

## **Company Profile**

Super Concepts was incorporated in 1985 and the then principals of the firm, Christopher Wilson, Keith Inns and Brian Duncan, specialised in the self-managed superannuation fund field since 1978. The continued profitable growth of the company has led to Douglas Green joining the principals. Douglas has over 25 years experience in business finance and strategic management.

As of September 20, 2001 the firm is 100% owned by ING Australia Limited with Douglas Green as General Manager and Brian Duncan as a Business Development Manager.

Super Concepts has established and maintained Trust Deeds for more than 28,000 SMSF's. They also perform year end annual reporting on behalf of approximately 3000 SMSF's with total funds under administration of approximately \$1.4billion.

The company employs 43 staff, 17 in administration, 3 in Business Development and 23 in accounting.

## **Service Provider Features**

The key attraction for their clients they state is the quality of the service. Acting with a client's professional adviser they become a complete information service with the ability to address all of the issues that are likely to impact on your superannuation money.

Super Concepts also provide technical resources and assistance to people who want to run their own superannuation funds or allocated/complying pensions.

Many of Australia's leading accountants, financial planners and stockbrokers already use their documentation and support services.

## **Services & Fees**

### **Fund Set-up for a SMSF costs \$473**

Included in the fee for this service Super Concepts will provide:

- Advice on current guidelines affecting superannuation and Fund design;
- Draft Trust Deed and Rules (original and duplicate);

- Prescribed form of Application to Register for the New Tax System Superannuation Entities incorporating application for Tax File Number (TFN), Australian Business Number (ABN) registration and Notice of Election to Become a Regulated Fund;
- Indexed Superannuation Folder incorporating Trust Deeds, draft Minutes of Meetings, Membership Forms, Notification of Rights, Binding Death Benefit Beneficiary Nomination Forms and various Registers

### **Administration Service**

Included in the service is;

- Financial Statements – balance sheet, income and expenditure statement, contribution report, detailed investment/asset summary and comprehensive member reporting
- Fund audit
- Draft minutes and supporting documents
- Fund Income Tax and Regulatory Return
- Liaison with auditors and ATO

Fees for this service are calculated on a time cost basis, which is directly affected by the complexity of the fund, the degree of consultation required and the quality of the information supplied.

Indicative costs shown below are based on existing averages for a SMSF in the accumulation phase transferring to Super Concepts as the service provider. The fees include set up costs involved with the transfer.

<b>Number of Investments</b>	<b>Average Fee</b>
0-10	\$1,650
11-25	\$2,200
26-40	\$2,750
> 40	Time Only

The above costs do not include;

- Instalment Activity Statements
- Business Activity Statements
- Superannuation Surcharge Reporting

Additional costs to be incurred by funds paying pensions include;

- PAYG Payment Statement (per member) \$66
- PAYG Payment Summary Statement (per fund) \$88
- Actuarial Certificate (Allocated Pension) \$180 to \$290
- Actuarial Certificate (Complying Pension) \$440 minimum
- Pension calculations (per member) \$66

## **Related Specialist Services**

Amendment of existing Superannuation Trust Deed to comply with current Regulations (subject to existing Deed allowing amendments) 1 - 4 Members: \$198 plus Stamp Duty\*;

Termination Payments inclusive of relevant calculations and preparation of compliance documentation \$187 per benefit plus \$77 if PAYG Withholding Tax Registration required;

Preparation of documentation and procedures to commence an "Allocated Pension" from an existing Super Concepts self-managed Fund \$616 per pension.

Super Concepts will provide a comprehensive package inclusive of

- Minimum/maximum calculations
- Draft Minutes
- RBL reporting
- PAYG Withholding Tax Registration
- Tax File Number Declaration
- Advice of PAYG Withholding Tax
- Centrelink Schedule

Preparation of documentation and procedures to commence a "Complying Pension" from an existing Super Concepts self-managed Fund \$1408 for first member, \$1001 for each additional member.

Super Concepts will provide a comprehensive package inclusive of

- Actuarial report supporting 1st year pensions
- Pension Agreement
- Draft Minutes
- RBL Reporting
- PAYG Withholding Tax Registration
- Tax File Number Declaration
- Advice of PAYG Withholding Tax
- Centrelink Schedule

Lump Sum and Allocated Pension Calculations per person \$88

Actuarial Services – alternatives and calculations regarding the 50% rule \$165

Income Stream Report - Super Concepts will provide a comprehensive package inclusive of:

Calculations in respect of various Income Stream strategies - Lump Sum, Allocated Pension, Spouse Contributions / Allocated Pensions and Complying Pension.

Includes consultation (max 1 ½ hours)

Cost \$825

**Specialist Services on a time cost basis.**

Consulting services will be charged up to \$220 per hour.

- Annual Reporting including Financial Statements, Annual Returns and Fund Audit;
- Reasonable Benefit Limits and Contribution Planning inclusive of relevant calculations and projections as required;
- Strategic Planning and maximising the use of a Self-Managed Fund;
- Liaison with Government Departments including preparation of draft answers to questionnaires and queries;
- Wind-Up of an existing Fund;
- Actuarial Services;
- Preparation of documentation to record changes to the Fund ie. change of Trustee, change of Founder, and new and terminated members.

