

*Centre in Finance Pty Ltd (ABN: 61 062 431 583 / AFS Licence No: 247284)
Superannuation / Retirement / Investment / Life Insurance
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CENTRE IN FINANCE CAN ASSIST YOUR FAMILY

The Financial Planning Team:

Bill Alateras

Director – Senior Financial Planner
Bachelor of Education (Business Studies - Melbourne)
Major in Accounting, Finance & Taxation

Robert Farchione

Financial Planner
Diploma of Financial Planning

Vicki Alateras

Director – Compliance / Financial Planner
Degree in Social Science (Monash)
Advanced Diploma of Financial Planning

Nicole Hadji

Financial Planner
Advanced Diploma of Financial Planning
Degree in Applied Science

- * Centre in Finance P/L (CIF) was established in 1994 and directors have been practicing since 1984.
- * With over **30 years of experience** in servicing clients and their families provides peace of mind.
- * We are one of the very few financial planning practices left (less than 5%) that have maintained their own license with no institutional ownership. (**Privately Owned**)
- * We pride ourselves that our clients come first and not the fund managers.
- * Our portfolio management service (MDA) has preserved capital during volatile market conditions.
- * We charge an ongoing advisor service fee based on your account balance with a portfolio management service (MDA) which has achieved above average returns during the past 3 to 5 years.
- * The total annual fees including our service fee is usually 30% - 50% lower than total fees charged by other financial planning firms or industry funds that provide no advisor services. Total annual fees are as low as 1.0% pa which includes a full portfolio management service with ongoing advice.

CIFP FEES ON SERVICES PROVIDED

- * Initial Consultation
- * Financial Plan (SOA)
- * Investment Fee
- * Total Annual Fees

COST

- Nil
- Nil
- Nil
- 1.1% pa (Average)

(Includes platform fee, manager fees & ongoing advisor service fees)

- * We can assist any of your family members or friends with our portfolio management service (MDA) to minimize volatility and maximize returns within their individual risk profile.
- * We provide ongoing advice on super, insurance, allocated pensions, investments and savings plans.

Contact our office for a free no obligation appointment to assist you or your family with financial planning options that suits your objectives and circumstances. We can analyse existing superannuation, insurance, investment and savings plan.

Contact us: Phone: 9813 5822

Email: cif@cifp.com.au

Web: www.cifp.com.au

CIFP MODEL PORTFOLIO WRAP SERVICE

- **CIFP does not charge a financial plan fee (SOA) or investment fee for the transfer of funds.**
- CIFP has over **30 years' experience** and no institutional ownership.
- Provides strategic advice to make sure you reach your overall financial goals.
- Use Wholesale funds and negotiated **lower admin fees of up to 70% discount for CIFP clients.**
- We do not take commissions and charge a low ongoing service fee to manage your portfolio.
- Insurance premiums within CFS First Wrap Super is up to **30% lower in cost for CIFP clients.**

THE WRAP SERVICE IS ATTRACTIVE FOR SUPER, PENSIONS & INVEST:

- Wholesale Term Deposit Rates with 7 major Australian Banks: **(negotiated higher rates)**
- Access to over 300 Wholesale Managed Funds, Active Managed Funds plus Australian Shares.
- Low fees for small and large account balances for CIFP clients. **(Up to 70% fee reduction)**
- Fee for Service with 6 monthly portfolio reviews and strategic management.
- Attractive for **SMSF** to use a low cost Wrap Service for wholesale investing and reporting.
- Ongoing advice, service and management by CIFP has resulted in our clients having **20 – 25% more capital** during the past 10 years when compared to the average superannuation fund.
- **Above average returns with lower volatility provided by the Wrap Service**

Performance of the FirstWrap - CIFP Model Portfolio vs Industry 1 year, 3 years and 5 years to December 31st, 2018

