

Consolidating your Superannuation

Do you need more than one superannuation account?

Consolidating all your superannuation (super) into a single account could make a big difference to your super savings. If you have had more than one job, you probably have more than one super account which means you may be paying multiple administration fees.

"Consumers suffer lower retirement incomes when their balances are reduced through paying multiple fees."
Choice Research Report¹

The alternative to having several smaller super accounts, which you may lose track of as they get eaten away by fees and inflation, is to consolidate into your IOOF super account. You will only pay one administration fee and can effortlessly keep track of how much super you have either online or over the phone.

If you don't need more than one super account, consolidating your super may make it easier to manage your investment now and be more organised when you plan your retirement. For more information refer to a **Request to transfer a superannuation benefit** form.

Choosing the one super fund that best meets your needs

The super fund that best meets your needs may depend on many things. Basically it is up to you to decide. A few important questions that may help you make a decision on the right fund include:

- Convenience – is it easy for me to access information and manage my money when I need to?
- Can my super fund receive my current employer's Superannuation Guarantee (SG) contributions?
- Can I make additional contributions including Salary Sacrifice and Personal contributions into my super account easily?
- Service - does my super fund treat me like a valued client or a number?
- Can I access other services such as financial advice through my super fund?
- Does the investment selection meet my needs?
- Can I arrange personal insurance through my super account?
- Do I feel confident about my super fund's ability to look after my savings until I retire?

The good news is that your current IOOF super account ticks all those boxes: a dedicated web site where you can manage your super account online; facilities to receive many types of contributions; over 180 investment options; over 60 shares listed on the ASX and a range of personal insurance options. As your Trustee, IOOF boasts a longstanding corporate history of looking after Australians and their financial needs.

It really is easy to consolidate into your IOOF super account

To consolidate your super, you simply need to fill in a **Request to transfer a superannuation benefit** form with the details of your IOOF super account and the details of the super fund from which you want to transfer funds. Plus you will need to provide proof of your identity – usually a certified copy of your Drivers Licence is sufficient.

It is important that you ensure you have adequate insurance arrangements in place before losing the benefit of any insurance cover you may have in the fund you are transferring out of.

Request to transfer a superannuation benefit forms can be obtained by calling a Client Services Officer or from the IOOF web site **www.ioof.com.au**

When you have completed your form(s), send them with your certified proof of identity documents to:

IOOF, Reply Paid 264, Melbourne, VIC 8060.

We will manage all the transfer administration and let you know when it is done.

¹ Choice (2006) The Super Secret: How multiple accounts cost consumers billions, A Choice Research Report, November 2006: www.choice.com.au

Make sure you have it all – find lost super

According to the Association of Superannuation Funds of Australia (ASFA), there are approximately 6.1 million lost super accounts recorded on the Lost Members Register worth up to \$12.9 billion³. If you have had other jobs in the past, finding your lost or unclaimed super accounts or even accounts that you didn't

know you had, could make a difference to your lifestyle in retirement.

Call us to help you find your lost super accounts or log onto SuperSeeker at the ATO web site www.ato.gov.au (Tip: you'll need to have your Tax File Number handy)

What you do today may increase your super balance for retirement

A major benefit of consolidation is that it makes it easier to manage and track your super investment. Get active with your super and see the difference it could potentially make.

Consider the following strategies and tax effective incentives available exclusively through super:

Super strategy	Super benefit
Personal contributions	<p>Employees, the self-employed and small business owners may qualify for the Government Co-contribution (Co-contribution). To be entitled to receive the Co-contribution, at least 10 per cent of your total income⁴ must relate to employment or business income.</p> <p>A maximum Co-contribution of \$1,000 applies where total income is less than \$31,920. The Co-contribution reduces for incomes over this threshold and ceases for incomes above \$61,920 (2010/2011).</p> <p>It's a great way to use a one-off bonus or windfall to grow your retirement savings from your after-tax income</p>
Salary Sacrifice	<p>Increase your super accumulation for the future with tax benefits. The tax advantage for employees is that salary sacrificed contributions going into the super fund are only taxed at the rate of 15 per cent, which is lower than most marginal tax rates of up to 45 per cent plus the Medicare Levy⁵.</p>
Personal insurance	<p>Arrange your personal insurance through your super and your insurance premiums will be paid out of your super account not your disposable income.</p>

Where to go for more information?

Seeking expert advice from a financial adviser could be the solution to help you reach your financial objectives. A financial adviser can help you reach your lifestyle goals; manage debt; budget efficiently; and plan towards retirement. Before you make any investment decision, we recommend you seek advice from a qualified financial adviser.

If you have any questions about your IOOF super account or about any super strategies, please speak with your financial adviser. Alternatively, IOOF has a dedicated Client Services team available to speak with you Monday to Friday between 8.30am – 6.00pm. You can phone us on **1800 062 963** (for personal super members) or **1800 653 894** (for employer and corporate super members) or email clientservices@ioof.com.au

³ [www.fido.asic.gov.au/fido/fido.nsf/byHeadline/Keeping track of your superannuation](http://www.fido.asic.gov.au/fido/fido.nsf/byHeadline/Keeping%20track%20of%20your%20superannuation), Accessed 003/08/2010

⁴ Total income = assessable income plus reportable super contributions and reportable fringe benefits

⁵ Under age 50 – A concessional contributions cap of \$25,000 (includes SG and Salary Sacrifice contributions) now applies. Over age 50 – A transitional concessional contributions cap of \$50,000 (includes SG and Salary Sacrifice contributions) applies for now until June 2012.