**Fee Schedule:**

<b>Service</b>	<b>Cost</b>
New Fund Establishment	\$473 + postage & stamp duty (where applicable)
Trust Deed Upgrade service	\$198
Restructure of Trustee, Resignation / Appointment etc.	\$88
Lump Sum ETP Documentation	
Per benefit payment	\$187
PAYG withholding tax registration (if required)	\$77
Lump Sum and Allocated Pension Calculations	
Per calculation	\$88
Complying Pension Calculations – Per Member Alternatives and calculations regarding the 50% rule	\$165
Income Stream Report – Per Member inclusive of Calculations in respect of various Income Stream strategies – Lump Sum, Allocated Pension, Spouse Contributions / Allocated Pensions and Complying Pensions. With consultation (maximum 1.5 hours)	\$825

<b>Service</b>	<b>Cost</b>
Allocated Pension Documentation inclusive of Minimum/maximum calculations Draft minutes RBL reporting PAYG Withholding Tax Registration Tax File Number Declaration Advice of PAYG Withholding Tax Centrelink Schedule Per Pension	\$616
Complying Pension Documentation inclusive of Actuarial report supporting 1 <sup>st</sup> year pension Pension Agreement Draft Minutes RBL Reporting PAYG Withholding Tax Registration Tax File Number Declaration Advice of PAYG Withholding Tax Centrelink Schedule First Pensioner Documentation Second Pensioner Documentation	\$1408 \$1001
Year End Annual Reporting includes: Financial Statements Audit Actuarial Certification (where required) Draft Minutes and supporting documentation Member Acknowledgement Fund Income Tax and Regulatory Return Liaison with Auditors and the Australian Taxation Office	Time Cost basis applies.

**Trust Deed:**

The Trust Deed is prepared by Madgwicks Lawyers.

The Trust Deed is flexible in estate planning strategies, allowing Binding Death Benefit Beneficiary Nominations, allowing payment of benefits in such manner as the Trustee may determine in its discretion in the form of a Pension and allows the purchase of an Annuity or a lump sum or any one or more of these forms.

Clients are advised when the Trust Deed requires updating through their Intermediary or by letter if they are direct clients. The cost of a deed upgrade is currently \$180 + GST.

# **Super Concepts**

## **SMSF Service**

**Website Address: [www.superconcepts.com.au](http://www.superconcepts.com.au)**

### **Contact Details:**

**Suite 6, 476 Canterbury Road,  
Forest Hill, VICTORIA. 3131.**

**Telephone 03 9894 1422**

**Facsimile 03 9877 7729**

**Email: [info@superconcepts.com.au](mailto:info@superconcepts.com.au)**

**Pensions:**

Super Concepts administer Allocated, Complying and Non-Complying Pensions.

**Audit:**

Super Concepts does not allow a client to utilise their own accountant for the Fund Audit. The client uses one of the firms on Super Concepts Audit panel, this enables cost to be kept to a minimum due to their ability to negotiate fees based on substantial economies of scale.

**Website:**

Super Concepts do not currently offer a website to clients and advisers. This is presently being established and Super Concepts anticipate on-line access being available for clients and intermediaries that use their Portfolio Administration System. They expect a release date during the second quarter 2004.

**Adviser & Member Education:**

Super Concepts regularly present technical sessions on topical matters at dealer group professional development days. They do not charge for these presentations.

Anyone that uses Super Concepts services can receive technical support. Super Concepts answer technical queries from intermediaries made via 'phone or Email and they do not currently charge a fee. They also provide seminar support for intermediaries wishing to conduct client seminars. Where detailed technical advice is required and a written response is necessary Super Concepts may charge a time based fee. This fee will depend on the nature and complexity of the advice sought and the time required to prepare the written response. This fee may be charged at a rate of up to \$220 per hour.

Super Concepts also provide free seminars to direct clients. If a direct client requires advice of a financial planning nature they are referred to a Super Concepts Representative, fees are agreed and detailed in a Letter of Engagement.

## **Product Disclosure Statements**

Super Concepts have been issuing, with all new fund kits, a pro forma PDS for the Trustees to provide to the members. Where a fund using Super Concepts trust deed moves from accumulation to pension phase trustees will be provided with an up to date PDS to provide to the pensionable member at that time.

## **AFS Licensing**

Super Concepts is the holder of an AFS License, licence number 246663.

## **Service Standards**

New fund establishment kits are prepared and issued within 5 working days.

All miscellaneous calculations and documentation are prepared and issued within 5 working days of receipt of all requirements.

Clients are advised of turnaround times for end of year compliance when Super Concepts issue their Compliance Assistance Tool in late June / early July each year.

