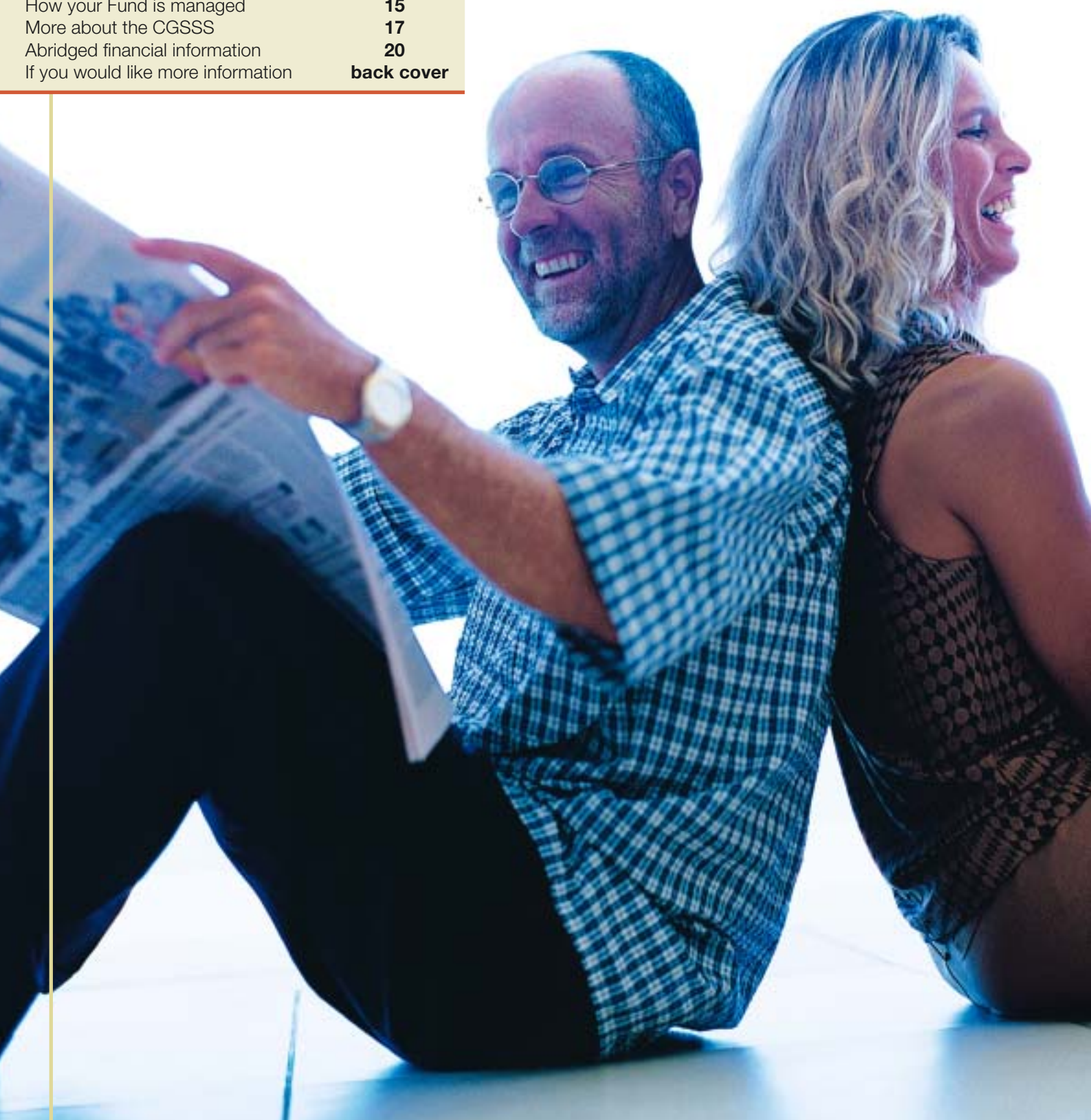
Colonial Group Staff
Superannuation Scheme

Member Annual Report 2003

Issued by SBSBS Pty Limited
(ABN 64 008 659 390), Trustee
of the Colonial Group Staff
Superannuation Scheme.

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Chairman's message

On behalf of the Trustee Board, I am pleased to present the 2003 Member Annual Report.

As you will be aware from the regular investment market roundup on the Staff Super intranet site, fund newsletters and your benefit statements, the news on both the global investment and economic fronts for most of 2002-03 financial year was mainly negative. However, a turnaround since April has seen an improvement in investor sentiment and a corresponding rise in global sharemarkets.

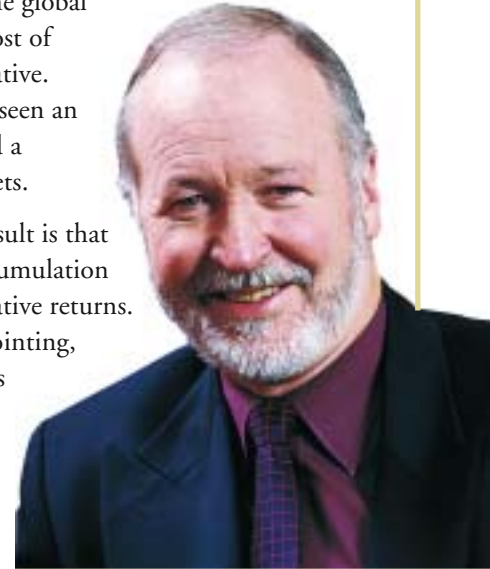
Over the year to 30 June, the overall result is that the Fund and three out of the four Accumulation Pool investment options produced negative returns. Although the annual results are disappointing, the Fund's longer term performance has been positive, with both the Defined Benefit and Accumulation pools achieving positive returns over the last five years. The Fund has maintained a very sound financial position.

As I outlined in last year's Chairman's message it is important to remember that for most members, superannuation is a long-term investment. Accordingly, it is the return achieved over the life of your superannuation investment that is important.

As you would be aware, one of the major issues on the Trustee's agenda over the latter half of the year was the "One Superfund for All" project, resulting in the transfer of the members of the CGSSS into the Officers' Superannuation Fund (OSF). In this regard, the Board in conjunction with their advisers, worked hard to ensure that members' interests were protected and that the transfer was achieved with no disruption to member services.

As this will be your final Member Annual Report from the CGSSS, I would like to extend my best wishes and that of the Trustee Board to all members.

I would like to also thank the Directors and staff supporting the Trustee Board for their commitment to members during the year, and thank past Directors for their contribution over the life of the Fund.



