Self Managed **Super Fund**

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Helping committed clients achieve and maintain financial security

WHAT IS A SELF-MANAGED SUPER FUND?

A self-managed super fund is a superannuation trust structure that provides benefits to its members upon retirement. The main difference between a SMSF and other types of super funds is that members of SMSF's are also the trustees of the fund, meaning that they make all decisions in regards to the fund.

SMSF's can have up to four members – all members MUST be trustees and are responsible for decisions made about the fund and compliance with relevant laws.

HOW DOES A SMSF WORK?

SMSF's operate under similar rules and restrictions as ordinary super funds. When running your own SMSF it is important comply with and ensure the following:

- Carry out the role of a trustee or director (this imposes legal obligations on you).
- Set and follow an investment strategy aligned with your risk profile in aim of meeting your retirement needs.
- Ensure that you have the time to research investments and manage the fund appropriately.
- Budget for ongoing expenses in regards to professional accounting, tax, audit, legal and financial advice.
- Keep comprehensive records and arrange an annual audit by an approved SMSF auditor.
- Organise Insurance, including income protection and TPD cover for members of the fund.
- Use the money ONLY to provide retirement benefits.

WHAT CAN YOU INVEST IN WITHIN YOUR SMSF?

As often is the case a broader range of investment options is a common reason for people starting a SMSF. Within a SMSF you can invest in shares, term deposits, managed funds and property as well as assets that usually couldn't be invested in, in a regular super fund such as collectibles (art, jewellery, coins, stamps etc) and cryptocurrencies.

How APRA-regulated super funds and SMSFs are invested, as at 31 December 2017

Investment Type	All APRA-regulated Super Funds	Self-Managed Super Fund
Cash	11%	23%
Fixed income	21%	1%
Australian Shares	23%	30%
International Shares	24%	1%
Shares in Unlisted Companies	4%	1%
Property	8%	15%
Infrastructure	5%	n/a
Other	4%	28%

SMSF VS REGULAR SUPER FUND

- The level of control that trustees have when it comes to tailoring the fund to meet their needs.
- Only up to 4 members in SMSF.
- Wider range of investment options in SMSF.

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FS360 - What does being financially secure mean?

It means assessing your personal and business goals and developing a plan to achieve these.

We have identified 12 key areas to help you become financially secure:

1. Goals & objectives
2. Estate plan
3. Risk plan
4. Asset protection plan
5. Taxation plan
6. Debt plan
7. Retirement and succession plan
8. Business plan
9. IT Plan
10. Marketing Plan
11. Superannuation plan
12. Investment plan

Setting goals and objectives and having strategies to achieve these is an essential element of becoming financially secure. Once you know what you are aiming to achieve and how you are going to get there, we then need to make sure you have a strong foundation in place to protect you, your family and other investments.

A strong foundation needs an estate plan, risk, plan, asset protection plan, taxation plan and debt plan. With the foundations in place we can then work on the strategies to achieve your goals and objectives. It may seem out of order that we have the retirement and succession planat number 7 rather than 12. It is important that this is considered early and a plan is put in place. This assists to plan for this financially as well as keeping the communication lines open on the topic.

12 Steps *to becoming* Financially Secure

1. GOALS AND OBJECTIVES

Picture yourself in 10 years time... Where do you want to be? How are you going to get there? Being clear on your goals & objectives ensures you can develop a strategy to achieve them.

2. ESTATE PLAN

"What will happen when I'm gone?" Only assets owned in your name are covered by your will. Your Estate Plan protects your family from the potential threats that your Will does not.

3. RISK PLAN

Your Risk Plan addresses whether you need to save or insure to protect your family's financial security in the event of an injury, accident or death.

4. ASSET PROTECTION PLAN

An Asset Protection Plan makes sure your assets are owned in the right names or entities so you limit the risk of them being exposed to creditors.

5. TAXATION PLAN

A Taxation Plan structures your affairs so that you legally pay the least amount of tax and retain more of your income.

6. DEBT PLAN

A Debt Plan ensures your assets aren't over exposed to debt and structures your debt to maximise tax deductibility of the interest.

7. RETIREMENT PLAN

Retirement is setting the date when you can choose to stop work. Your Retirement Plan details the income and assets you need (in addition to superannuation) to retire and outlines the steps to get there.

8. BUSINESS PLAN

Your business value is the one asset or investment that you have full control over. How does the business cashflow, profitability and end value fit with your overall plan? Review the 10 characteristics of what makes a great business to help your business reach it's full potential.

9. I.T. PLAN

Your data, your email, your devices – they play a key role in the smooth running of your business. Backups, workflow and ongoing maintenance of technology can be a game changer.

10. MARKETING PLAN

Promoting your business to potential clients has many working parts. Generating enquiry and building your brand is key to your business success.

11. SUPERANNUATION PLAN

Many people miss out on the enormous tax benefits of superannuation. A Superannuation Plan will ensure you have a strategy to produce greater wealth at retirement.

12. INVESTMENT PLAN

An Investment Plan will increase your asset base, while focusing on preserving your capital and managing your risks, to meet your personal and financial goals.

We offer a free no obligation meeting to review your situation. Call us today on 1300 204 781 and take advantage of this valuable offer.