The table for last financial year follows:

the maximum turnaround times for funds that supply *all* documentation is as follows:

Received in the month of	
JULY/ AUGUST	6 weeks
SEPTEMBER	8 weeks
OCTOBER	12 weeks
NOVEMBER or later	16 weeks

- Binding Death Benefit Beneficiary Nomination Fact Sheet,
- Sample Binding Death Benefit Beneficiary Nomination Form,
- SuperEasy's DIY Guide
- Lodgement via Pre-Addressed Envelope to Business Registration Services, ATO .
- Free monthly e-mail "SuperMail" broadcast on relevant issues.
- One of the Special Offers:
  - \$50 when you open your SuperEasy® Super Account through E\*TRADE Australia, or
  - 12 month subscription to Personal Investor Magazine, or
  - 12 month subscription to Shares Magazine.

**Set-up, Administration, Tax Return and Audit for \$1,345 incl. GST upfront**

Fixed fee upfront price for the set-up and administration of a typical SMSF. The fixed price is based on the number of investments, irrespective of the value of the fund. The service includes and combines all of the features of "Set-up" and "Annual Administration" products.

If the fund exceeds the number of investments as per the Fixed Fee Quote, clients can estimate the additional fee they would be charged for the administration service from the Fixed Fee Quote page on the website. SuperEasy® will invoice any additional fees at the end of the financial year. As part of the annual administration service, SuperEasy® request information on an annual basis, relating to all of your Fund's transactions.

If clients utilise SuperEasy® with the fund's annual tax lodgement, they will provide all the Special Purpose Financial Statements including:

- Operating Statement,
- Statement of Financial Position,
- Notes to Accounts,
- Members Statements,
- Minutes of Trustee's meeting,
- Audit Report,
- Fund Income Tax and Regulatory Return,
- Superannuation Contributions Surcharge Forms,
- Investment Strategy sample, if you do not already have one,
- Free monthly regular) e-mail "SuperMail" broadcast on relevant issues.
- One of the Special Offers:
  - \$50 when you open your SuperEasy® Super Account through E\*TRADE Australia, or
  - 12 month subscription to Personal Investor Magazine, or
  - 12 month subscription to Shares Magazine.

## **Annual Administration of a SMSF for \$1,095 incl. GST**

This fee includes the preparation of all the required ATO paperwork and includes the cost of the annual Audit of the fund.

The fee allows up to 15 different Australian Listed Investments with no limitations on the number of transaction in the fund.

In order for clients to obtain the Fixed Quote Price for Annual Administration, including Audit and Tax Return, each fund must have a Complying Investment Strategy, Complying Investments, a Complying Trust Deed, a Tax File Number, a Australian Business Number, and be a Non-reporting entity,

**"Australian Investments"** includes, but is not limited to, the following:

- Bank, Building Society Account or similar,
- Term Deposit or similar fixed interest security,
- Share Trading, Broker or similar trading account,
- Shares/Units in entities listed on Australian Stock Exchange\*,
- Shares/Units in non-listed entities resident in Australia,
- Pensions (Allocated or Complying Pensions under the SMSF;),
- Australian Life Insurance Policy.

Each additional Australian Investment is charged at \$44.00, GST inclusive, regardless of the number of transactions per that investment.

To count as one investment, each listed investment must be held under a single Chess sponsor, and, or One Share Holder ID Number.

SuperEasy® also provide a Fixed Fee quote for clients with funds which either have investments totalling greater than 15 Australian Listed Investments or a portfolio of diverse investment types. Examples include overseas listed or unlisted investments,

In-house Assets, Real Estate and Commercial Leases. This quote is available on-line.

## **Actuarial Certificates**

If your SMSF has an allocated pension and you want SuperEasy® to provide the Allocated Pension Actuarial Certificate, the costs of issuing these is \$185 **incl. GST** for 1 year or \$260 **incl. GST** for 3 years. Section 283 Actuarial Certificates cost \$260 **incl. GST** for 1 year.

If your SMSF has an complying pension and you want SuperEasy® to provide the Complying Pension Actuarial Certificate, the cost is \$375 **incl. GST** for the SIS Act Actuarial Investigation, Report and Certificate for a SMSF plus another \$50 for each complying pension certificate.

Super Outsource's mission is:

"To be the premier provider of high quality self managed superannuation fund administration. To provide our clients with 'peace of mind' that the fund is being competently administered by professionals who care about the quality of the work that they prepare."

Damien Palmer is the managing director and founder of Super Outsource. Damien has 9 years dedicated experience in self managed superannuation with Deloitte Touche Tohmatsu, Ernst & Young, and AM Corporation, before establishing this company.

The company was established to provide accountants and financial planners clients' with a premier level of superannuation, focusing on doing the fundamental elements of account preparation, compliance and taxation well.

Super Outsource only employs experienced fund administrators and qualified accountants to administer funds, and pride themselves on ensuring staff are well trained for their positions.

The management and staff are dedicated to their independence and continual improvement of staff, infrastructure, systems and processes. They are committed to continual improvement of internal systems, and the quality assurance that the financial statements, statutory lodgements and compliance reviews are prepared in an accurate and timely manner.

The company comprises 24 staff, with 15 qualified accountants and 3 administration staff.

Super Outsource administer 800 funds and have a further 1,200 funds for which they provide staff training, compliance review, manager/partner review and partnering relationships to accounting practices.

