



GET STARTED

# TAKE CONTROL



2023/24

**Sup**er**vision**  
**GROUP**



*Get Started*

# TAKE CONTROL OF YOUR SUPER

For an ever-increasing number of Australian's looking for greater control and value from their superannuation, a Self-Managed Super Fund (SMSF) remain a popular vehicle for retirement savings. There are in excess of 605,469 SMSFs in existence, with more than \$854.9 Billion under management. More and more people are discovering the benefits of a SMSF with approximately 1900 new SMSFs established each month.\*

A self-managed superannuation fund (SMSF) is simply a small family superannuation Trust that has four or less members. Like a family Trust, the central control over the investment decisions of an SMSF lie with the individual Trustees or Directors of the Trustee Company. The SMSF is formed with a Trust deed which includes the governing rules by which the Trust must operate. In contrast to a typical Family Trust, an SMSF Trust must also abide by a set of specific government regulations, namely the SIS legislation.

SMSFs have existed for decades, in their early days they were a structure typically used by accountants for wealthier and more complex clients. As knowledge of SMSFs grew, accountants began utilising the structure for self-employed clients. SMSFs were relatively expensive to set up and run.

During the past two decades the SMSF sector has been the fastest growing component of the superannuation sector. With such a large number of people establishing a SMSF, significant effort has been made to deliver the services and meet the expectations of the modern SMSF investor. During the past 10 years, investment has been made into software and technology. The results of this investment have been greater efficiency and lower cost to establish, administer and manage an SMSF.

\*APRA: Statistics 'Quarterly Superannuation Performance' March 2022

What is an  
**SMSF?**

**Investment Choice**

SMSFs allow Trustees investment choice into all legal investments. For instance, access to direct shares, direct property, term deposits, hedge funds, ETFs, managed funds, collectables, currency trading, precious metals and other investment types that typically cannot be accessed by a member of a large industry or retail super fund. The benefits of SMSF's can be seen in both "choice", and in the ability to implement sophisticated investment strategies.

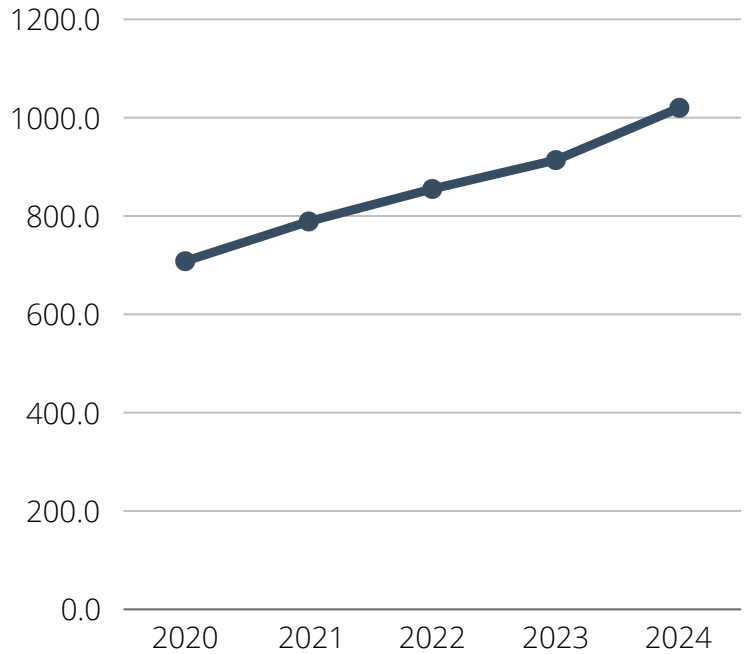
**Tax Strategies**

Superannuation enjoys a 15% tax rate and lower in some circumstances. This concessional tax treatment makes it an attractive environment to accumulate wealth for retirement. SMSF's provide the ability to implement your own tailored tax saving strategies which can increase the rate of return. This can be done as an ongoing plan each year and can be as simple or as complex as you want to make it.