A handwritten signature in black ink, appearing to read 'Les Cupper'.

Les Cupper
Chairman



Although this report covers the financial year to 30 June 2003, the content of the report reflects the Bank's proposed merger of the CGSSS into the OSF, which proceeded as planned on 3 October 2003. This merger was undertaken on a successor fund basis after extensive investigation by the Trustees of both funds to ensure CGSSS members received equivalent rights to benefits in the OSF and that the merger was overall in their best interests.

Earning rates

● **Accumulation Pool**

The effective earning rate for Accumulation Pool members for the year to 30 June 2003 depends on the chosen investment option. The individual investment options achieved the following returns:

Cash Plus	3.8%
Diversified	-1.0%
Diversified Growth	-3.6%
Growth Enhanced	-8.9%

● **Defined Benefit Pool**

The overall declared earning rate for the year to 30 June 2003 is -7.9% (after tax and fees have been deducted).

The earning rate for the part of the Defined Benefit Pool used to support current pensioners of the Fund was -1.4% . This pool of assets is segregated and is taxed at a more favourable rate than the rest of the Defined Benefit Pool.

Assets

The net assets of the fund at 30 June 2003 were \$373 million, compared with \$423 million at 30 June 2002.

Benefit payments

The Fund paid a total of \$28 million in benefits during the year.

Membership

Total active membership of the CGSSS at 30 June 2003 was 3,211 compared with 3,623 total active membership at 30 June 2002.

Investment markets in 2002-03

The 2002-03 financial year was another difficult year for investors. Despite a rebound in share markets in the June quarter, most share markets ended the year lower than they started it. This resulted in negative returns for most superannuation funds; the median return in the InTech Growth Funds Survey for the year was -2.1%.

Concerns about the global economic outlook, corporate profitability, the war in Iraq, increasing tension in North Korea and further terrorism fears pushed share markets lower for much of the year. This resulted in highly volatile returns, as international share markets fell sharply for the first three months of the financial year, rebounded in October and November and then fell again in the lead up to the war in Iraq in March.

Overseas share markets ended the year on a positive note, as they rebounded in response to the swift conclusion to the war in Iraq. The quarterly return to 30 June 2003, was the highest recorded since the Tech Boom in 1999-00. However, a sharply rising Australian dollar negated much of the benefit for local investors (a rising Australian dollar reduces the value of overseas shares when converted to Australian dollars).

Overall, international shares returned -18.5% for Australian investors over the financial year, as measured by the MSCI World (ex Australia \$A) – Unhedged Index. The table (right) summarises the index returns from the major regions around the world.

On a hedged basis, USA was the best performing region over the 2002-03 financial year, with Europe and Japan the worst. The “Unhedged” data shows that the Australian dollar has appreciated most against the \$US over the financial year and least against the Euro.

The Australian share market also fell, although continuing solid economic growth meant the fall was less pronounced than in other share markets. Returns totalled -1.7% for the year, as measured by the S&P/ASX 200 Accumulation index.

In response to the falls in world share markets, many central banks around the world continued to decrease official interest rates in an attempt to stimulate growth. This growth finally materialised in the June quarter and resulted in a more positive outlook for the 2003-04 financial year. However, many experts were still cautioning that a sustained global recovery might not eventuate in the short term.

In this climate, investors again sought the relative safety of property and fixed interest securities. Listed property returned 12.1% (S&P/ASX 200 Property Trusts Accumulation Index) for the year and Australian fixed interest returned 9.8% (UBS Warburg Australia Composite Bond Index).



Region	12 Months (Unhedged) (%)	12 Months (Hedged) (%)
Europe ex-UK	-21.8	-18.7
UK	-18.7	-10.3
USA	-16.1	0.2
Japan	-28.5	-14.5
Pacific ex-Japan	-10.8	-5.8
World ex-Australia	-18.5	-6.2

About the Fund

Your benefits in the CGSSS depend on your membership of a particular division. If you are not certain which division of the CGSSS you are in, check your latest Annual Benefit Statement, or contact Member Services.

Your Fund

The sole purpose of the CGSSS is to provide superannuation benefits to members and their dependents. Benefits may be paid on retirement, death, resignation or retrenchment.

The CGSSS provides both defined and accumulation benefits depending on which division of the Fund you are in. You will be a member of at least one CGSSS division. Your Member Booklet and most recent Annual Benefit Statement have full details about your division and your benefits.

You should read the relevant section of this report for details of how the Fund's investment returns may apply to your benefits. These are:

- **Accumulation Pool** – Divisions I, J, L and P (page 5); and
- **Defined Benefit Pool** – Divisions B, C, D, E, F, H, K, M, N and O (page 12)

Defined benefits

Members of Divisions B, C, D, E, F, H, K, M, N and O have defined benefit superannuation. Defined benefits:

- are worked out using a formula based on your super salary, period of service and, in some cases, your level of contributions; and
- are not affected by the Fund's investment performance, because your Employer contributes whatever is necessary to finance the defined benefit.

Your super generally increases as both your Super Salary and the number of years you have been working increase. In most cases, your super growth will also depend on how much you have contributed.

Accumulation benefits

If you are a member of Divisions I, J, L or P you have accumulation superannuation. Additional benefits or benefit options in Divisions B, C, E, F, H, N and O are also accumulation-style benefits.

Accumulation benefits:

- grow in an account in your name in the Fund; contributions and investment returns are credited to, and fees and charges, including insurance premiums and government taxes, are debited from the account; and
- are directly affected by the Fund's investment returns, which can be positive or negative.



The sole purpose of the CGSSS is to provide superannuation benefits to members and their dependents.

Accumulation Pool

overview and investment strategy

Total membership as at 30 June 2003 in service was 2,334. Since 1 July 2002, members of all accumulation divisions have had their super investment in the main Accumulation Pool options. The table below shows the divisions with accumulation-style benefits:

Accumulation Pool Divisions

Division	Comments
Division I	Benefits of members of the main accumulation division. This division was closed to new members from 1 January 2003.
Divisions B, C, E, F	All member-financed benefits are in this pool.
Divisions H, N, O	Voluntary contributions and amounts transferred into the Fund.
The benefits of ex-employees of the Colonial State Bank which are still preserved in the Fund	Excludes preserved Division F members.
Divisions J, L, P	Accumulation benefits transferred to the main Accumulation Pool.