## **Main Provider Features**

Super Outsource provides sound technical solutions to individual client needs. This means investigating all the issues for the client, and providing a tailored solution that seeks to maximise member benefits. This also includes being alert to client needs and keeping the client informed as they approach retirement ages of their retirement options, and what they can expect their superannuation benefits to provide.

Super Outsource can provide:

- Introductory, and intermediate training to trustee(s) and member(s);
- Ongoing education through web based updates;
- Utilisation of both employer and personal defined benefit fund structures;
- Combinations of complying pensions & allocated pensions;
- Monitoring triggering events i.e. exceeding Lump Sum RBL thresholds;
- Specialist consulting services in splitting superannuation in divorce;
- Informing clients of social security issues; and
- Comprehensive annual reviews.

## **Services & Fees**

### **Initial Set-Up for New Funds**

This includes:

- Preliminary client discussions
- A current trust deed
- Membership applications
- Commencement minutes
- Tax File Number
- Australian Business Number
- Initial investment strategy
- Initial actuarial certificates (Defined Benefit Funds only)

### **Annual Administration Service**

For all other funds the annual administration services are based on an all inclusive - no more to pay structure. This includes:

- Provision of annual financial accounts & member statements
- Provision of annual investment reports
- Preparation of annual tax & regulatory returns
- Preparation of quarterly IAS/BAS statements
- Preparation of surcharge forms
- Preparation of any Eligible Termination Payments
- Tracking of RBL benefits
- Preparation of audit workpapers
- Payment of Auditor fees
- Annual review and analysis of fund position, taxation, and funding strategy
- Annual meeting and general day to day correspondence

- Preparation of s159SS and PAYG payment summary (pension funds)
- Preparation of minimum/maximum pension limits and liaison with client on desired pension levels (pension funds)

Specifically not included:

- Any requirements for actuarial certificates or investigations
- Consultant fees and specialist technical research work
- Fund tax and Regulatory fees and levies
- Extensive liaison, meetings, and correspondence
- Quarterly portfolio valuations

Fixed quote system based on estimated time & cost, adjusted annually. Based on the fund value at 30 June each year, and charged quarterly in advance on a calendar year basis.

Additional services are charged on a time and cost basis.

Super Outsource does require that clients regularly provide them with all source documents relating to the fund's transaction history.

For clients wishing to utilise a wrap account system recommended by a financial adviser, Super Outsource Pty Ltd will reduce administration fees to a flat fee of \$1,650 for accumulation fund clients.

#### **General Administration:**

The administration system used by Super Outsource has no size constraints in relation to the number of self managed superannuation funds that can be administered. The system is designed to enable the efficient administration of self managed superannuation funds of the following type:

- Accumulation;
- Defined Benefit;
- Allocated Pensions; and
- Complying Pensions;

Funds in any combination of the above can be catered for by the system.

In addition, Super Outsource receives monthly data feeds from Banklink, Praemium, and Dial & Chart. Banklink & Praemium provides Super Outsource with client bank statement & investment detail in an electronic format. It facilitates a more responsive, efficient and timely administration service. Super Outsource subscribes to Dial & Chart, a company which provides monthly data downloads of the Australian Stock Exchange share prices and the major unlisted unit trust prices. Super Outsource also has software for pension illustrations and social security calculations.

**Pensions:**

Super Outsource currently administer complying pensions and allocated pensions.

**Audit:**

Super Outsource engages Business & Corporate Solutions as the independent auditors. The cost for the fund audit is built into the administration costs.

Clients generally do not have the ability to utilise their own accountant for the fund audit.

**Costs: (inclusive of GST)**

<b>Service</b>	<b>Cost</b>	<b>Notes</b>
Fund Establishment		
Accumulation Funds	\$1,100	
Defined Benefit Funds	\$3,300	
Annual Administration	< 5 investments \$2,200	Fixed quote system based on estimated time & cost, adjusted annually.  Based on the fund value at 30 June each year, and charged quarterly in advance on a calendar year basis.  Additional services are charged on a time and cost basis.  For clients wishing to utilise a wrap account system recommended by a financial adviser, Super Outsource will reduce administration fees to a flat fee of \$1,650.
Accumulation Fund	< 10 investments \$2,750	
Pension Fund	< 20 investments \$3,300	
Defined Benefit Fund	< 35 investments \$3,850 to \$4,400	
	Pension and Defined Benefit Funds \$3,850 to \$4,400	
Fund Audit	\$0	
ATO Levy	\$45	
BAS (if required)	\$0	
Trust Deed amendment	Not advised	
Benefit Payments	\$0	

<b>Service</b>	<b>Cost</b>	<b>Notes</b>
Actuarial Certificate – Allocated Pension	Segregated (3 years) \$169.50 Unsegregated (1 year) \$197 Additional pensioner \$33	
Actuarial Certificate – Complying Pension	Lifetime Adequacy Report with Initial 283 Tax Certificate \$307 Lifetime Adequacy Report with subsequent 283 Tax Certificate \$351 Additional pensioner \$33	

**Trust Deed:**

Deacons Lawyers prepare the Trust Deed for clients of Super Outsource. The Trust Deed is flexible in relation to estate planning strategies such as payment of child pensions and reversionary pension payments.

