

Superannuation - Take Control



Today more and more Australians are choosing to manage their own superannuation through Self Managed Super Funds (SMSF's).

If you want to take control (and responsibility) of how your superannuation money is invested, a Self Managed Super Fund may be the answer.



SMSF's are not for everyone but are they right for you? Speak to your Capstone adviser to find out if a SMSF would suit your financial circumstances.

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Examples of where a SMSF may be appropriate:

1. A business owner looking to include commercial property in their super
2. A retiree who is looking to take a more active role controlling their retirement income
3. An individual wanting greater participation in their super
4. A family group (maximum 4 members) looking to pool their super funds

How does a SMSF work?

It works the same as a retail superannuation fund. It accepts contributions from members, and invests and manages those contributions and subsequent earnings. Importantly it must pass the "sole purpose test" of being set up for the sole purpose of providing retirement benefits.

You will be required to be a trustee of the SMSF and be involved in the decision making process of the fund. This means you will be responsible for tasks such as administration and accounting, managing tax implications and ensuring an investment strategy is in place.

The trustees of a SMSF are responsible for ensuring the SMSF remains compliant with the law.

The Pros and Cons of a SMSF:

| PROS | CONS |
|---|---|
| You have control over how and where your money is invested | You are responsible for making sure your fund complies with regulations |
| Generally, there can be fee savings if you have more than \$200,000 invested | You have to administer the fund (or pay a company to do it) |
| SMSF's offer the potential to use tax savings strategies not possible in other types of funds | Penalties for non-compliance range from financial penalties to imprisonment |
| SMSF's can purchase your business' real property | You are required to prepare, implement and regularly review the funds investment strategy |

Speak to your Capstone Adviser to see if a SMSF would be right for your financial situation. Contact the adviser below, or call us on 1300 306 900, or visit our website www.capstonefp.com.au



PERSONAL FINANCIAL ADVICE



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