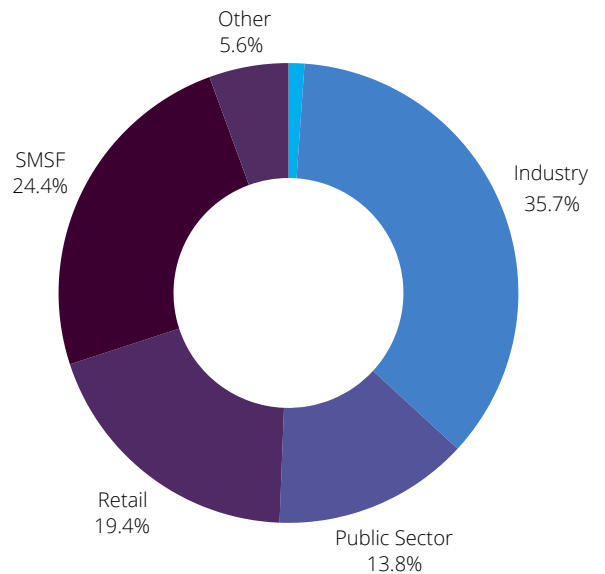
Direct access to Franking credits through investments in companies can reduce or remove contribution tax which positively impacts the SMSF's bottom line. With total control over the investment strategy of the SMSF, investment portfolio adjustments can be made to save capital gains tax and clear out unproductive assets.

Property investors can also use the benefits of depreciation to increase the total return of that investment.

\$ Billion Value of SMSF's



2024 \$Value Total Super



Why are SMSF's so  
**POPULAR?**

A key driver of growth in SMSF has been the desire to have control over how Superannuation assets are invested and to be able to access investment options not available in traditional super funds.

### Borrowing

Under a specific arrangement SMSF's can borrow. Whilst leverage increases risk, the right investment can boost longer term capital growth. This arrangement has been in operation for several years and has provided many SMSF owners the ability to own direct real estate.

### Costs

Historically, SMSF's were considered expensive to run. This was due to the manual nature of the accounting and administration functions. This high cost excluded many people from SMSF. Supervision SMSF has significantly reduced the establishment and ongoing running costs of an SMSF with its unique approach to SMSF administration. This cost is often lower than that of traditional superannuation accounts depending on your balance. Industry or Retail Superannuation accounts typically charge a percentage of your members balance. Depending on the fund and your balance, the fees can range from .8% to 3%. If your members balance is \$200,000 then a 1% annual fee will cost you \$2,000 each year. At Supervision you choose a fixed price package and add investment and transaction costs to determine the cost each year. As your SMSF balance grows the lower the cost as a percentage of your SMSF account balance.

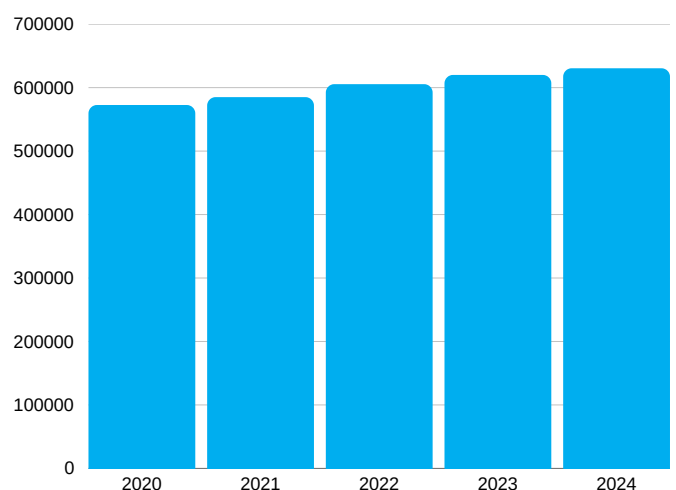
### Pension Planning

For members nearing pension phase, SMSF allows a seamless transition to access your money. With all Superannuation accounts, the ability to draw a tax free income from your Super is a big incentive to stay within the Superannuation environment. SMSF offers maximum flexibility in how and when you withdraw your Superannuation pension each year.

