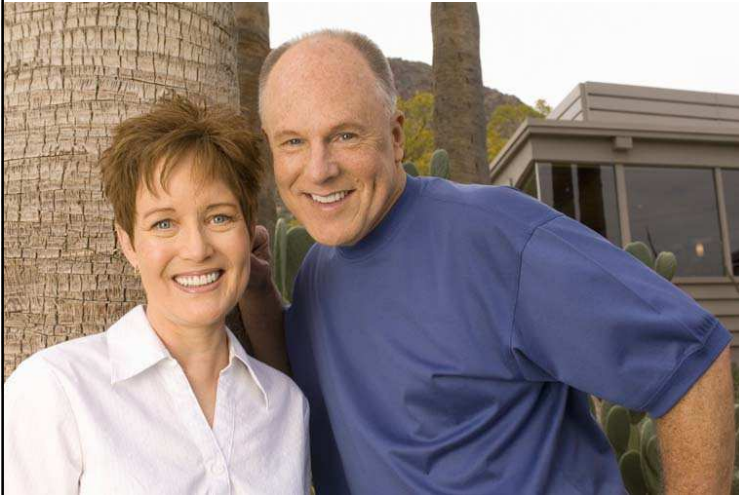


# Your Future

## Planning for retirement



FuturePlus Financial Services

## General Information only

The information contained in this presentation:

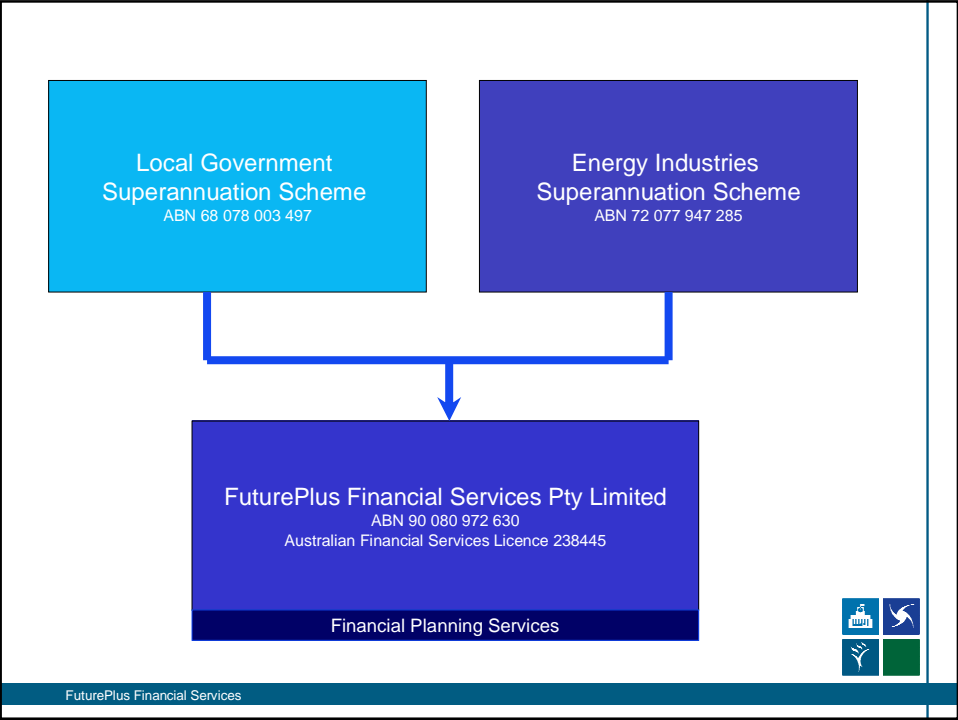
- Is restricted to **general information only** and is **not** personal advice or financial planning advice
- Should not be relied upon in making investment decisions as it has not taken into account your personal, financial or investment situation or goals.

## Making investment decisions

Before making any investment decisions, members should seek the assistance of a professional financial planner.