Investment strategy

- To invest in pooled superannuation trusts, unit trusts, life insurance policies and any other managed investments the Trustee considers appropriate from time to time.
 - To review at least annually, the performance of the portfolios against their objectives.
 - To make any adjustments to the asset mix within each option which the Trustee considers appropriate from time to time.
- On the following pages you will see that the strategies for each of the investment options have noted the relative volatility, which translates to the potential for negative returns – the volatility increases with the proportion of growth assets in the option.

strategy

Accumulation Pool

investment options

Investment options

Members of the Accumulation Pool Divisions have a choice from four different investment options:

- Cash Plus
- Diversified
- Diversified Growth (the default option)
- Growth Enhanced

If you do not make an investment choice, your super will be invested in the default option. Since 1 July 2000, this has been the Diversified Growth option. If you did not make a choice before this date, your super is invested in the previous default option.

The earning rates applied to your accounts are the actual investment returns earned by the asset allocations underpinning the investment option(s) you have chosen (or the default, if you did not make a choice).

Your Annual Benefit statement shows the actual amount of investment earnings applied to your accounts for the period to 30 June 2003.

Each of the investment options available to you has its own investment objectives and strategy, but the Fund also has a broad strategy that applies to all its investments.

Switching your investment options

You can change (switch) your investment option at any time during the year. Any change you request to be effective from 1 July each year will not incur an administration (switching) fee but the buy/sell margin will be incurred. Your application form needed to be lodged by June 2003 to qualify for the free switch at 1 July 2003. Switches you request at any other time of the year will incur the switching fee (currently \$52.45).

A switch includes an election to change the option or options applying to your existing account balance, an election to change the option applying to your regular on-going contributions, or an election to change both at the same time.

For details of each of the investment options and their performance over the past year, please turn to pages 8 – 11.

Assets

The Trustee invests the Fund's accumulation assets separately from defined benefits assets.

As at 30 June 2003, the assets in the Accumulation Pool were invested in the manner set out in the table below. This is shown against the previous year.

The percentages shown are based on the market value of the assets as advised by Colonial First State Investments Limited (Colonial First State).

Assets in the Accumulation Pool

Assets in Colonial First State Pooled Superannuation Trusts

	2003		2002	
	\$000s	%	\$000s	%
Cash Option	10,486	11.2	6,987	9.5
Diversified option	63,307	67.7	44,601	60.4
Australian share option	12,454	13.3	8,658	11.7
Global share option	7,318	7.8	5,970	8.1
Cash in transit	0	0.0	7,569	10.3
Total	93,565	100.0	73,785	100.0

Accumulation Pool investment returns

Returns are based on the change in unit prices (which are net of investment management fees, taxes and charges on Fund earnings). The net investment earnings of each investment option increase or decrease the asset values of that option(s).

These changes in asset values are passed on to members by an increase or decrease in the unit price for each investment option. Past investment results cannot be relied upon as a guide for the future. The value of an investment may both rise and fall, and returns depend on economic conditions, investment management and taxation laws.

In calculating actual earnings for the period, the full return is applied to amounts invested for the whole period. Amounts that were invested for

only part of the period (eg. new contributions) receive the rate(s) of return that applied for the period of time they were actually invested in the Fund.

Performance history

The underlying assets in the Accumulation Pool investment options consist of combinations of Colonial First State Pooled Superannuation Trusts (PSTs). Therefore, the investment earnings are based on the change in the unit prices of these PSTs.

The effective earning rates shown in the table below are based on changes in unit prices of these PSTs for the combinations underlying each option.



In calculating actual earnings for the period, the full return is applied to amounts invested for the whole period.

Performance history for the accumulation pool investment options

	2003 Effective earning rate	2002 Effective earning rate	2001 Effective earning rate	2000	1999	Five-year compound average
	% p.a.	% p.a.	% p.a.	% p.a.	% p.a.	% p.a.
Cash Plus	3.8	3.6	4.5	4.8	4.1	4.2
Diversified	-1.0	-1.3	4.7	10.2	9.0	4.2
Diversified Growth	-3.6	-3.9	4.8	13.1	14.5	4.7
Growth Enhanced	-8.9	-9.7	3.2	16.7	17.5	3.1

Important note: Past performance is not necessarily an indicator of future performance.

investment

Accumulation Pool

investment options in detail

Cash Plus

Asset allocation as at 30 June 2003

Effective earning rate	1 July 2002 to 1 July 2003 (net of tax)	3.8%
Description	Low returns, low volatility	
Strategy	The benchmark is shown first, with the range of asset classes in brackets. Ranges are indicative only, and the Trustee can move outside the ranges to achieve an appropriate asset allocation.	
	100% defensive assets	
	● Australian fixed interest	10% (0-20%)
	● Overseas fixed interest	10% (0-20%)
	● Cash	80% (70-100%)
Investments in 2003	100% of assets are invested in CFS PST Cash Option	
Investment management fee	0.25%	

Diversified

Asset allocation as at 30 June 2003

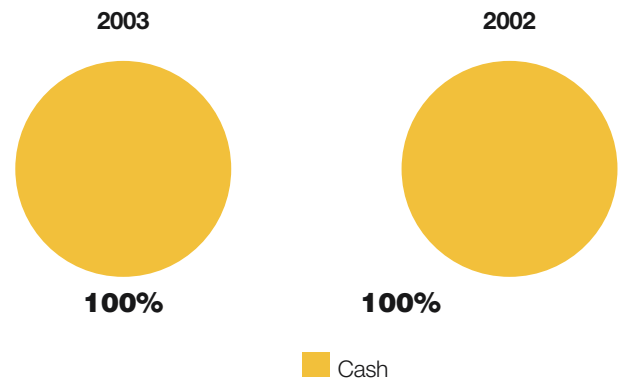
Effective earning rate	1 July 2002 to 1 July 2003 (net of tax)	-1.0%
Description	Moderate returns, moderate volatility	
Strategy	The benchmark is shown first, with the range of asset classes in brackets. Ranges are indicative only, and the Trustee can move outside the ranges to achieve an appropriate asset allocation.	
	40% growth assets (range 36-45%)	
	● Australian shares	15%
	● International shares	15%
	● Property	10%
	60% defensive assets (range 55-64%)	
	● Australian fixed interest	10%
	● Overseas fixed interest	10%
	● Cash	40%
Investments in 2003	65% of assets are invested in CFS PST Diversified Option and 35% in CFS PST Cash Option. The actual percentages will vary over time, owing to different earning rates applying to the underlying investments.	
Investment management fee	0.46%	

Note: Investment management fees are expressed as a percentage of assets under management. They may vary across the available investment options, as they are imposed by the investment managers.