### Estate Planning

SMSF's enable members to craft and implement estate planning strategies to achieve the desired outcome with exceptional tax efficiency. This includes being able to leave tax advantaged (sometimes tax free) income streams to dependant beneficiaries with control over when they receive a lump sum and look after child beneficiaries in a way that no other structure can match. SMSF's can make binding nominations to make sure that the right people in your life receive your Superannuation benefits. Estate planning is a specialist area that will require professional advice. Supervision can assist in introducing you to third party specialist in this area.

Numbers of SMSF's



Source for all graphs: APRA Statistics "Quarterly Superannuation Performance- Various Years

# Why are SMSF's so POPULAR?

According to the latest research on Superannuation, SMSF's are growing at the rate of 1900 per month with 605,469 SMSF's in Australia at the time of publication.

### ABC Pty Ltd (Trustee & Directors)

The central control over the investment decisions of an SMSF lie with the Director (s) of the Trustee Company. A Corporate Trustee is widely accepted as best practice for SMSF. All members of an SMSF must be a Director of the Trustee Company. The Director (s) are responsible for the ongoing obligations, investment decisions and risk management of the SMSF.

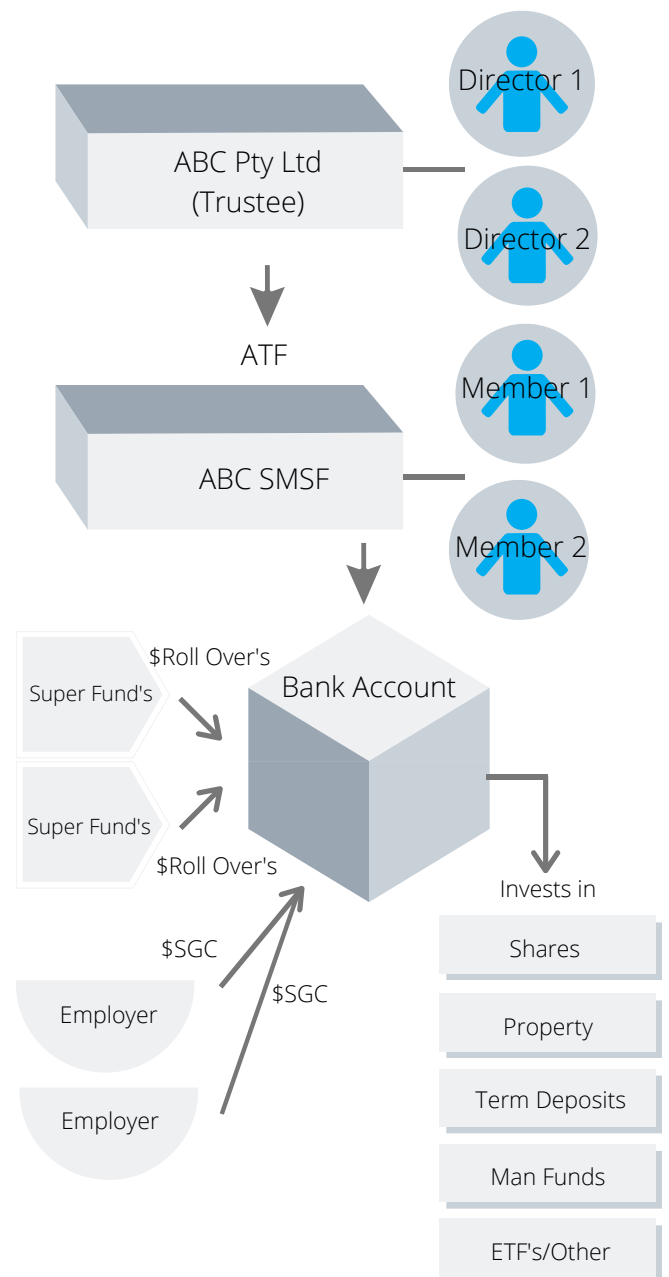
**ATF = As Trustee For.** ABC Superannuation Fund - The SMSF is formed with a Trust deed which includes rules the Trust must operate. SMSFs must abide by government regulations legislation named SIS. Any persons with a direct financial interest (Money) in an SMSF is regarded as a member. An SMSF is regulated by the Australian Tax Office (ATO).