Trust Deed upgrade costs are unknown, as it depends on the nature of changes required.

**Website Access:**

Super Outsource provides the following data online:

Investment portfolio via Praemium data service updated daily and separate access for:

- Member;
- Accountant; and
- Financial Adviser

Web based data archives of file documents, which may be accessed by:

- Accountant; and
- Financial Adviser

Online member and fund snapshots including:

- Member balance;
- Member statements from last audited accounts;
- Undeducted contributions;

- Aged based contribution thresholds;
- TRBL amount (if applicable);
- UPP of pensions;
- Min/Max allocated pension amounts;
- Allocated pension calculator;

The abovementioned facilities can be accessed by:

- Members
- Accountants
- Financial Planners

Furthermore, the website contains;

- Online technical library containing over 230 technical articles, and FAQ's;
- Online news archive containing over 700 news articles and a weekly newsletter emailed to you every Friday;
- Handy strategies that can be used in SMSF's;
- Online Quick Reference Guides for the last four years; and
- Online calculators pertaining to superannuation.

#### **Investments:**

Super Outsource impose no investment restrictions, as long as the investments are permissible by the SIS Act and Regulations 1993.

#### **Technical, Educational & Additional Services:**

Super Outsource provides as a standard service with the administration service, email and telephone support provided by the senior staff. This service is complimentary with administration, within reasonable use levels.

If a query is very complex, onerous or their staff are required to conduct numerous scenario appraisals, then the accountant and/or client would be notified in advance of any consulting rates which would apply and estimated costs associated with the task requested.

Super Outsource also provides weekly email newsletters on latest industry developments.

Super Outsource provides Educational tools for members and trustees in the form of:

- Email of weekly newsletters;
- Online technical tips and FAQ's;
- Online Quick reference guides (fact sheets); and
- Trustee seminars (additional fee for this service).

**Product Disclosure Statements:**

Super Outsource Trust Deeds issue product disclosure statements (PDS) to members of SMSF's to both existing and new members.

**AFS Licensing:**

Super Outsource has an AFS License (No. 240241). Their license allows them to give wholesale and retail advice on superannuation.

Fixed quote system based on estimated time & cost, adjusted annually.  
Based on the fund value at 30 June each year, and charged quarterly in advance on a calendar year basis.  
Additional services are charged on a time and cost basis.

### **Annual Administration Service (Allocated Pension Funds)**

Services are all inclusive - no more to pay. This includes:

- Provision of annual financial accounts & member statements
- Provision of annual investment reports
- Preparation of annual tax & regulatory returns
- Preparation of surcharge forms
- Preparation of quarterly IAS/BAS statements
- Preparation of any Eligible Termination Payments
- Tracking of RBL benefits
- Preparation of audit workpapers
- Preparation of s159SS and PAYG payment summary
- Preparation of minimum/maximum pension limits and liaison with client on desired pension levels.
- Payment of Auditor fees
- Annual review and analysis of fund position, taxation, and funding strategy
- Annual meeting and general day to day correspondence

Specifically not included:

- Any actuarial certificates or investigations
- Consultant fees and specialist technical research work
- Fund tax and Regulatory levies
- Extensive liaison, meetings, and correspondence
- Quarterly portfolio valuations

Fixed quote system based on estimated time & cost, adjusted annually.  
Based on the fund value at 30 June each year, and charged quarterly in advance on a calendar year basis.  
Additional services are charged on a time and cost basis.

### **General Administration:**

The administration system used by Super Outsource has no size constraints in relation to the number of self managed superannuation funds that can be administered. The system is designed to enable the efficient administration of self managed superannuation funds of the following type:

- Accumulation;
- Defined Benefit;
- Allocated Pensions; and
- Complying Pensions;

Funds in any combination of the above can be catered for by the system.

In addition, Super Outsource receives monthly data feeds from Banklink, Praemium, and Dial & Chart. Banklink & Praemium provides Super Outsource with client bank statement & investment detail in an electronic format. It facilitates a more responsive, efficient and timely administration service. Super Outsource subscribes to Dial & Chart, a company which provides monthly data downloads of the Australian Stock Exchange share prices and the major unlisted unit trust prices. Super Outsource also has software for pension illustrations and social security calculations.

### **Pensions:**

Super Outsource currently administer complying pensions and allocated pensions.

### **Audit:**

Super Outsource engages Business & Corporate Solutions as the independent auditors. The cost for the fund audit is built into the administration costs.

Clients generally do not have the ability to utilise their own accountant for the fund audit.

