

Saving Through Super : An Overview

Matthew McNamara

Dawson & Partners

Chartered Accountants and Financial Advisors

June 2012

Why Do We Save?

- Assets
- School Fees
- Holidays
- Retirement
- Financial Security

Long Term Wealth Creation
=
Investment in Strong Assets

Tough run for retailers as consumers tighten belts

TERESA DOD
RETAIL

ROD Leno, founder of the Cue Clothing store, says retail conditions haven't been the same for a long time, with sales down and consumers reluctant to spend on clothes.

UNPRECEDENTED FALL Sales shock hits DJs profits

The retailer forecasts a 20 per cent drop in first-half earnings

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

DAVID JONES

he said. "It looks like stores would mark down further."

However, his 225 Cue and V. Maine clothing stores have far more stock with like-for-like sales down for the year ending in June.

"We are doing better than most manufacturers in Australia as to produce closer to season and I am happy," he said.

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Mr Leno said that the retail industry is in a "tough spot" and that consumers are "tightening their belts".

Business confidence slumps to zero

Australian July 13, 2011



Retailers rocked as debt crisis spreads

RICHARD GUYAS

NOT SO FESTIVE
S&P/ASX200

Trading over the past 10 days

Index

4790

July 2.4 per cent yesterday,

down 14.4 per cent for the year

4000

THE nation's shoppers have firmly closed their wallets amid fears of a full-blown debt contagion in Europe while retail

Retailers hit as shoppers fail to cash in on sales

Ben Butler and
Chris Zappone

The national retail industry is

in a

state

of

panic

as

retailers

struggle

to

survive

the

current

economic

crisis.

Many

retailers

are

reporting

sharp

declines

in

sales

and

profits.

Some

are

even

reporting

that

they

are

in

danger

of

bankruptcy.

Others

are

reporting

that

they

are

in

danger

of

bankruptcy.

Some

are

reporting

that

they

are

in



Dollar blamed for retail nosedive

BLAIR SPEER

THE strong Australian dollar is

cutting a swath through the retail

sector, with 28 of 31

major retailers reporting

lower sales in the first half

of the year, according to

data released yesterday.

The dollar reached parity with

the US dollar for the first time

in 28 years in October last year,

and has remained there since

then, cutting the price of

imports in half, and the price of

exports in half.

Many

retailers

are

reporting

that

they

are

in

danger

of

bankruptcy.

Others

are

reporting

that

they

are

in

danger

of

bankruptcy.

Guru of cool at
the helm
for fireworks



Marc Newson

MARC Newson has made

the name of his eponymous

designer fireworks a

household name, even for this style of

celebration.

The world's most

famous fireworks

designer, Newson

is

reporting

that

they

are

in

danger

of

bankruptcy.

Others

are

reporting

that

they

are

in

danger

of

bankruptcy.