**Bank Account** – A dedicated SMSF bank account is created for your SMSF transactions. No personal transactions are allowed.

**Roll Overs** — Rollovers can be arranged from existing super fund accounts. When rolling over from existing super funds, insurance coverage should be considered, as total rollover will cancel existing policies.

**Employer Contributions** — Employers can make SGC Superannuation Contributions and Salary Sacrifice Contributions to your new SMSF.

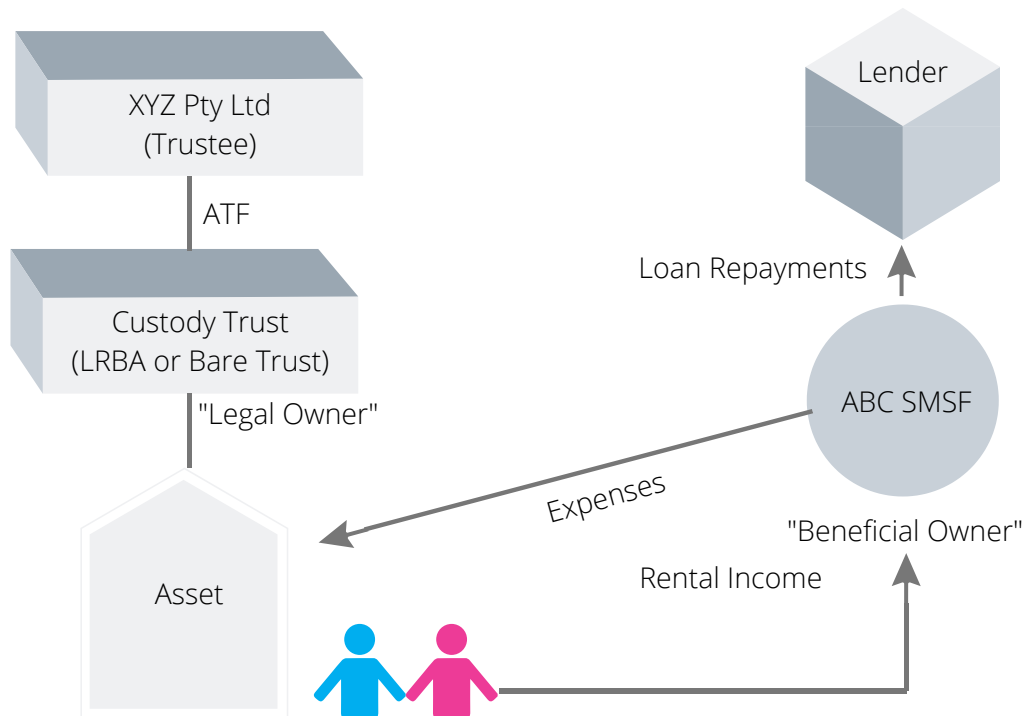
**Investing**- It goes without saying that you will always make decisions in your best interest. SMSFs have the whole universe of investment options open to them. Listed Shares, Term Deposits, Bonds, Property, Managed Funds, Collectibles are some of the most familiar investments, but you are not limited to them. Some restrictions on SMSF investments exist to safeguard the integrity of the Superannuation system, so if you are unsure please always seek advice.



# SMSF Structure OVERVIEW

In an SMSF, all of the decision making power rests with the Trustee - you. The Trustee decides which investments to purchase, hold and sell over the lifetime of the SMSF. All investment decisions must be in line with the SMSF investment strategy.