**Costs: (inclusive of GST)**

<b>Service</b>	<b>Cost</b>	<b>Notes</b>
Fund Establishment Accumulation Funds Defined Benefit Funds	\$1,100 \$3,300	
Annual Administration Accumulation Fund Pension Fund Defined Benefit Fund	<p>Single asset Accumulation Funds \$2,200 (small turnover of investments. Total Investments &lt;5 assets)</p> <p>Small Accumulation funds \$2,750 (small turnover of investments. Total investments &lt; 10 assets)</p> <p>Medium Funds \$3,300 (small/medium turnover of investments. Total Investments &lt;20 assets)</p> <p>Large Accumulation/Pension/ Defined Benefit Fund \$3,850 - \$4,400 (larger turnover of investments. Total Investments &lt;35 assets)</p>	<p>Fixed quote system based on estimated time &amp; cost, adjusted annually. Based on the fund value at 30 June each year, and charged quarterly in advance on a calendar year basis. Additional services are charged on a time and cost basis.</p> <p>For clients wishing to utilise a wrap account system recommended by a financial adviser, Super Outsource will reduce administration fees to a flat fee of \$1,650.</p>
Fund Audit	\$0	
ATO Levy	\$45	
BAS (if required)	\$0	
Trust Deed amendment	Not advised	
Benefit Payments	\$0	
Actuarial Certificate – Allocated Pension	<p>Segregated Allocated Pension (3 years) \$169.50 Unsegregated Allocated Pension (1 year) \$197</p>	Additional pension pensions \$33 per certificate
Actuarial Certificate – Complying Pension	<p>Initial \$307 Subsequent \$351</p>	Additional pension pensions \$33 per certificate

Web based data archives of file documents, which may be accessed by:

- Accountant; and
- Financial Adviser

Online member and fund snapshots including:

- Member balance;
- Member statements from last audited accounts;
- Undeducted contributions;
- Aged based contribution thresholds;
- TRBL amount (if applicable);
- UPP of pensions;
- Min/Max allocated pension amounts;
- Allocated pension calculator;

The abovementioned facilities can be accessed by:

- Members
- Accountants
- Financial Planners

Furthermore, the website contains;

- Online technical library containing over 230 technical articles, and FAQ's
- Online news archive containing over 570 news articles and a weekly newsletter emailed to you every Friday
- Online Quick Reference Guides for the last four years
- Online calculators pertaining to superannuation.

Super Outsource uses BGL software and can accept "Simple Fund" uploads or downloads from accountants. A copy of finalised accounts can be sent to the accountant by:

- Email;
- Mail; or
- Facsimile.

### **Investments:**

Super Outsource impose no investment restrictions, as long as the investments are permissible by the SIS Act and Regulations 1993.

### **Technical, Educational & Additional Services:**

Super Outsource can also offer advisers, other services not covered by the standard administrative services including:

- Changes to member communication material including introduction of new legislation or regulations or a change in benefit design;

- Comment and provision of documents on changes to the Trust deeds as a result of introduction of new legislation or regulations or a change in benefit design or change in Trustees or Members;
- Benefit calculations; and
- Trustee Training

Super Outsource provides as a standard service with the administration service, email and telephone support provided by the senior staff. This service is complimentary with administration, within reasonable use levels.

If a query is very complex, onerous or their staff are required to conduct numerous scenario appraisals, then the accountant and/or client would be notified in advance of any consulting rates which would apply and estimated costs associated with the task requested.

Super Outsource also provides weekly email newsletters on latest industry developments.

Super Outsource will provide quarterly updates to advisers, as supplementary to latest technical developments, progress of legislation, and strategies.

Super Outsource provides Educational tools for members and trustees in the form of:

- Email of weekly newsletters
- Online technical tips and FAQ's
- Online Quick reference guides (fact sheets)
- Trustee seminars (additional fee for this service)

CPD training days, and PD day presentations, are not currently provided by Super Outsource. They state they do have the capacity to provide a comprehensive training package, including the provision of training notes and presentation handouts. They also would envisage utilising guest speakers such as Scott Charaneka, superannuation partner with the legal firm Deacon's on specialist topics of Trust Deeds and Divorce and Superannuation issues. A separate fee would apply for the provision of this service.

Super Outsource has previously conducted SMSF Specialist Group sessions where individual client requirements and opportunities are reviewed. At the very high end, this involves again discussions with peer technical experts.

# **Total Super**

## **SMSF Service**

**Website Address: [www.totalsuper.com.au](http://www.totalsuper.com.au)**

### **Contact Details:**

**Level 7, 239 George Street, Brisbane Qld 4000**

**Telephone 1800 644 804**

**Facsimile 07 3211 1455**

**Email: [admininfo@totalsuper.com.au](mailto:admininfo@totalsuper.com.au)**

## Company Profile:

Total Super Pty Ltd was previously The Strategist Group Administration Pty Limited (incorporated 1/7/2000). It was established by the absorption of the business and management of Superior Portfolio Management Pty Ltd (Incorporated February 1995) thus the business activities and operational parties involved have been trading since then.

The company is an unlisted public company. There have been 21,562,750 fully paid shares issued as follows.

Name	Shares	Percentage
Staff	7,116,002	33.0%
Loftus Capital	6,189,058	28.7%
Macquarie Bank	3,375,000	15.7%
27 Investors of less than 3% each	4,882,690	22.6%
	21,562,750	100.0%

David Busoli is a Director and the CEO of Total Super. David has been a financial adviser, tax and business consultant since 1979 and has specialised in SMSF strategies and compliance since 1995. He has addressed numerous seminars and delivered courses in SMSF's to industry participants.

Carol Dixon is a Director and the Financial Controller. Carol has been a tax consultant since 1982 and has specialised in SMSF administration and compliance since 1988.

