



**SMSF
WEEK
2020**
NOV 23-27

**IS AN SMSF
THE RIGHT
ANSWER
FOR YOU?**

With over 1.1 million Australians choosing to manage their own Self Managed Super Fund, it has become a popular option for those wanting more control over their retirement savings.

A Self Managed Super Fund gives you, as the Trustee, the ability to put retirement planning into your own hands.

The long-standing debate when comparing an SMSF to a traditional superannuation fund is typically restricted to a simple analysis of cost and returns; but in reality, it's never that simple.

It also comes down to your motivations, your desire for control and your own personal retirement goals. Yes, an SMSF isn't right for everyone - it must be considered on a case by case basis - but it's important to have all the facts and information at hand so you can make the right decision.

**“Lower fees, More control,
Better choice, More
Flexibility”**

WHY CHOOSE AN SMSF?

Control

SMSFs enable you to take control of your financial future. The desire to gain greater control over superannuation assets and investments is the leading motivation for the establishment of SMSFs. As a trustee, you are responsible for making decisions on where your money is invested. Control lies in your hands. Your money. Your choice.

You control the fees, and you control the ability to achieve higher returns. It is this sense of comfort, confidence and security in managing your own affairs that cannot be measured.

Flexible investment choices

SMSFs provide the ultimate level of investment flexibility and choice. In addition to shares, fixed interest, and managed funds, SMSFs can offer increased flexibility, enabling you to invest directly into property, commodities, unlisted companies, and unlisted managed funds and trusts. This can even include your own small business property.

This ability to create a diverse, tailored portfolio is unmatched when compared to institutional superannuation funds.

Dissatisfaction with your existing fund

Taking control of an SMSF also means that trustees have oversight of their superannuation savings at all times. Many people decide to set-up an SMSF because they are dissatisfied with the performance of their existing superannuation fund. The fees may be too high or the investment options too restrictive. They may want more transparency over the fees they are paying or have more control over things like corporate actions.

Plan your tax

SMSFs can also provide additional flexibility to manage the tax paid by your fund. The flexibility of an SMSF allows individuals to control the timing of contributions and the purchase and sale of investments to achieve the best retirement savings outcome for members. SMSFs also provide for a seamless transition from accumulation to pension phase.

Plan your estate

With proper planning, and if structured correctly, an SMSF can provide additionally flexibility and certainty regarding when, and to whom, death benefits are paid from your retirement assets.





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**'8 out of 10 trustees
believe their
SMSF is good value
for money ²**

DID YOU KNOW?

- Around half of all SMSF trustees own or have owned a small business ²
- 9 out of 10 trustees believe managing and engaging with their own SMSF provides them with a level of satisfaction ²
- The median "operating expense" of SMSFs is \$3,923 a year ³
- The majority of SMSF trustees spend between 1 to 5 hours a month administering their SMSF ²
- The most common age range for establishing an SMSF is between 35 and 44 ³
- SMSFs can be cost effective at balances of \$200,000 or more ¹
- Over 50% of SMSF members have had their SMSF for over 10 years ²

There are strict regulations surrounding SMSFs. Aside from the annual audit of your SMSF, which must be done by an independent Approved SMSF auditor, you can choose the level of compliance and administration work you outsource to others - but as the trustee of your SMSF you remain ultimately responsible for ensuring your SMSF complies with the superannuation and taxation laws

The ATO and specialist SMSF advisers are there to help.

- 1: See Cost of Operating SMSFs (2020)
2: Source: SMSF Member Experience Survey 2020 by SMSF Association
3: Self Managed Super Funds: A statistical overview 2017-18

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**"I enjoy making decisions,
and the satisfaction of
knowing the outcome is in
our hands"**



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