## LRBA Structure (SMSF Borrowing)



### LRBA's, Bare Trusts & Custody Trusts

SMSF's are not allowed to borrow money or carry debt. One exception to that rule is if the SMSF enters into an arrangement with a Limited Recourse Borrowing Arrangement (LRBA). LRBA's can also be referred to as "Custody Trust", "Bare Trust" or "Property Trust".

### Beneficial Ownership Vs Legal Ownership

The reason the above structure is legal is that the SMSF is not the legal owner of the underlying asset. The asset (in most cases- direct property) is held in trust for the SMSF. This gives the SMSF rights to all of the income that is created by the asset and also has the responsibility to pay the loan and the expenses of the asset. Once the loan has been paid out, the SMSF can then become the legal owner of the asset and continue to receive income and capital growth.

# LRBA Structure OVERVIEW

SMSF's can establish a separate trust structure called an LRBA (Limited Recourse Borrowing Arrangement) to allow it to borrow. Many SMSF's with such an arrangement have invested in direct real estate, either residential or commercial.



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# Is an SMSF Right FOR ME?

*Is an SMSF Right for Me?*

## THE TYPICAL SMSF PERSON DOES NOT EXIST

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You may be surprised to learn that a typical SMSF person does not exist. SMSF people do not necessarily live in the same suburbs or share the same careers, earn a certain level of income or sit within a social set. SMSF members come from all manner of financial backgrounds, financial literacy levels and walks of life.

SMSF members typically share a common goal; they want to make the most out of what they have and are prepared to take an active interest in building their financial security. They do not necessarily have limitless knowledge or experience in investments, but they have the motivation to find a way to reach their goals. They are motivated to become financially independent.

### **Are you Motivated?**

When you are deciding if an SMSF is right for you, your level of motivation to actively get involved to maximise your investment returns will be a major factor. We can provide you with everything you need to get started, but ultimately it is up to you. To succeed, it is imperative that you take your financial well being seriously and understand superannuation as part of your retirement plan is extremely important. Successful SMSF people don't leave it to chance, they plan and act now to achieve their long-term goals.

### **Are you Responsible?**

When considering an SMSF you need to consider the responsibilities of a Trustee and whether these responsibilities sit OK with you. Supervision SMSF is here at every step of the journey to assist you in meeting your trustee obligations. These obligations include, documentation, compliance, financial reporting and lodging tax returns, establishing an appropriate investment strategy and managing this for the members.

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# Is an SMSF Right FOR ME?

## **Are you Accountable?**

When you manage your own SMSF, can you guess who is accountable for its performance? Did I hear you say 'me'? Whilst you can engage investment advisers, select fund managers, pick stocks and do some outsourcing, every decision is ultimately yours. Some decisions will work, others will not, but ultimately you need to stay accountable and manage your investment portfolio diligently for the members.

## **Other Investment Options**

Cash, shares, share options, bonds, term deposits and real estate are some of the typical investment types for SMSF's. There are other options for SMSF investing.

**Listed Investments-** For those that do not have the time or skill they may access investment management expertise through managed funds, exchange traded funds (ETFs), listed property trusts (LPTs) and listed investment companies (LICs).

**Private Companies & Trusts-** SMSF investors have the flexibility to invest into private trusts, companies and unit trusts.

**Precious Metals-** Some SMSF trustees choose to invest into commodities like Gold, Silver, Palladium and Pink Diamonds to mention a few.

**Collectables-** Depending on the circumstances collectables including artwork, coins, notes, bullion & jewellery can be owned by your SMSF.

**Business Real Property-** Many small business owners have grown their Superannuation by investing in their own business premises. Their SMSF has purchased the building and the business paying rent to their own Superannuation.

## **The Sole Purpose (Is that investment legal?)**

Providing an income stream for the members when they retire is the only reason that an SMSF and the investment inside that SMSF exist. Members or their relatives can not receive a present day financial benefit from any investments that the SMSF makes. Following the Sole Purpose test will guide SMSF trustees to make the right investment decisions.