Investment objectives

- To provide capital security by minimising investment risk.
- To earn a rate at least equal to the official RBA cash rate after tax over rolling three-year periods.
- To earn a rate at least equal to the official RBA cash rate after tax less 2.0% per annum over rolling one-year periods
- To ensure the financial viability of the option by adopting prudent financial policies, principally through the maintenance of adequate liquidity. The low risk approach required for this option means that growth assets are not employed.

Asset Mix at 30 June 2003

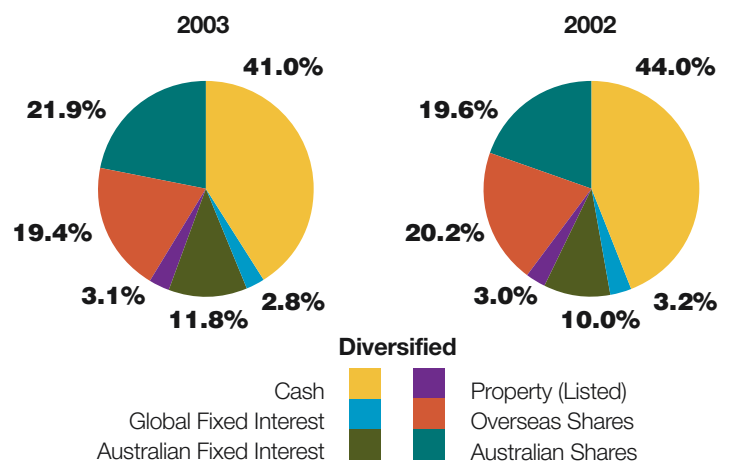


Investment objectives

- To minimise investment risk while aiming to maximise long-term investment returns.
- To exceed the Consumer Price Index (CPI) by 2.5% per annum, over rolling three-year periods.
- To earn a rate at least equal to the official RBA cash rate after tax plus 0.5% per annum over rolling three-year periods.
- To ensure the financial viability of the option by adopting prudent financial policies, including the maintenance of adequate liquidity and a relatively diversified portfolio

This option's total exposure to growth assets is an important element in maintaining a conservative but diversified view on risk versus return.

Asset Mix at 30 June 2003



Accumulation Pool

investment options in detail

Diversified Growth (default option)

Asset allocation as at 30 June 2003

Effective earning rate	1 July 2002 to 1 July 2003 (net of tax)	-3.6%
Description	Medium returns, medium volatility	
Strategy	The benchmark is shown first, with the range of asset classes in brackets. Ranges are indicative only, and the Trustee can move outside the ranges to achieve an appropriate asset allocation.	
	65% growth assets (range 56-70%)	
	Australian shares	35%
	International shares	25%
	Property	5%
	35% defensive assets (range 30 – 44%)	
	Australian fixed interest	15%
	Overseas fixed interest	10%
	Cash	10%
Investments in 2003	100% of assets are invested in CFS PST Diversified Option	
Investment management fee	0.57%	

Growth Enhanced

Asset allocation as at 30 June 2003

Effective earning rate	1 July 2002 to 1 July 2003 (net of tax)	-8.9%
Description	High returns, high volatility	
Strategy	The benchmark is shown first, with the range of asset classes in brackets. Ranges are indicative only, and the Trustee can move outside the ranges to achieve an appropriate asset allocation.	
	90% growth assets (range 80-100%)	
	Australian shares	50%
	International shares	40%
	10% defensive assets (range 30-44%)	
	Cash	10%
Investments in 2003	55% of assets are invested in CFS PST Australian Share Option and 45% in CFS PST Global Share Option. The actual percentages will vary over time, owing to different earning rates applying to the underlying investments.	
Investment management fee	0.67%	

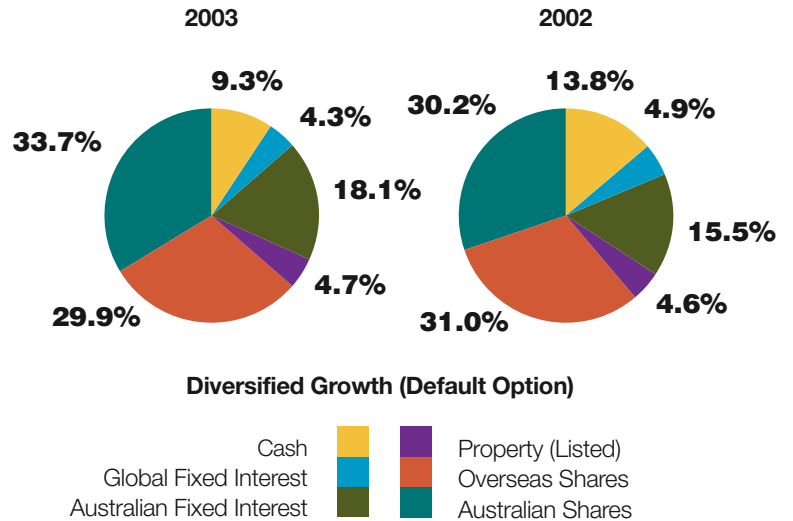
Note: Investment management fees are expressed as a percentage of assets under management. They may vary across the available investment options, as they are imposed by the investment managers.

Investment objectives

- To concentrate on maximising long-term investment returns, while aiming to minimise investment risk.
- To exceed the Consumer Price Index (CPI) by 4.0% per annum, over rolling five-year periods.
- To earn a rate at least equal to the official RBA cash rate after tax plus 2.0% per annum over rolling five-year periods.
- To ensure the financial viability of the option by adopting prudent financial policies, including the maintenance of adequate liquidity and a relatively diversified portfolio.

This option's total exposure to growth assets is an important element in maintaining a balanced view on risk versus return.