Fund	1 year	3 years	5 years
First Wrap CIFP Growth/High Growth Portfolio - Option 5	+ 1.90%	+ 8.10%	+ 8.50%
First Wrap CIFP Balanced/Balanced Growth Portfolio - Option 4	+ 2.30%	+ 7.90%	+ 8.00%
Industry Fund Average – Option 4	+ 0.80%	+ 6.60%	+ 7.00%
Australian Super Balanced	+ 1.20%	+ 7.80%	+ 7.90%
Host Plus - Indexed Balanced	- 0.60%	+ 5.50%	+ 6.20%
Host Plus – Balanced	+ 2.20%	+ 8.30%	+ 7.90%
Unisuper – Balanced	+ 0.90%	+ 7.50%	+ 7.70%
Telstra Super - Balanced	- 0.20%	+ 6.40%	+ 7.50%
First Wrap CIFP Conservative/Moderate Portfolio - Option 3	+ 2.20%	+ 6.50%	+ 7.50%

The CIFP Wrap Service for superannuation and investment savings plan is available to other members of your family & friends with low fees and attractive wholesale returns.

Call Bill, Vicki, Nicole, Robert - Ph: 9813 5822 for assistance or email: cif@cifp.com.au

ACCELERATE YOUR SAVINGS POTENTIAL

With low returns from cash and term deposits, the investment savings plan will accelerate funds for your future. With a \$ 1,000 investment plus a monthly deposit will allow funds to grow in 3 to 5 years for your objectives.

* **House Deposit**

* **Holiday**

* **School Education**

* **New Car**

* **Retirement**

* **Financial Security**

The investment savings plan will provide attractive returns and allow funds to accumulate for your future goals. There are no entry or exit fees with expected 3 to 5 year returns of 6% – 8% pa as compared to 2% - 3% from cash. If you commenced a savings plan 5 years ago with \$10,000 plus \$1,000 per month you would now have \$ 100,000. This is \$ 20,000 more than funds invested in cash. **Accelerate your savings potential and reach your goals sooner.**

FirstWrap Savings Plan

- 15% Investors Mutual Equity Income Fund
- 15% Acadian Global Managed Volatility Equity Fund
- 15% AMP Capital Wholesale Australian Property Fund
- 15% Magellan Global Equity Fund
- 20% First Choice Multi Index Balanced Fund
- 20% Vanguard Indexed High Growth Fund

- **No entry fees and No exit fees**

DIVERSIFIED SPREAD OF FIXED INTEREST, PROPERTY & SHARE OPTIONS:

- Investors Mutual Equity Income units are expected to return 6% - 9% pa net over 5 years (Spread of Australian equities, Property & Fixed Interest) – **Moderate volatility**
(1 year return to June 30th, 2018 was 3.50% pa) - (3 year return to June 30th, 2018 was 8.15% pa)
- Acadian Global Managed Volatility Equity units are expected to return 6% - 9% pa net over 5 years (Spread of International/Australian equities, Property & Fixed Interest) - **Moderate volatility**
(1 year return to June 30th, 2018 was 13.10% pa) - (3 year return to June 30th, 2018 was 10.10% pa)
- AMP Capital Wholesale Australian Property units are expected to return 6% - 9% pa net over 5 years (Spread of Commercial Property in Australia, Property Trusts & Fixed Interest) – **Moderate volatility**
(1 year return to June 30th, 2018 was 9.10% pa) - (3 year return to June 30th, 2018 was 7.30% pa)
- Magellan Global Equity units are expected to return 6% - 9% pa net over 5 years (Spread of International/Australian equities, Property & Fixed Interest) - **Moderate to High volatility**
(1 year return to June 30th, 2018 was 16.90% pa) - (3 year return to June 30th, 2018 was 10.50% pa)
- First Choice Multi Index balanced units are expected to return 6% - 9% pa net over 5 years (Spread of International/Australian equities, Property & Fixed Interest) – **Moderate volatility**
(1 year return to June 30th, 2018 was 8.05% pa) - (3 year return to June 30th, 2018 was 7.30% pa)
- Vanguard Index High Growth units are expected to return 6% - 9% pa net over 5 years (Spread of International/Australian equities, Property & Fixed Interest) – **High volatility**
(1 year return to June 30th, 2018 was 12.35% pa) - (3 year return to June 30th, 2018 was 11.30% pa)
 - **1 year average rate of return to June 30th, 2018 was 10.50% pa**
 - **3 year average rate of return to June 30th, 2018 was 8.80% pa**
 - **5 year average rate of return to June 30th, 2018 was 11.30% pa**
- The Platform and Adviser fees (Direct Fees) charged to your FirstWrap account totals up to 0.70% pa
- The Wholesale Investment Management fees (Indirect Fees) charged in the unit price totals 0.30% pa
- The Total annual expenses (MER) based on the above portfolio totals **1.20% pa (tax deductible)**

