

August 2007



## “OUR SUPER ADVICE”

### Do Your Maths

Every taxpayer should know what their superannuation account balance is, how it is invested and what fees are being charged.

We have produced the table below based on some very conservative assumptions. But what it reflects is just a saving of 1% a year on your fees charged by the fund. This is why the recent advertisements are being played on TV. It is not the product that is amazing it's the maths!

If you could save just 1% a year on fees by consolidating your super into one fund, over the next 30 years this save you around a whopping \$110,000.

#### Co-Contribution

You can access up to \$1,500 extra in your superannuation if you contribute \$1,000. Here are some tips:

- Pay the \$1,000 in after tax not pre tax dollars;
- The ATO matching decreases from \$28,000 and basically reduces to zero after \$54,000;
- Self employed can now access co-contributions due to budget changes;
- You can pay \$1,000 into your partners superannuation fund to enable them to receive the co-contribution;
- Transfer shares e.g. Telstra into your SMSF to receive the co-contribution;
- Receiving a pension and still have other taxable income? Then make the \$1,000 super contribution to receive another \$1,500 tax free from the government.

#### Superannuation Guarantee

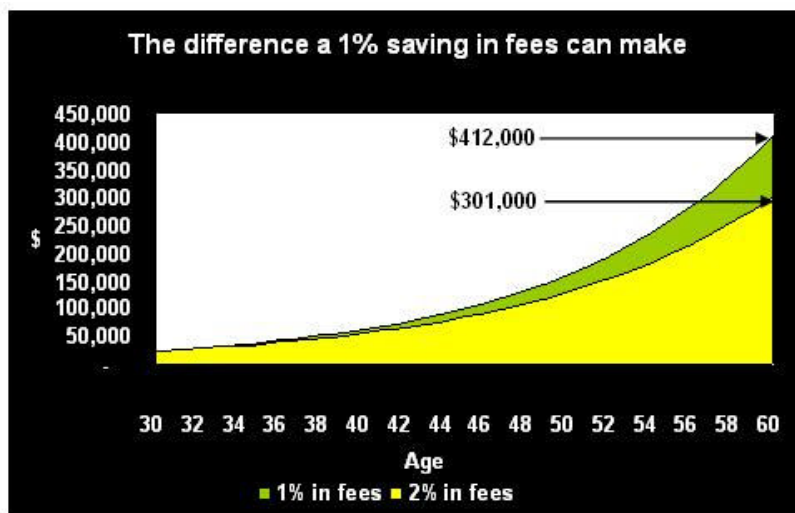
This is payable at 9% as most of us are aware. But here are some tips:

- It is not paid on workers aged over 70;
- The maximum wage it is based on is \$35,240 for the quarter;
- It is based on ordinary times earnings; and
- If an employer salary packages or sacrifices that the calculation is based on wages not the package.

#### Trivia

What type of food is Bombay Duck?

- Fish;
- Tandoori; or
- Beef and Duck



Next newsletter I will show you what happens with risk and why this had made the TV.

### The Figures Only Get Better

- The Association of Superannuation Funds of Australia (ASFA) has estimated that as much as an additional \$10 billion poured into superannuation in the June quarter.
- Did you know that \$10,000 worth of blue chip shares in December 1986 would be worth over \$90,000 today. That is after the Stock market crashes, Barings Bank collapses and September 11 disaster.

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