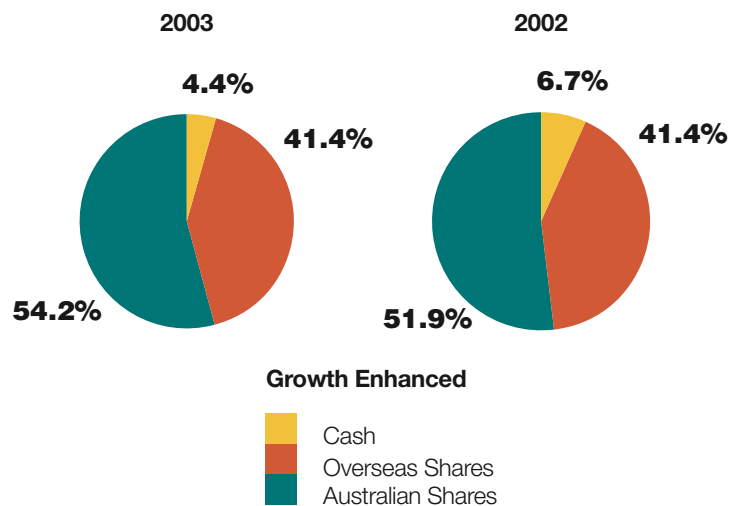
Asset Mix at 30 June 2003



Investment objectives

- To concentrate on maximising long-term returns.
- To exceed the Consumer Price Index (CPI) by 5.0% per annum, over rolling seven-year periods.
- To earn a rate at least equal to the official RBA cash rate after tax plus 3.0% per annum over rolling seven-year periods.
- To ensure the financial viability of the option by adopting prudent financial policies including the maintenance of adequate liquidity and a portfolio diversified across growth asset classes. This option's total exposure to growth assets is an important element in maintaining an aggressive view on risk versus return.

Asset Mix at 30 June 2003



Defined Benefit Pool

investment objective and strategy

Investment objectives

The benefits of defined benefit members are generally linked to movements in their level of super salary over time.

Accordingly, the Trustee has established the following investment objectives:

- to exceed changes in average weekly ordinary time earnings (AWOTE) by 4.5% per annum over rolling seven-year periods; and
- to earn a rate at least equal to the official RBA cash rate after tax plus 4.0% per annum over rolling seven-year periods.

Investment Strategy

To achieve the Trustee's objective of maximising the long-term rate of investment return, a large part of the Fund's assets are invested in growth assets, such as shares.

These assets have historically earned higher rates of return than other assets, but they also carry higher risks, especially in the short term.

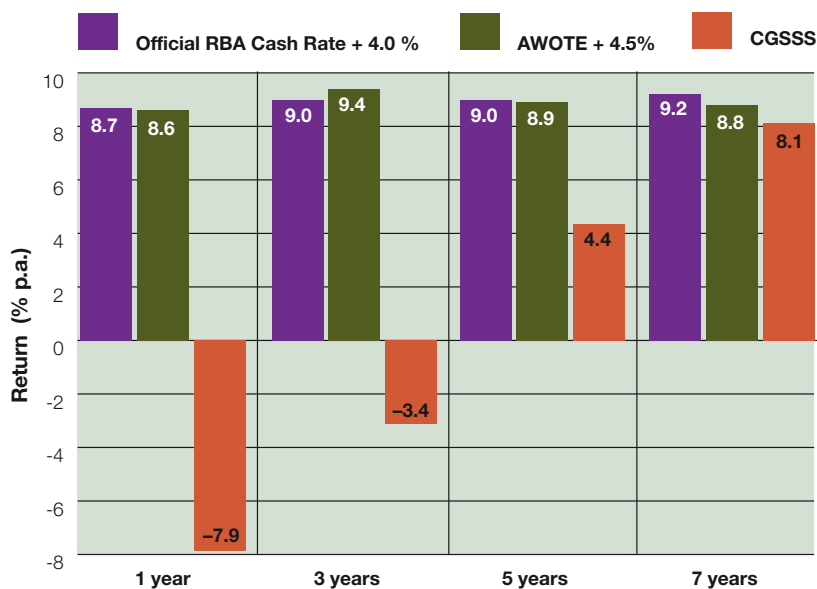
The Trustee regularly monitors the performance and activities of all investment managers.

The Trustee sets the long-term strategic asset allocation for the Defined Benefit Pool.

The range for total growth assets is set at 85% – 100%. The range for total defensive assets is set at 0% – 15%.

The pie charts below show the benchmark asset classes as per the benchmark asset allocation at 30 June 2003, compared with the actual asset allocations at 30 June 2002 and 30 June 2003.

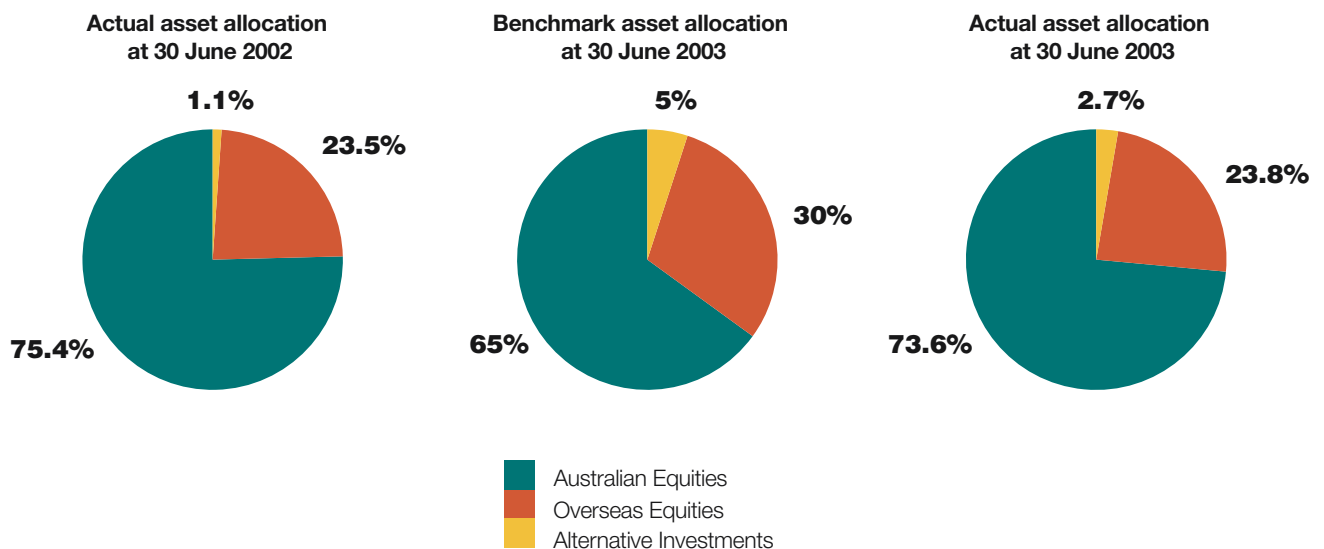
Defined Benefit Net Investment Performance Compared with Objectives



Investment managers

The Trustee has appointed Colonial First State Investments Limited and Capital International Inc. as the Fund's investment managers.

