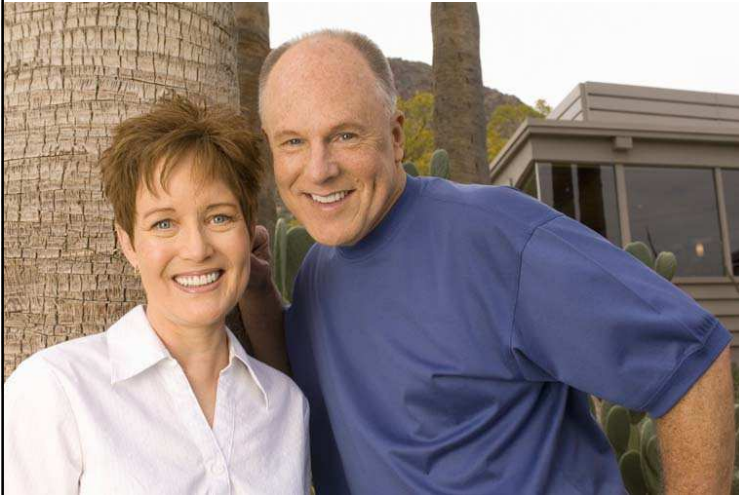


# Your Future

## Planning for retirement



FuturePlus Financial Services

## General Information only

The information contained in this presentation:

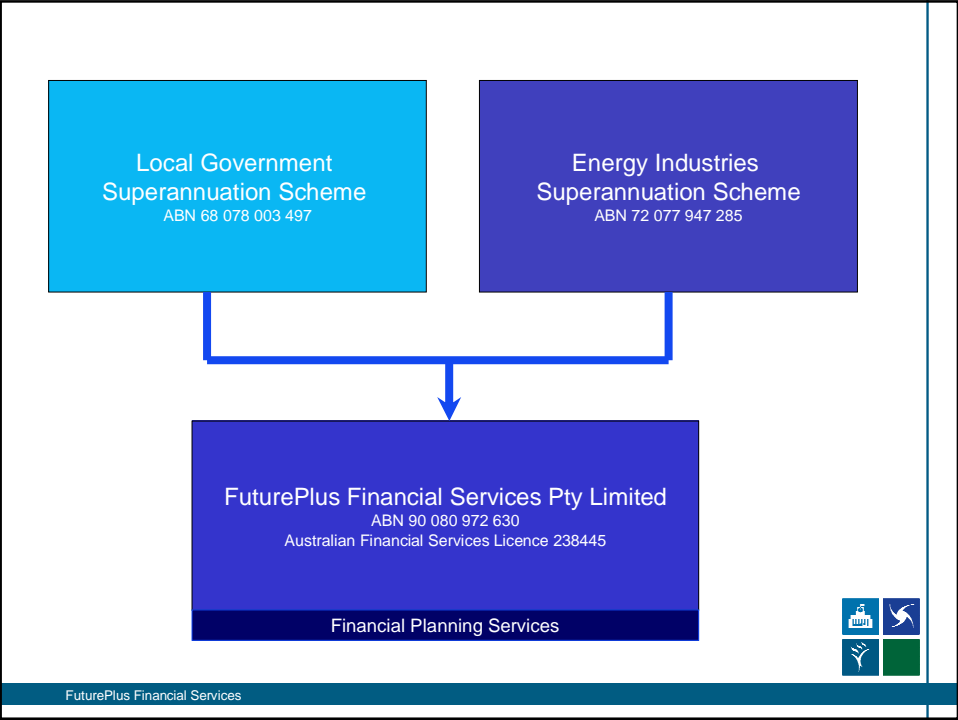
- Is restricted to **general information only** and is **not** personal advice or financial planning advice
- Should not be relied upon in making investment decisions as it has not taken into account your personal, financial or investment situation or goals.