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## Investment update

Local Government Super – Retirement Scheme					
	Period to 30 Sep 2010		Period to 30 June 2010		
Investment Options	3 Months %	Financial YTD %	1 yr %	3 yr %	5 yr %
High Growth	4.17	4.17	13.56	-7.63	N/A
Balanced Growth	3.82	3.82	13	-4.77	N/A
Balanced	3.14	3.14	12.35	-2.41	N/A
Conservative	2.73	2.73	11.82	-0.06	N/A
Cash	1.44	1.44	4.98	4.81	N/A
Growth	3.45	3.45	10.36	-6.57	1.8



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## Investment update

### Local Government Super – Accumulation Scheme

Investment Options	Period to 30 Sep 2010		Period to 30 June 2010		
	3 Months %	Financial YTD %	1 yr %	3 yr %	5 yr %
High Growth	3.84	3.84	13.05	-7.45	1.67
Balanced Growth	3.34	3.34	12.78	-4.92	2.25
Balanced	2.88	2.88	12.19	-2.74	2.41
Conservative	2.31	2.31	11.71	-0.44	2.59
Cash	1.2	1.2	4.92	4.81	5.15



## Investment update

### Energy Industries Retirement Scheme

Investment Options	Period to 30 Sep 2010		Period to 30 June 2010		
	3 Months %	Financial YTD %	1 yr %	3 yr %	5 yr %
High Growth	4.78	4.78	11.26	-7.91	N/A
Diversified	3.80	3.80	10.59	-5.11	N/A
Balanced	2.90	2.90	11.65	-2	N/A
Capital Guarded	2.15	2.15	10.23	0.35	N/A
Cash Plus	1.17	1.17	4.43	4.8	N/A
Growth	4.40	4.40	10.64	-5.78	2.66



## Investment update

### Energy Industries Accumulation Scheme

Investment Options	Period to 30 Sep 2010		Period to 30 June 2010		
	3 Months %	Financial YTD %	1 yr %	3 yr %	5 yr %
High Growth	4.49	4.49	11.07	-7.72	1.39
Diversified	3.67	3.67	10.52	-4.84	2.21
Balanced	2.8	2.8	11.65	-1.77	2.98
Capital Guarded	2.08	2.08	10.19	0.73	3.28
Cash Plus	0.92	0.92	4.49	4.85	5.04



## The first steps to retirement planning

- You have already taken the first step
- Start now
- Look at where you want to be
- Plan how to get there – is super the answer?



## Where are you now?

- **Identify your assets**
  - Super
  - Bank
  - Shares and other investments
  - Employer payments
    - Long Service & Annual Leave
    - Other payments
- **Identify your liabilities**
  - Mortgage and other loans
  - Credit Cards etc
- **Work out a budget**



## How much do you need to retire?

- Living off your retirement savings (capital)
- Capital required can be calculated as a multiple of desired income
- Does more income require more capital?
  - Inheritance?
  - Centrelink?
  - Taxation?



## Is super the answer?

- Significant tax concessions
- Other Government incentives
- Access is restricted – ‘forced’ saving
- Flexibility



## How to get the most out of your super.

- Maximise your scheme benefits
- Salary sacrifice
- Co-contributions
- Lump sum additions
- Consolidation of Super



## Planning for retirement



FuturePlus Financial Services



## Maximise your benefit

- Retirement Scheme
- Accumulation Scheme



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## Salary sacrifice example

- Example of a 50 y.o. Balanced investor (earning rate of 6.4% p.a) with an Accumulation Scheme balance of \$100,000 and salary of \$80,000 p.a.
- At age 65 = \$425,000 no salary sacrifice
- Salary Sacrifice an additional 7% through to age 65 = \$568,000



## Government Super Co-contribution

- What is it?
- Who can get it?
- How much can I receive?
- When is it paid?



## Other considerations for super

- Lump sum additions
- Consolidation of Super



## What else do I need to think about?

- Insurance
- Estate Planning
- Nomination of Beneficiary
- Advice – what level of help do I need?