The benchmark compared with actual asset allocations 2002 and 2003



Defined Benefit Pool Earning Rate

Investment return (crediting rate) – net of tax (%)

	Former CGSSF and former SBSBS*	Div K and M#
1999	18.1	6.1
2000	16.5	14.0
2001	8.1	8.1
2002	-9.5	-9.5
2003	-7.9	-7.9



* CGSSF is the Colonial Group Staff Superannuation Fund
SBSBS is the State Bank Superannuation Benefit Scheme

The investment performance for Divisions K and M for 1999-00 are for the Balanced Unit Linked Account.

The overall defined Benefit Pool earning rate for the year to 30 June 2003 was -7.9% (after taxes and fees).

The above table shows performance over the last five years.

Crediting and reserving policy

The Trustee credits a rate that is approximately equal to the total annual earnings of the Pool. The Pool's interim crediting rate is determined at least quarterly and is based on the Pool's earning rate for the year to date.

Under the Fund's current benefit design, Division F members receive the greater of the monthly interest rates for the NSW State Super Fund or the crediting rate for the Defined Benefit Pool of the Fund on their compulsory contributions.

Voluntary contributions and amounts transferred into the Fund by Division F

members earn interest at the rates credited in the Accumulation Pool.

The compound average investment return for the Defined Benefit Pool for the five years to 30 June 2003 was 4.4% per annum.

For Division K and M members, the compound average earning and crediting rates for the five years to 30 June 2003 was 1.7% per annum. Since 1 July 2000, the earning rates for Divisions K and M have been the same as for the main Defined Benefit Pool.

Factors affecting your defined benefit

It's important to remember that, as a member of the Defined Benefit Pool, your main super benefit is worked out using a formula based on your salary and years of membership of the Fund. This benefit is not affected by investment returns.

Other **Defined Benefit** details



Membership

Members as at 30 June 2003 totalled 1,577. This number comprised of:

● Active	877
● Deferred and Preserved	422
● Pensioners	278

Financial condition

An actuarial review of the CGSSS is completed at least every three years. The objective of the review is to assess the Fund's current and expected future financial condition.

The results of the last actuarial investigation conducted at 30 June 2001:

- confirmed that the Fund continues to be in a sound financial position; and
- recommended that the Bank continue to suspend contributions to the Fund until the results of the next actuarial review are available.

The next actuarial review is due at 30 June 2004.

An actuarial review of the CGSSS is completed at least every three years. Between actuarial reviews, the Trustee regularly monitors the financial position of the Fund, and it believes that the CGSSS continues to be in a healthy position.

Segregated assets for pensions

A segregated body of assets is used within the Defined Benefit Pool to support current pension payments. The earnings of these assets are tax-free. The investment objectives and strategy are the same as for the main Defined Benefit Pool.

Assets

At 30 June 2003, the assets in the Defined Benefit Pool were invested in the manner set out in the table below. These percentages are based on the market value of the assets.

During the year the Bankers Trust Australia Property Units were fully redeemed.

Derivatives

Derivative products, such as futures and options, may be used as part of the CGSSS's investment strategy.

The Trustee has established a Risk Management Statement dealing with the use of derivatives and requires a Risk Management Statement from its investment managers before they can use derivatives in managing the Fund's assets. Derivatives are not used for speculation or for gearing the portfolio.

Assets exceeding 5% of total Fund assets

As at 30 June 2003, the main Accumulation Pool had \$63,306,594 invested in the Colonial First State Pooled Superannuation Trust Diversified Option, which was 16.87% of total Fund assets, and \$30,672,517 invested in the Colonial First State International Shares Fund, which was 8.17% of total Fund assets.

Investment of Defined Benefit Pool assets, 2002 and 2003

Assets	2003		2002	
	\$000s	%	\$000s	%
Pooled Superannuation Trusts				
BT Property	–	–	22	0.0
Direct Investment Portfolio				
CFS Australian Equities	206,974	72.8	268,123	74.9
CFS Global Shares	30,780	10.8	39,832	11.1
Capital International, international equities	36,067	12.7	43,563	12.2
CFS Private Equity	7,567	2.7	3,673	1.0
Cash Management Account				
Commonwealth Bank	2,817	1.0	2,919	0.8
Total	284,205	100.0	358,132	100.0

Your Trustee Board

The CGSSS is managed by a corporate trustee called SBSBS Pty Limited (ABN 64 008 659 390).

The Trustee's responsibilities are carried out by a Board of Directors, which is made up of:

- four Member Directors; and
- four Employer Directors.

Your Member Booklet contains details of how your Trustee Board is appointed. You can also request a copy of the formal procedures for appointment and removal of Member Directors from the Company Secretary.

Changes in Directors

Mr David Murphy was elected as a Member Director replacing Mr Philip Colley with effect from 1 July 2002.

Mr Philip Colley, Manager Finance Reconciliations, Finance Services was appointed by the Trustee Board in November 2002 as a replacement Member Director (replacing Ms Margaret Maher) under the Fund's "Rules and Procedures Governing the Appointment and Removal of Directors".

What does the Trustee Board do?

The main role of the Trustee Board is to ensure the security of your benefits and make certain your rights as a member are protected at all times.

The Board meets at least quarterly to conduct the business of the Fund in accordance with the CGSSS Trust Deed and the requirements of all relevant legislation.

The Directors act in an honorary capacity and are reimbursed only for expenses incurred in carrying out their duties.

The Trustee holds indemnity insurance.

Policy and Trustee support

The Trustee Board is supported by the Company Secretary and a team of staff who, under the leadership of the Company Secretary, provide day-to-day management and policy support to the Board.

The Staff Superannuation Fund Services team is part of Group Human Resources. The functions of this team include:

- providing advice to the trustee on policy – strategies and implementation;
- management of outsourced service providers;
- development and implementation of the CGSSS member communication strategy; and
- statutory and compliance work.

Fund administration

Mellon Human Resources & Investor Solutions (previously known as NSP Buck) administers the Fund. CGSSS Member Services is part of Mellon's external administration services and they provide day-to-day administration of the Fund.

CGSSS Member Services provides the following services to members:

- maintaining member records;
- accounting and actuarial management;
- making benefit payments to members; and
- answering member enquiries.