Both the directors were founders of the original business that commenced in 1995.

Total Super currently administers 900 funds with funds under administration of \$450 million.

18 staff are employed by the company, 8 in administration and 3 in client service.

## Main Provider Features:

Total Super provides corporate trustees, deeds and deed upgrades as well as a wholesale compliance and administration service to financial planners and accountants who wish to offer advisory services to the Australian public.

Total Super provides intermediaries with the tools necessary to implement the full range of potential strategies available to members from the provision of their Trust Deed to compliance bureau and internet reporting services. Total Super also provides an Admin Assist service to other SMSF administrators

and accountants who require assistance and a practical, one day intensive SMSF course to experienced retail superannuation advisers who wish to become SMSF advisers

Total Super provides compliance and portfolio administration services to clients direct or via their financial advisers.

Each portfolio is updated daily and a variety of secure reports are made available on the internet for trustees and their advisers to access. The electronic service is complemented by a full range of comprehensive hard copy reports and ongoing advice.

## **Services & Fees**

**Fund Set-up** – The following is included:

- the preparation of a Trust Deed (2 copies),
- minutes of meetings,
- obtaining a Tax File Number and an Australian Business Number,
- filing an Application to register for “Pay as You Go” tax,
- filing a Regulated Fund Notification,
- establishing a fund accounting system,
- stamping of the Trust Deeds and GST registration
- setting up a Trustee Company if required including copies of the Company’s Constitution, all statutory documentation required under the Corporations Law, Certificate of Registration and Company Seal (still required under SIS),
- Macquarie cash account if required.

**On-going Administration** – Total Super services will include the following as and when applicable:

- maintenance and storage of Fund records;
- annual Member & Trustee Reporting including Member Statements, Minutes & supporting documentation;
- prompt on forwarding of evidence of portfolio activities;
- maintenance of changing Member component position & benefit payment documentation;
- maintenance of Capital Gains Tax and Deferred Tax records;
- preparation of drawdown and rollover documentation;
- daily updates to the website of Fund details including valuations, transactions and asset allocations;
- notification of adjustments required to pensions paid to ensure compliance;
- liaison with CentreLink, Veterans Affairs (DVA), the Australian Taxation Office (ATO) including tax audit, the Australian Securities and Investment Commission (ASIC) and the Australian Prudential Regulatory Authority (APRA);

## **Product Disclosure Statements (PDS)**

Total Super plan to issue Product Disclosure Statements to existing SMSF trustee clients. Total Super already have a PDS for the establishment of new funds.

When members move from accumulation to pension they do so on the advice of their advisers therefore Total Super merely act on instruction, however, a PDS will be produced as soon as possible for this service in any case.

## **AFS Licencing**

Total Super have applied for an AFS license limited to superannuation via their wholly owned subsidiary, Total Supertec Pty Ltd, ACN 107 379 797.

- calculation of allowable pension levels;
- surcharge reporting;
- annual Fund Financial Statements preparation & lodgement;
- preparation & lodgement of GST & Tax returns for the Fund including Business Activity Statements;
- facilitation of external Audit;
- facilitation of Actuarial Certificate and Solvency Certificate;
- production of Group Certificates.

**Pensions:**

Total Super offers allocated, complying lifetime (assets test exempt if required), complying fixed term and flexi pensions. Costs of administration are included in Total Super's standard pricing structure. Set up costs are additional. Assistance with pension strategies is available

**Audit:**

Total Super provides independent auditors. An audit on a standard fund is \$440. This audit service is only available to funds administered by Total Super. Extra fees may apply for more complex funds.

Clients may get their own auditor to carry out the fund audit, however the audit must be carried out in the office of Total Super. Total Super charges a \$110 fee when an alternative auditor is used. Total Super utilises the services of Chris Booker and Associates as the independent auditor.

**Ongoing Compliance and Administration Costs:**

The fee is a set minimum monthly amount determined by the number of investments held by the fund at the beginning of the month. An investment is defined as any asset with other than a zero balance. The minimum monthly fee will vary upwards or downwards as the number of investments in the fund changes. The number of hours purchased by the payment of the fee each month is accrued for the financial year and is the total of each monthly allocation purchased as per the Table below. Once the allocated number of hours for a particular fund has been reached for the year a fee of \$110 per hour will be levied on any additional time spent on that fund. Under ordinary circumstances there will be no extra fee incurred.

## Company Profile

TOWER Trust was established in 1910. TOWER Trust is a member of the Tower Financial Group.

TOWER Trust provides a diverse range of superannuation, investment management and trustee services to clients and financial intermediaries through its national network of offices.

TOWER Trust is an authorised trustee company in all mainland Australian States and Territories and holds a Dealers Licence under the Corporations Act.

Andrew Barnes has recently been appointed Chief Executive Officer of TOWER Trust. Andrew is also the CEO, TOWER Australia Wealth Management Division and has several years experience in the financial services industry both here and overseas.

All of the Senior Management have in excess of 3 years experience with TOWER.

TOWER Trust administers 500 SMSF Funds with funds under administration of \$230 million and 5300 Small APRA Funds with funds under administration of \$1.6 billion.