Make your savings work harder by earning a return of 6% to 8% pa during the next 3 to 5 years as compared to a return of 2% to 3% pa from cash and term deposits. Contact us to assist you in establishing a savings plan with attractive returns to meet your future objectives. **The savings plan may be attractive to other family members.**

This information is of a general nature only and may not be relevant to your particular circumstances. The circumstances of each investor are different and you should not act on this information without speaking to a financial planner who can consider if the advice is right for you. You should also obtain a copy of and consider the Product Disclosure Statement for this product before making any decision. This information is based on historical performance which is often not a reliable indicator of future performance. You should not rely solely on this material to make investment decisions.

INDUSTRY FUND FEES - (October 1st, 2017)

BALANCED / MY SUPER / CORE INVESTMENT OPTIONS:

Industry fund fees on October 1st, 2017 have increased by 20% - 30% pa.

The following industry fund super/pension fees **do not include** ongoing advisor service. This is an extra cost to be charged by Industry funds for ongoing advice or service.

INDUSTRY FUND SUPER/PENSION:	MINIMUM MEMBER FEE	FEES ON \$ 5,000	FEES ON \$ 50,000
1. Australian Super (Balanced)	\$117 pa	3.00% pa	1.00% pa
2. Care Super (Balanced)	\$ 78 pa	2.75% pa	1.35% pa
3. Catholic Super (Balanced)	\$ 94 pa	3.30% pa	1.55% pa
4. Cbus Super (My Super)	\$ 78 pa	2.60% pa	1.15% pa
5. Hesta Super (Core Pool)	\$ 65 pa	2.40% pa	1.25% pa
6. Host Plus Super (Balanced)	\$ 78 pa	3.00% pa	1.30% pa
7. Legal Super/Pension (My Super)	\$ 68 pa	2.50% pa	1.30% pa
8. MTAA Super (Growth)	\$ 83 pa	2.60% pa	1.15% pa
9. Rest Super (My Super)	\$ 68 pa	2.20% pa	1.00% pa
10. Telstra Super (My Super)	\$ 78 pa	2.75% pa	1.35% pa
11. Vic Super (My Super)	\$ 78 pa	2.60% pa	1.30% pa
12. Vision Super (My Super)	\$ 78 pa	2.50% pa	1.10% pa
Average Industry Fund fees	\$ 80 pa	2.80% pa	1.25% pa

CIFP has negotiated a further fee reduction of 10% pa from January 1st, 2019.

The following FirstWrap fees **includes** ongoing advisor service. There are no extra costs charged by CIFP for ongoing advice or service.

FIRSTWRAP (CIFP) SUPER/PENSION:	MINIMUM MEMBER FEE	FEES ON \$ 5,000	FEES ON \$ 50,000
1. FirstWrap Super (Balanced)	\$ Nil	1.20% pa	1.20% pa

SUMMARY:

With a 20% to 30% increase in industry fund fees on October 1st, 2017 the average cost is now higher than the fees charged by CFS FirstWrap Super & Pension for CIFP clients plus no further charge for ongoing advice and service.