External advisers

The Trustee has appointed the following external advisers to provide specialist services to the CGSSS:

- **Actuary** Paul Francis, Mellon Human Resources & Investor Solutions Pty Ltd
- **External Auditor** Ernst & Young
- **Insurers** The Colonial Mutual Life Assurance Society Limited
AMP Society (Divisions N, O and P)
- **Asset Consultant** Mellon Human Resources & Investor Solutions Pty Ltd



Gerard Parlevliet

Company Secretary and General Manager, Staff Superannuation Fund Services

Your **Trustee** Board

Member Directors



Mr Phil Colley

Manager, Finance
Reconciliations
Finance Services



Mr John Mirotsos

Business Development
Manager, Group
Insurance CommInsure
Sales, Investment and
Insurance Services



Mr David Murphy

Financial Planner –
Newcastle Area
Retail Banking Services



Mr Chris Seddon

Head of Capital
Management and
Investment – Investment
and Insurance Services

Employer Directors



Mr Les Cupper

(Chairman)
Group Executive –
Group Human Resources



Mr Geoff Ferguson

General Manager,
Leveraging Customer
Information –
Retail Banking Services



Ms Michelene Hart

General Manager,
Finance and Planning –
Investment and
Insurance Services



Mr Les Moth

Executive Manager –
Commonwealth Fleet Lease

Fees and charges

Currently the Fund pays all costs for the day-to-day management and administration of the Fund. Members may be required to pay fees associated with:

- changing your investment strategy (switching) – currently \$52.45, except for one free switch each year at 1 July;
- rolling money into the Fund – currently no charge applies;
- making a withdrawal of any part of your unrestricted non-preserved benefits (UNPB) – currently \$68.19;
- any insured benefits you may have if you are a member of Accumulation Divisions I, J, L or P – premiums are calculated according to your amount of cover and your age; premiums are shown on your Annual Benefit Statement. You can contact CGSSS Member Services to find out about insurance cover costs.
- there is also a contribution tax adjustment, currently 15%, which is deducted from the amount your Employer allocates to your super and from any pre-tax contributions you make to your super.
- a charge relating to surcharge tax, up to 15%, will also be deducted from benefits, where applicable. Your annual benefit statement will tell you if you have a surcharge tax liability. Your Member Booklet has more information about the fees and charges that apply in your Division of the Fund.

Small account protection

If your total account balances are less than \$1,000, superannuation legislation ensures that they cannot be eroded by fees and charges. That means administration fees debited to your account will not exceed credited earnings. This protection relates only to fees and charges. Negative investment returns are applied to small accounts, just as they are to all other accounts in the Fund.

Contribution and insurance options

Depending on your membership Division, you may be able to vary the level of your contributions and insurance cover. Please refer to your Member Booklet or contact Member Services for more information.

Nomination of beneficiaries

If your personal circumstances have changed, you may wish to update your nomination of beneficiaries. The Nomination of Beneficiaries form serves as a guide to the Trustee if it has to decide who should receive your benefit if you die while you are a member of the Fund. A death benefit can usually be paid only to your dependants or to your legal personal representative (the executor of your Estate).

Your Member Booklet has additional information about who is eligible to receive your death benefit.

Enquiries and complaints

The Trustee has established a formal procedure for members and beneficiaries to:

- make enquiries into, or complain about, the operation or management of the CGSSS in relation to them; and
- have their enquiry or complaint properly considered and dealt with within 90 days of receipt.

If you wish to make an enquiry or complaint, your correspondence should be sent to:

The Company Secretary

Colonial Group Staff Superannuation Scheme (CGSSS)

SBSBS Pty Limited

GPO Box 2719

Sydney NSW 1155

When we receive your enquiry or complaint, our internal procedures will ensure that your matter is dealt with within 90 days. In most cases, you will receive a reply within 28 days.

The Trustee will take every step necessary to ensure that your complaint is dealt with properly. It is hoped that any problem can be handled internally to the satisfaction of all parties.

For more information

If you want to find out anything about your super fund, visit the Staff Super Intranet site. It has links to:

- forms to update your super;
- the latest newsletter;
- information about your benefit division;
- investment performance information;
- fact sheets;
- the latest annual report; and
- your member booklet.

Alternatively, you can contact OSF Member Services – see back cover for details.

More about the **CGSSS**

Superannuation Complaints Tribunal

If you are not happy with the way that your complaint has been handled or with the Trustee's decision, you may contact the Superannuation Complaints Tribunal.

The Tribunal is an independent body set up by the Federal Government to assist members and beneficiaries to resolve certain superannuation complaints.

The Tribunal may be able to help you resolve your complaint, but only after you have made use of the Fund's internal complaints handling process. If the Tribunal accepts your complaint, it will attempt to resolve the matter through conciliation, which involves helping you and the Trustee come to a mutual agreement. If conciliation is unsuccessful, the complaint will be formally referred to the Tribunal for a binding determination.

There are some complaints that the Tribunal cannot consider:

for example, complaints relating to the management of the Fund as a whole and complaints against an employer.

If you wish to find out whether the Tribunal is able to handle your complaint and what information you would need to provide, phone the Tribunal for the cost of a local call from anywhere in Australia, on 1300 884 114.



Under certain circumstances and depending on your division, your benefits may be transferred to an Eligible Rollover Fund (ERF).

Eligible Rollover Fund

Under certain circumstances and depending on your division, your benefits may be transferred to an Eligible Rollover Fund (ERF). These circumstances are typically where you do not provide the Trustee with instructions on the payment of your benefit, when you leave the employer.

The Trustee is not required by legislation to advise you when the Trustee transfers (rolls over) your benefit to the Fund's ERF. It is in your best interest to provide your benefit payment instructions as soon as possible.

If this applies to you, the current CGSSS ERF is:

SuperTrace Eligible Rollover Fund
Locked Bag 5429
PARRAMATTA NSW 2124
Phone: 1300 788 750
Fax: (02) 9947 4184

If your benefit is transferred to the ERF, you would no longer be a member of the CGSSS Fund. For more detail, please refer to your division below.

Divisions I, J, L and P (accumulation divisions)

If you are in Divisions I, J, L or P you are obliged to withdraw or rollover your benefit promptly when you leave the employer. You should complete the relevant Benefit Payment Instruction form, which will advise the Trustee how you wish your benefit to be paid.

If you do not provide valid written instructions to the Trustee within 28 days of leaving the employer (90 days from 3 October 2003, as a result of the CGSSS-OSF merger), your benefit will be transferred to the Fund's ERF.

Divisions D, K, M, and N (defined benefit divisions)

If you are in any of these divisions, you are obliged to withdraw or rollover your benefit promptly when you leave the employer. You should complete the relevant Benefit Payment Instruction form, which will advise the Trustee how you wish your benefit to be paid.

