

financial planning | advice | strategy

Do your future self a favour – 5 essentials in this year's super statement

Will I be able to provide for my family & loved ones in the years to come? How can I be involved in shaping my retirement savings – it feels out of my control. I need to look into my super but I'm just so busy with work and family, I can't seem to find the time. I feel lost when it comes to my super – I don't know enough about how and where I'm invested to make confident decisions for the future.

Any of these sound familiar? While it can be easy to feel overwhelmed, don't put your super in the 'too hard basket'.

Whatever stage you're at, it's *your* super, *your* money, *your* investment. So take a few minutes this year to understand your super statement, and take some positive steps for 'future you'!

5 essentials to note in your super statement this year:

- 1) How am I invested?**
- 2) Has my money grown?**
- 3) What happens to my super if I'm no longer around?**
- 4) How much has been paid into my super?**
- 5) Is my super protecting my family now if something unexpected happens?**

*Any advice in this publication is of a general nature only and has not been tailored to your personal circumstances. Please seek personal advice prior to acting on this information.

1) Your investment option – How am I invested?

Your retirement savings are currently being invested by your Super Fund of choice. The question is, 'Where is my money being invested?'

It's *your* choice. Our lives are made up of choices. Some easy, some hard.

Your daily coffee en route to the office, for example – piccolo, skinny cap, soy latte, long black or decaf? Simple right?

Although, all too often, the bigger choices, the scarier choices, or the choices we feel ill-equipped to make get put in the 'too hard basket' to be dealt with later.

While it can be easy to feel overwhelmed by the options or find yourself thinking, 'I don't know enough about this to decide yet', *there is an* option suited for you and it's worth taking the time to make an informed decision.

How can I invest my super?

- Invest conservatively into cash if you want to minimise your risk
- Partner with domestic and global companies and share in their wins and their profits
- Invest into property and bonds that will give you returns of rent and interest income
- Take a 'pick & mix' approach to all of the above to diversify your risk and returns



For a complimentary
financial consultation,
contact our office [here](#),
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Keeping A Finger on The Pulse – What Do I Need To Know About My Super Investments?

- Diversify. ‘Don’t put all your eggs in one basket’ – a familiar phrase, but a wise approach when it comes to investing your super. Make sure your Super Fund is investing into a diverse portfolio.
- Don’t Default. Many Australians rely on their Super Fund to invest their retirement savings, without much research or careful consideration into where it’s being invested. It’s worth looking into where you are invested and whether it matches up with your long-term goals.
- Be Proactive. What are the top 10 companies my super fund is investing my money into? Most of us wouldn’t know the answer to this question. Perhaps it’s time I get involved in knowing how, why and where I am invested.

2) Performance – Has my money grown?

As soon as our Super Statement arrives, for most of us, our eyes dart straight to the return over the last year. Has my super fund made me money this year or lost me money? A positive return might be enough for many of us to contentedly file the statement away, and forget about super for another year. A negative figure however may lead you to question your super fund and where your money is being invested.

Tips To Note:

- If you are genuinely unhappy with your returns, it’s worth diving a little deeper & asking some questions. It’s your super, your choice.
- **Your super is a marathon, not a sprint. Don’t judge your super fund purely on its’ 12 month performance. “The stock market is a device for transferring money from the impatient to the patient.” – Warren Buffet**
- This year have a look at the 5, 7 and 10-year performance of your fund. This should be noted on your statement or you can jump onto your super fund’s website and check this out for your investment option. Do some research and compare some longer term performance figures of other super funds. Once you have selected the strategy that suits your needs & goals, be willing to stick to your guns and be patient.

3) Death Benefit Nominations – What happens to my super if I’m no longer around?

This is an important consideration that’s often overlooked.

Your super may just be the biggest investment you have, so make sure it gets paid to your loved ones. Contrary to popular belief, super won’t automatically be paid according to your Will. You can nominate your spouse or your children, or another financial dependent. The rules are strict so seek the advice of a financial planner and/or legal adviser for creating a careful & thorough estate plan.

4) Contributions – How much has been paid into my super?

Right now 9.5% of everything you earn is being paid into your future piggy bank. If it's not being paid into your super account at least quarterly, then you need to ask some questions of your employer. If you are self-employed you should consider making regular contributions into your super so you're not left behind when it comes to your retirement – you're paying your employees so make sure you pay yourself.

- Rollovers. This means that your super has been moved from a previous super account into your current super account. Maybe you still have several super funds. Consider consolidating these into one account to reduce overall admin fees and get your super within one strategy. (It'll make next year a lot easier, reading just 1 super statement!)
- A caution when rolling over. Be careful not to lose any insurance cover in your existing funds. Get yourself protected first, then combine your super.

Still Lost? Here's a helpful guide to finding and consolidating your super >>>> www.ato.gov.au/superseeker

5) Insurance Cover – is my super protecting my family now if something unexpected happens?

Your super is primarily designed to protect an older and wiser version of you. But a great benefit whilst you are gaining wisdom (and grey hairs) is to protect your younger, wilder self from injury, illness and even protecting your family financially if you pass away. When you're focussed on meeting mortgage repayments, paying school fees, filling up the petrol tank, and feeding your kids healthy, organic super-foods like Kale-smoothies & quinoa salads, more insurance cover seems like a distant priority. Thankfully there are affordable and tax effective strategies to protect you and your family from unexpected events.

- **Default Insurance Cover – Worth Taking A Look:** Many super funds will provide you with default Life Insurance, total and permanent disability cover and sometimes even income protection.

However, it's worth asking yourself, 'If I pass away, will \$100,000 cover my mortgage and provide an income for my spouse & family? Will \$850 per month meet my mortgage and living expenses if I can't work for a year?' It may not even feed the new puppy for a month!

Default insurance cover is a **prompting** to get yourself properly protected. With large commitments like a mortgage, we are so dependent on our ability to earn an income. Don't risk your family's wellbeing, your business or your future plans – make sure you're covered. And make sure you get the right advice that is suited to your particular circumstances and your budget. ***The right advice means you can afford to pay for the right amount of cover.***

Remember that your super is ...yours.

Super is a great source of savings to look after you and your family in your later years, and to protect you now whilst you are earning an income. Super legislation changes frequently so you need to get the right advice at the right time to avoid making costly mistakes and missing out on investment and tax opportunities.

You get what you pay for – good advice is worth every dollar.

Getting proactive now in shaping your super will have rewards for years to come.