SOURCE: INDUSTRY FUND WEBSITES – PDS Fee Disclosure (September/October 2017)

SUPERANNUATION SAVINGS STRATEGIES

SAVINGS STRATEGY DURING PERIODS OF LOW RETURNS

With interest rates at historically low levels and lower returns from growth assets we need to consider the benefits of **tax deductible (concessional)** contributions into superannuation to reduce tax. Even with the restrictions in superannuation the benefits are rewarding for retirement. This strategy is attractive for those between 10 to 30 years before retirement.

You can accumulate 30% to 50% more wealth by contributing savings to super.

The example below is based on a comparison for the average employee earning \$ 60,000 pa.

How to invest \$ 1,000 per month for future retirement benefits:

1. Contribute \$ 1,000 per month gross into super earning 5% pa gross.
2. Investing \$ 1,000 per month gross into investments outside of super earning 5% pa gross.

COMPARISON OF OPTION 1 & OPTION 2: - NET ACCUMULATION OF WEALTH

	5 years	10 years	20 years	30 years
Option 1: (Contribution to Super)	\$ 58,000	\$ 128,000	\$ 327,000	\$ 648,000
Option 2: (Invest outside Super)	\$ 43,000	\$ 93,000	\$ 227,000	\$ 433,000
Difference	\$ 15,000	\$ 35,000	\$ 100,000	\$ 215,000
Benefits of contributing into Super	35% extra wealth	37% extra wealth	45% extra wealth	50% extra wealth

During times of low returns, taxation benefits within superannuation provides the stimulus required to accelerate wealth for your savings and retirement.

Feel free to contact our office to analyse the benefits of additional savings super contributions which relate to your individual circumstances and objectives.

SUPERANNUATION ACTION PLAN CHECKLIST TO SAVE TAX BEFORE JUNE 30th, 2019

Take advantage of the new super rules to receive a tax refund

Consider the transfer funds to family members which may provide them with a tax deduction and assist you in maintaining Centrelink benefits.

A. For family members who have a taxable income below \$ 37,000:

1. Contribute \$1,000 to super and receive \$500 from the ATO **(50% return)**.
2. Your Spouse contributes \$3,000 to your super to gain a tax refund of \$540 **(18% return)**.
3. Personal super contributions are accessible **(\$30,000)** to purchase a first home.

B. For family members who have a taxable income of \$ 37,000 to \$ 90,000:

1. Make a personal contribution to super and receive a **tax refund of 35%**.
(Funds from your personal bank account and/or the transfer of direct shares)
(A Gift from family to reduce their Centrelink assets and provide you a tax refund.)

EXAMPLE: (Contribute \$ 10,000 of savings to super and receive \$ 3,500 tax refund)

- Taxable income for 2018/2019 of \$ 60,000
- Contribute \$ 10,000 to Super before June 30th, 2019
- Receive a tax deduction with a **tax refund from the ATO of \$ 3,500 (35%)**
(The super fund will pay 15% tax which provides a net return of 20%)
- The maximum tax deductible contributions to super is **\$ 25,000 pa** which
Includes SG contributions, salary sacrifice and employer contributions.

C. For family members who have a taxable income of \$ 90,000 to \$ 180,000:

1. Make a personal contribution to super and receive a **tax refund of 40%**.

EXAMPLE: (Contribute \$ 10,000 of savings to super and receive \$ 4,000 tax refund)

- Taxable income for 2018/2019 of \$ 100,000
- Contribute \$ 10,000 to Super before June 30th, 2019
- Receive a tax deduction with a **tax refund from the ATO of \$ 4,000 (40%)**
(The super fund will pay 15% tax which provides a net return of 25%)

Accumulate 30% to 50% more wealth by contributing part of your savings to super.

Feel free to contact our office to analyse the benefits of making additional super contributions which relate to your individual circumstances and objectives.