## 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 31 Mar 2010		Period to 30 June 2009		
Investment Options	3 Months %	Financial YTD %	1 yr %	3 yr %	5 yr %
High Growth	2.23	20.56	-21.46	-7.09	N/A
Balanced Growth	2.22	17.28	-16.96	-4.83	N/A
Balanced	2.2	13.89	-13.33	-3.11	N/A
Conservative	2.23	10.88	-9.68	-1.51	N/A
Cash	1.05	3.89	5.12	5.44	N/A
Growth	2.13	15.95	-19.73	-5.47	2.51



## Investment update

### Local Government Super – Accumulation Scheme

Investment Options	Period to 31 Mar 2010		Period to 30 June 2009		
	3 Months %	Financial YTD %	1 yr %	3 yr %	5 yr %
High Growth	1.86	18.77	-21.52	-6.8	2.13
Balanced Growth	1.89	16.37	-17.8	-4.74	2.42
Balanced	1.96	13.39	-14.81	-3.28	2.36
Conservative	2.06	10.7	-11.71	-1.81	2.31
Cash	0.82	3.82	4.68	5.4	5.01



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## Investment update

### Energy Industries Retirement Scheme

Investment Options	Period to 31 Mar 2010		Period to 30 June 2009		
	3 Months %	Financial YTD %	1 yr %	3 yr %	5 yr %
High Growth	2.11	19.05	-19.39	-6.74	N/A
Diversified	1.91	15.5	-15.12	-4.49	N/A
Balanced	1.87	13.7	-11.05	-2.43	N/A
Capital Guarded	1.67	10.04	-7.04	-0.41	N/A
Cash Plus	0.91	3.29	5.08	5.55	N/A
Trustee Selection	2.05	16.37	-17.27	-4.46	2.98



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## Investment update

### Energy Industries Accumulation Scheme

Investment Options	Period to 31 Mar 2010		Period to 30 June 2009		
	3 Months %	Financial YTD %	1 yr %	3 yr %	5 yr %
High Growth	1.93	17.92	-19.46	-6.78	1.79
Diversified	1.72	14.92	-14.55	-4.25	2.49
Balanced	1.71	13.31	-10.43	-2.27	2.8
Capital Guarded	1.59	9.91	-5.94	-0.17	3.14
Cash Plus	0.85	3.36	4.73	5.46	5.01



## 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



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## 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

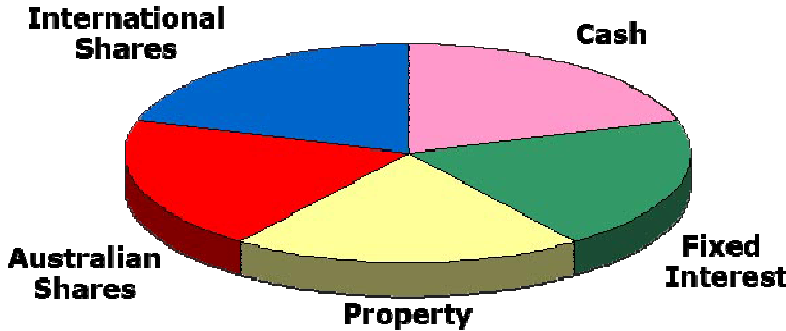


## Transition to Retirement (TTR)

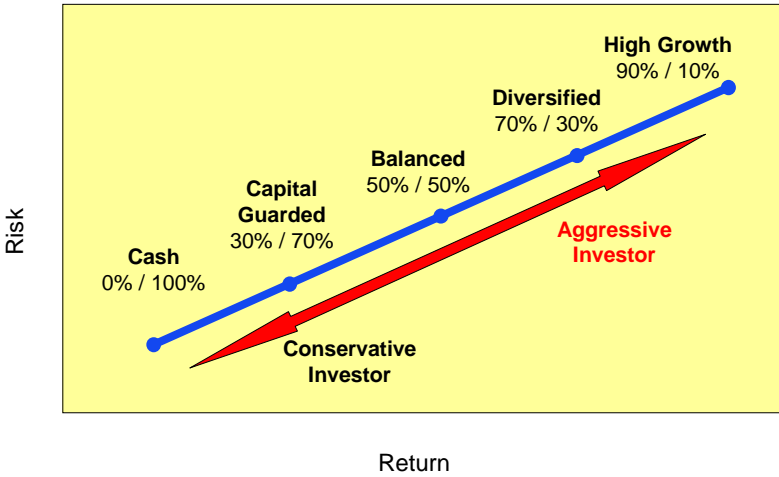
- Who is eligible?
- Access to super while working
- Increase salary sacrifice
- Save tax while boosting super



# 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