## How we can help?

- Boost retirement capital
- Meet your income needs
- Minimise tax
- Access Centrelink entitlements
- Stay up-to-date with legislation
- Ongoing review meetings



## Changing life expectancy

Age	Male	Female
Now		
50	30 +	34 +
55	25 +	30 +
60	21 +	25 +
65	17 +	21 +
70	14 +	17 +

Source: Australian Government Actuary Life Tables 2002



## Super in more detail

- Benefits tax free from age 60
- Transition to Retirement (TTR)
- Salary sacrifice
- Contribution limits
- Insurances inside super
- Centrelink – better access to Age Pension



## When to retire

- Maximising super benefit
- Tax and employer payments
- Centrelink
- Lifestyle considerations



## Super options on retirement

- Rollover
- Cash withdrawal
- Income stream



## Planning for retirement



## Account-Based Pensions

- Why “account-based”?
- Regular income payments
- Tax free from age 60
- Access to capital
- Investment choice
- Available within your Scheme

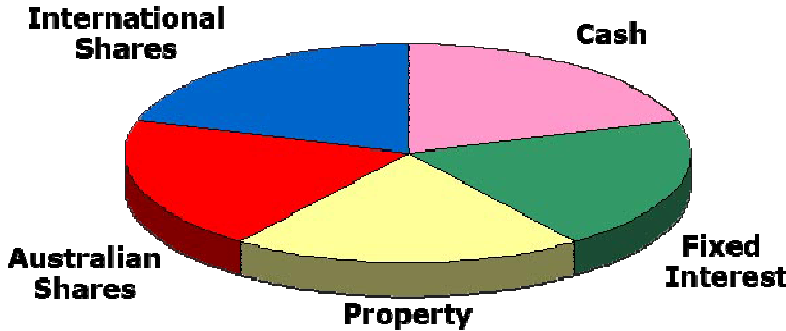


## Transition to Retirement (TTR)

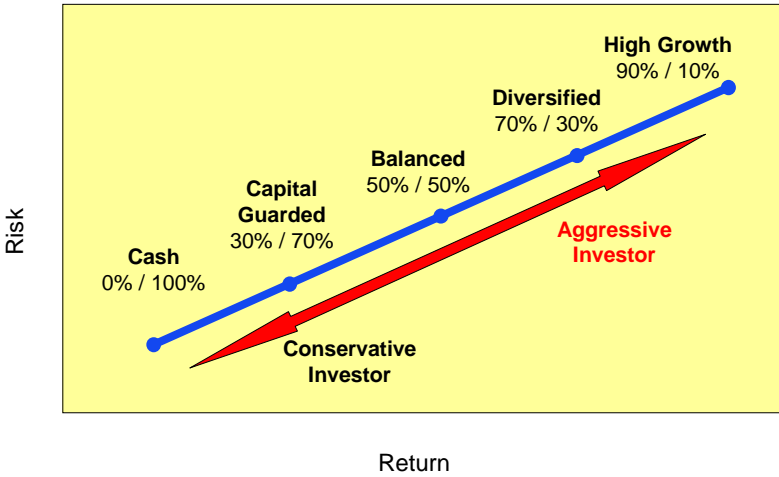
- Who is eligible?
- Access to super while working
- Increase salary sacrifice
- Save tax while boosting super



# Diversification and asset classes



# Diversification and risk profiles



## Social security options

### Payment types

- New Start Allowance
- Age Pension
- Disability Support Pension
- DVA Service Pension

### Considerations

- Eligibility
- Means testing
- Waiting Periods
- Concession Cards



## Means Tests

### Income Test

- Deeming
- Account-based pension income – favoured
- Limits

### Assets Test

- What is excluded?
- Super favoured
- Limits



## Points to remember

- Budget for day-to-day
- Allow for one-off lifestyle costs
- Keep a cash reserve
- Maximise Centrelink
- Diversify investments
- Review your plan regularly