If you do not provide valid written instructions to the Trustee within 28 days of leaving the employer (90 days from 3 October 2003, as a result of the CGSSS-OSF merger), your benefit will be transferred to the Fund's ERF.

Divisions H and O (defined benefit divisions)

If you are in Division H or O, you are obliged to withdraw or rollover your benefit promptly when you leave the employer. You should complete the relevant Benefit Payment Instruction form, which will advise the Trustee how you wish your benefit to be paid.

If you do not provide valid written instructions to the Trustee within 28 days of leaving the employer (90 days from 3 October 2003, as a result of the CGSSS-OSF merger), your benefit will be transferred to the Fund's ERF.

Divisions B, C and E (defined benefit divisions)

If you are in Division B, C or E, you may choose to leave your benefits in the Fund, when you leave the employer; and the Trustee will **not** transfer your benefit to the Fund's ERF.

However, the Trustee, in accordance with current superannuation laws, may decide sometime in the future to transfer your benefit to an ERF.

Division F (defined benefit division)

If you are a member of Division F, in accordance with current superannuation laws, the Trustee may decide to transfer your **Basic Benefit** and any **Personal Account Benefits** to the Fund's nominated ERF sometime in the future should your payment instructions not be received.

The **remainder** of your benefit will be placed in a pension, which will be paid upon application after reaching retirement age. You may choose not to leave the remainder of your benefit in the Fund. If this is the case, it is in your best interest to advise us of your payment instructions as soon as possible.

Trust deed changes

During the year, the CGSSS Rules were amended for the accumulation divisions of the Fund, to enable the implementation of new Family Law amendments.

Effective 1 July 2003, the definition of superannuation salary for all accumulation divisions (Division I, J, L and P) were aligned. This change in definition will not reduce the amount of employer allocation for any member, as the amount calculated in accordance with the previous definition has been 'grandfathered'.

The general provisions of the Trust Deed were amended to clarify that the Trustee has the ability to apply an interest adjustment against surcharge liability accounts from the time of payment of the surcharge by the Fund.

What's ahead

● **APRA Licencing**

The Federal Government's Exposure Draft – *Superannuation Safety Amendment Bill 2003*, if enacted, will require all trustees of superannuation funds that are regulated by the Australian Prudential Regulation Authority (APRA) to be licensed and for super funds themselves to be registered with APRA.

● **Merger**

The Bank's proposed merger of the CGSSS into the OSF has now taken place with effect from 3 October 2003. The merger was undertaken on a successor fund basis, after extensive investigation by the Trustees of both funds to ensure CGSSS members received equivalent rights to benefits in the OSF.

As part of the merger communications, the Trustee will be sending you a Transfer Advice, providing the details of the accumulation component of your superannuation benefit transferred into the OSF.

● **NSP Buck name change**

At the time of going to print, we were advised that NSP Buck has become part of the global business of Mellon Human Resources & Investor Solutions. This has resulted in a change of name from NSP Buck to Mellon but all other contact details in relation to the administration of the Fund will remain the same.

Abridged **financial** information

Statement of changes in net assets

for the year ended 30 June 2003

	2003		2002	
	\$m	\$m	\$m	\$m
Net assets available to pay benefits at the beginning of the financial year		423,118,048		505,787,567
Investment revenue				
Interest		172,428		234,684
Dividends and distributions		9,012,626		8,616,175
Fee rebates		563,074		456,586
Movement in net market value of investments		(37,521,320)		(51,016,082)
Less: direct investment fees		(510,306)		(58,554)
Net investment revenue		(28,283,498)		(41,767,191)
Contributions revenue				
Employer contributions		546,985		698,706
Member contributions		1,773,611		2,199,576
Transfers in		1,178,424		1,851,540
Total contribution revenue		3,499,020		4,749,822
Other revenue				
Sundry income		101,795		2,680
Total other revenue		101,795		2,680
Total revenue from ordinary activities		(24,682,683)		(37,014,689)
<i>Less</i>				
Administration expenses				
General administration expenses		1,286,975		1,709,781
Net insurance costs		(247,346)		248,644
Surcharge expense		1,106,920		634,952
Total administration expenses		2,146,549		2,593,377
Benefits paid/payable		28,324,673		49,910,112
Total expenses from ordinary activities		30,471,222		52,503,489
Change in net assets before income tax		(55,153,905)		(89,518,178)
Income tax (credit)		(4,791,687)		(6,848,659)
Change in net assets after income tax		(50,362,218)		(82,669,519)
Net assets available to pay benefits at the end of the financial year		372,755,830		423,118,048

Statement of net **assets**

as at 30 June 2003

	2003		2002	
	\$m	\$m	\$m	\$m
Assets				
Cash assets				
Cash	2,817,329		2,919,424	
Cash in transit	5,645		7,568,975	
Total cash assets		<u>2,822,974</u>		<u>10,488,399</u>
Investments				
Shares in listed corporations	242,913,222		311,685,768	
Unit trusts	132,312,296		114,405,908	
Total investments		<u>375,225,518</u>		<u>426,091,676</u>
Other assets				
Income tax receivable	1,845,807		1,556,774	
Future income tax benefit	—		92,052	
Sundry debtors	817,664		269,414	
Total other assets		<u>2,663,471</u>		<u>1,918,240</u>
Total assets		<u>380,711,963</u>		<u>438,498,315</u>
Less				
Liabilities				
Benefits payable	4,292,761		8,413,079	
Sundry creditors	1,843,711		2,041,804	
Provision for deferred income tax	1,819,661		4,925,384	
Total liabilities		<u>7,956,133</u>		<u>15,380,267</u>
Net assets available to pay benefits at the end of the financial year		<u>372,755,830</u>		<u>423,118,048</u>

A copy of the CGSSS's audited financial report is available on request from the Company Secretary.

assets



If you would like **more information**

For further information, contact details (from 3 October 2003) are:

	Accumulation members	Defined benefit members
Telephone:	1800 023 928 (national freecall)	1300 363 016 (national freecall)
If calling from outside Australia:	61 2 9841 7117	61 3 9224 0835
Write to:	OSF Member Services Level 12 150 George Street Parramatta NSW 2150 (2052 153)	OSF Member Services C/- Mellon Human Resources & Investor Solutions GPO Box 9946 Melbourne VIC 3001
Fax:	(02) 9841 6455	(03) 9222 4222
E-mail	osfms@cba.com.au	osf@mellon.com.au
Or visit the Staff Super Intranet site at: http://www.cba/staffsuper/		