## **Costs & Minimum Balances**

Whilst there are no legislated minimum balances for SMSF's, it makes sense that low balances can make SMSF cost prohibitive. To understand if cost is an issue for you, check your current fees and our packages for a comparison.



## Why choose Supervision for your SMSF?

### **Experienced Team**

With 15 years history and cumulative 50+ years SMSF experience you have peace of mind knowing that you have selected the winning crew for your retirement vehicle.

### **Awesome Value**

Supervision SMSF offers the best valued SMSF service in Australia. You get all the extras without the luxury price tag to drive your retirement vehicle.

### **Online**

Staying connected to your online portfolio will keep you firmly focused in looking forward to the road ahead. Access anytime, anywhere, on any device.

### **Engaging**

The Team at Supervision are real, local and approachable. As the SMSF driver you have your own team that work with you.

### **Environment**

Whenever we can we choose to reduce paper and postage to lighten our carbon footprint. We were one of the first SMSF firms to use electronic signing for annual taxation returns.

### **Easy to Understand**

We make SMSF easy and uncomplicated by taking out the jargon, so you can have greater understanding and confidence.

### **The Elements**

Supervision SMSF brings together all the elements of SMSF together so you can concentrate on building your Super. We set up a bank account, share trading platform and term deposit platform for you. This means that when you want to invest, you are ready to go.

### **Collaboration**

We know that sometimes you need the help of certain professionals for specific solutions. Over time we have built an exclusive expert network of SMSF professionals to help with Financial Advice, Estate Planning, Legal, Audit, Actuarial, Mortgage Broking, Banking, Stock Broking & Portfolio Management. This means you are never alone and you can continue to work with your preferred professional adviser.

### **Our Team**

We are available to communicate face to face, via telephone, skype and in person. Help is always just a phone call away.

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# Why SMSF with SUPERVISION?

When it comes to SMSF, Supervision is not just another accounting firm. We have streamlined the SMSF experience from start to finish and we know what you need to get started today.

# Client Portal

# ALL YOUR SMSF NEEDS

Access your SMSF World in one easy place, anytime, anywhere.

Once your SMSF is established, Supervision will provide you free access to your online portfolio online 24/7.

Supervision leverages the latest SMSF technology to provide a place where you can engage with your Super. Here are some of the features.

## **My Portfolio**

View all the important information about your SMSF, including contributions, pensions, Investments & financial records. You have all the information that you need to plan and execute your investment strategy. "My Portfolio" supplies updated bank account balances and asset valuations. Daily datafeeds are updated by our team on an ongoing basis to give you the most up to date SMSF portfolio available. You can even communicate with us via this portal.

## **Investment Transact**

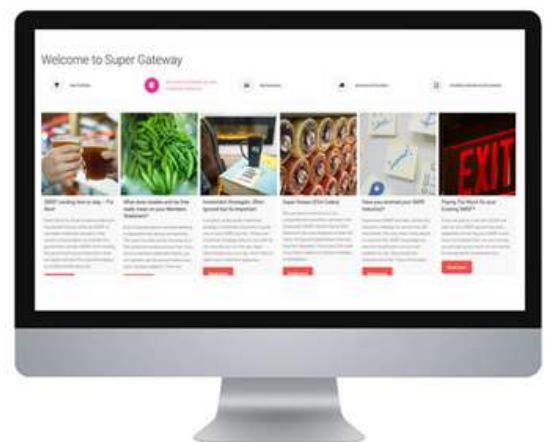
Access your SMSF bank account, online trading platform for shares and term deposits. You can get an online quotation for insurance and also access third party portfolio managers.

## **Services & Providers**

Get information about our selected SMSF providers, access videos, contact information & special offers.

## **Go Mobile**

If you prefer your information mobile, our website is mobile friendly and "My Portfolio" can be viewed with a special free mobile app.