Others

are

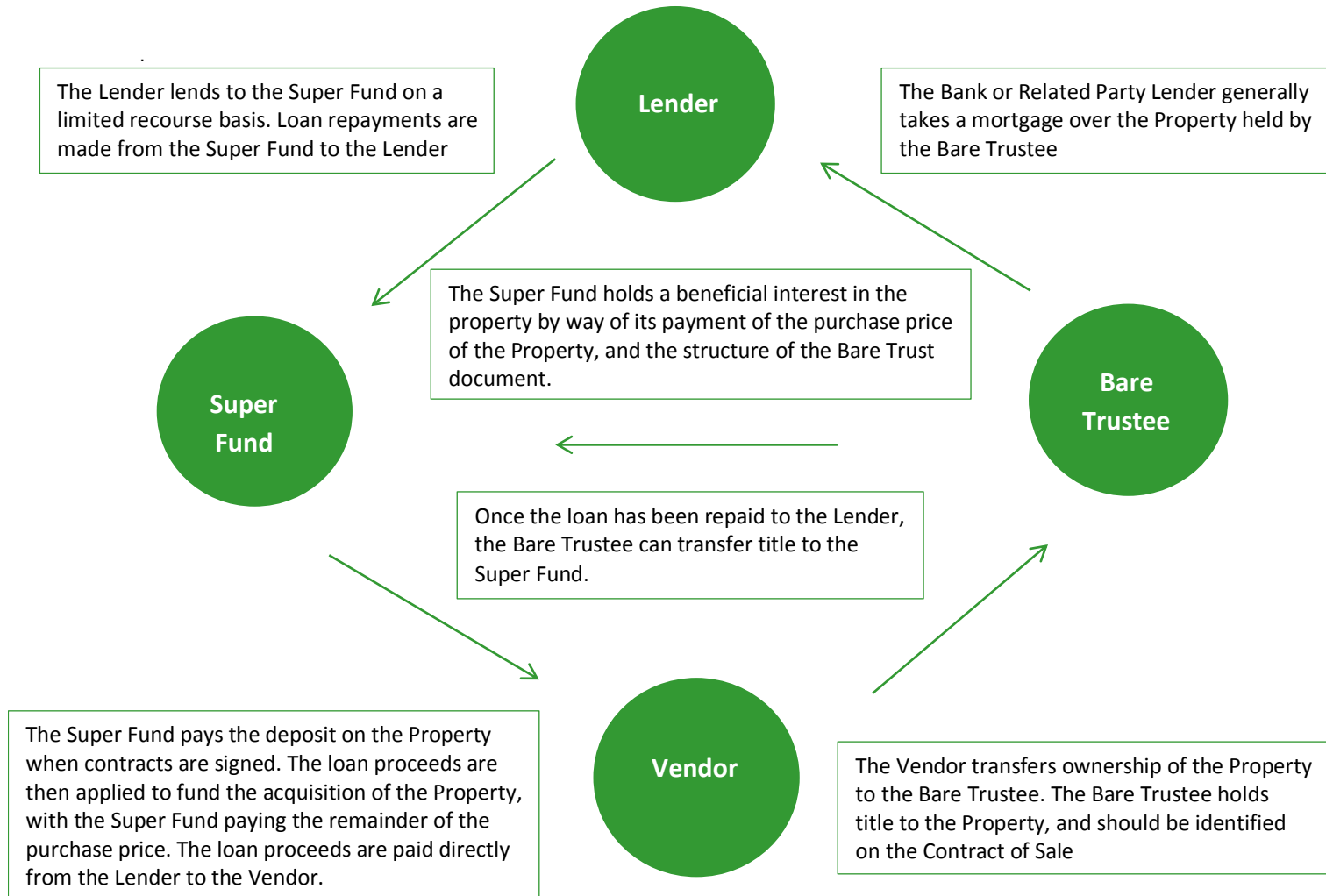
reporting





Why Super ?

- Tax concessions on contributions
- Tax concessions on investment earnings



COST COMPARISON - SUPER V. NON-SUPER INVESTMENTS

Assumptions

Amount Invested	\$ 1,000,000
Investment Yield	5.0%
Marginal Tax Rate	38.5%
% of Assets Paid as Pension	6.5%
Age	60

NO SUPER

HALF IN SUPER

ALL IN SUPER

PRE-RETIREMENT

Super Fund Investment Income	\$0	\$25,000	\$50,000
Less Tax	\$0	\$3,750	\$7,500
Net Fund Investment Income	\$0	\$21,250	\$42,500

Other Investment Income	\$50,000	\$25,000	\$0
Less Tax	\$19,250	\$9,625	\$0
Net Investment Income	\$30,750	\$15,375	\$0

Total Tax	\$19,250	\$13,375	\$7,500
------------------	----------	----------	---------

POST-RETIREMENT

Super Fund Investment Income	\$0	\$25,000	\$50,000
Less Tax	\$0	\$0	\$0
Net Fund Investment Income	\$0	\$25,000	\$50,000

Pension Income	\$0	\$32,500	\$65,000
Investment Income	\$50,000	\$25,000	\$0
Less Tax	\$19,250	\$9,625	\$0
Net Investment Income	\$30,750	\$22,875	\$65,000

Total Tax	\$19,250	\$9,625	\$0
------------------	----------	---------	-----

<u>COST COMPARISON - WHETHER TO CONTRIBUTE TO SUPERANNUATION</u>		
	Concessional	Non-Concessional
Assumptions		
Amount for Contribution	\$25,000	\$150,000
Marginal Tax Rate - Personal	38.5%	38.5%
Personal Contribution		
Contribution	\$25,000	\$150,000
Deduction Claimable	\$25,000	\$0
Tax Benefit	\$9,625	\$0
Contributions Tax @ 15%	\$3,750	\$0
Immediate Tax Benefit	\$5,875	\$0
Company Contribution		
Contribution	\$25,000	
Deduction Claimable	\$25,000	
Tax Benefit	\$7,500	
Contributions Tax @ 15%	\$3,750	
Immediate Tax Benefit	\$3,750	

Benefits of Saving Inside Super:

- Tax deductible contributions
- Low tax rates on contributions
- Low tax rates on earnings
- More flexible investing
- Tax free pensions
- Option of self – managed super
- Protection from creditors
- Protect you against yourself!

When is Self-Managed Superannuation Feasible?

\$200,000 in super

or

Aggressive super savings plan with
maximum contributions each year

or

Have a specific asset purchase strategy