## Packages

### All Packages Include the following services:

#### Establishment

- Corporate Trustee Establishment
- Face to Face induction meeting
- Help with Roll Overs
- Establishment of Bank Account, Share Trading Platform, Term Deposit Platform
- Trust Deeds
- SMSF registration with the ATO
- ASIC registered Agent

#### Ongoing

- Audit
- Tax Return
- Financial Statements
- Online Portfolio - updated daily
  - Banking Transaction
  - Contribution Limits & Reporting
  - Pension Minimums & Reporting
  - Investment performance & KPI comparisons
  - Asset Allocation
  - Updated Share prices
  - Income & Franking Credit reports
  - CGT Reports
  - Member Reports
- Electronic Signing - Annual Tax Pack
- Telephone Support
- Email Support
- Corporate Secretarial
- Annual SMSF Review Meeting

#### Take Control Package

This package is ideal for SMSF's that want to purchase listed securities available on our preferred online share broker platform- CMC Markets. This package also allows you to place Term Deposit investments through AMM term deposit platform which is linked to our preferred Bank account provider. Regardless of how big your portfolio gets, you can reap the benefits of this amazing low cost solution.

#### More Flexibility Package

This package includes all of the same features as the Take Control package and allows your SMSF to hold direct property with borrowing and other approved investment platforms.

#### Total Peace of Mind Package

This package has been created for SMSF's that want to use their own providers, multiple bank accounts, unlisted assets and any number of different investment alternatives. It opens up the widest range of investments possible in an SMSF.

#### Client of a Financial Adviser?

We work closely with financial advisers. We may be able to tailor a special package with your adviser, so please don't hesitate to contact us for more details on how we can help you.

# Why SMSF with SUPERVISION?

Our Packages are a great way to fix your annual fees with no hidden surprises. Our efficient monthly billing service removes bill shock and the inevitable cash flow issues that it causes.

## Packages

### Investment Options:

	Take Control	More Flexibility	Total Peace of Mind
Cash	ANZ V2 Plus Account	ANZ V2 Plus Account	Your Choice
Term Deposits	AMM Term Deposit Platform	AMM Term Deposit Platform	Your Choice
ASX Listed Securities	CMC Markets	CMC Markets	Your Choice
Price Per Trade	\$26.00 OR 0.15% whichever is higher	\$26.00 OR 0.15% whichever is higher	Your choice of Broker and your fee selection
Bonds	CMC Markets	CMC Markets	Your Choice
Managed Funds	CMC Markets	Your Choice	Your Choice
Real Estate		✓	✓
Wrap Accounts		Data Fed Accounts Only	✓
Foreign Exchange (FX)			✓
Private Companies or Private Trust			✓
Overseas Property			✓
Collectables			✓
Physical Metals			✓
Digital Assets- Crypto Currency			✓

## Why SMSF with SUPERVISION?

Our Packages are a great way to fix your annual fees with no hidden surprises. Our efficient monthly billing service removes bill shock and the inevitable cash flow issues that it causes.

## Lets Get Started

**WWW.SUPERVISION.COM.AU**, <hover over "SMSF">, <"SMSF Setup: Get Started"> **or** <"Transfer Existing SMSF">

Checklist	Online Application
	Please Read our Terms & Conditions
	Please Read our Product Disclosure Statement
	<p>Be Ready to Provide:</p> <ul style="list-style-type: none"> <li>• Personal Tax File Numbers</li> <li>• Drivers Licence Details (ID Requirements)</li> <li>• Members Date of Birth, Place of Birth (Country &amp; Town)</li> <li>• Members Maiden Names (ID Requirements)</li> <li>• Members Occupations</li> <li>• Decide on a postal address for the SMSF</li> <li>• Members Contact Details</li> <li>• Roll Over Details - Name of Fund and Member Number/s</li> </ul>
	If you are transferring from another firm, Supervision will contact your previous administrator or accountant for you. As all SMSF's are different, Supervision will contact you on your immediate requirements for lodgement and online access.

# Why SMSF with SUPERVISION?

Supervision make it easy to create and maintain your SMSF through our online services.

# Supervision GROUP

## Apply Online Today or Call

### 08 9367 9655

Proud Technology Partners of |



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