Approximately 300 people are employed by TOWER Trust nationally.

## Main Provider Features

TOWER Trust has many years' experience in managing superannuation funds. TOWER Trust currently manages over 5500 Private Superannuation Funds and is recognised as a major player in this market. The combined value of these Funds exceeds \$1.8 billion and each one is unique in that they have all been tailored to the specific needs of the client.

TOWER Trust is able to provide financial advisers with real-time information about your Fund via a sophisticated internet interface system called '*your clique*'. This enables your adviser to provide you with timely, effective investment advice.

TOWER Trust can quickly provide you with comprehensive up-to-date information on your Fund, including all Capital Gains Tax ('CGT') data.

The normal minimum initial investment required to establish a TOWER Trust SMSF is \$100,000.

<b>Service</b>	<b>Cost</b>	<b>Notes</b>
BAS (if required)	\$230 maximum	
Trust Deed amendment *	Nil	
Benefit Payments	Nil	
Actuarial Certificate – Allocated Pension	\$55 (valid for 3 years if assets are segregated)	
Actuarial Certificate - Complying Pension	\$55 pa plus \$55 pa annual actuarial fee	

### **Trust Deed:**

Minter Ellison is responsible for drafting and making amendments to the standard TOWER Trust Deed. It is not compulsory for clients to utilise the TOWER Trust deed.

The Trust Deed is flexible in estate planning matters. The deed allows an accumulation death benefit to be paid to dependents in the form of an allocated or complying pension. Binding trust law nominations are also catered for.

When the Trust Deed requires updating advisers are notified in writing of any deed amendments. There is no cost in having Trust Deeds updated.

\* Please note TOWER Trust does not support any changes to the non-standard (ie non TOWER Trust) SMS Trust Deed – the Trustees' are responsible for ensuring they are aware of any legislative changes that may affect their Deed.

### **Website:**

Tower Trust has quite a sophisticated web site for advisers and members called 'your clique'. The site address is <https://www.yourclique.com.au>.

Adviser access includes:

- Access to all client's accounts
- Client statements & reports produced on demand
- Certain investment transactions to TTA ie purchase unlisted asset, sell unlisted managed funds & fixed interest, withdrawals
- Download client data into Microsoft Excel
- Transactional data feeds into VisiPlan (available approx March 2004)
- Online trading facility via Sanford Securities
- Complying pension calculator
- Allocated Pension Calculator
- Performance reporting

- Investment strategy modelling
- Update client address details

Member access is at the discretion of the adviser.

The list below displays the queries that are available within each key functional area of 'your clique' website

#### Enquiry

- Account Detail Enquires including Name and Address Details, Financial Transaction Details, Asset Transaction Details, Current Assets for an Account, CGT Details, Investment Strategy for an Account, Simulate Buy/Sell Assets, Asset Detail Enquires, Asset Details, Contributors to an Asset, Share Company, History, Contributors to an Asset, Asset Price History, Common Fund Enquires, Common Fund Account Transactions, Common Fund Account Accruals, Common Fund Payout Amount, Rate Enquires, Trust Account Interest Rate, CPI Rates for CGT Purposes and Common Fund Rate Changes,

#### Reporting

- Adviser List Maintenance including Amend Adviser List, Create Adviser List and Create Adviser List by Adviser or Branch
- Client Statements including Portfolio Valuation Report, Income and Expense Summary, Cash Account Statement, Unrealised Gain/(Loss) Report, Summary of Receipts and Payments, Transaction Footnotes Summary, Summary of Assets Purchased or Sold, Tax Income and Expense Summary and CGT Sales Report
- Performance Report
- Account Detail Reports including Client Asset Schedule, Ledger Printout, Portfolio Valuation Report, CGT Sales Report and Backdated Transaction Report
- Asset Detail Reports including Asset History Report, Unit Trust History Report and Asset Price History Report.
- Branch and Adviser Reports including Accounts for an Adviser, Branch Cash and Asset Balance and Branch Assets by Group.

#### Downloads

- Account Detail Downloads including Account Name/Address Details, Asset Holding Details, Portfolio Valuation Details, Performance Details, Backdated Transaction Details, CGT Gain/(Loss) Details, Financial Transaction Details and Income and Expense Details
- Asset Detail Downloads including Contributors to an Asset

#### Update

- Client Contact Details including Instructions on Purchase Unlisted Asset, Sell Unlisted Managed Fund, Sell Unlisted Fixed Interest, and Forward Withdrawal Instruction
- Change Password

#### Complying Pension Calculator

This function enables advisers to produce adhoc pension quotes for clients as needed. Adviser can enter fund, client and pension information and the calculator will provide the initial pension figure and RBL value of the pension.

#### Allocated Pension Calculator

This calculator is designed to graphically represent the capital value of an Allocated Pension over time, based on client information that is entered into the system by the adviser.

#### Online Trading

This function links to the Sanford Securities' 'Virtual Broker' to enable you to trade your clients' listed securities online at discount brokerage rates. This site also provides equity research information.

#### Favourites

This function enables you to store up to 10 of the queries you most frequently use. Then each time you logon to 'your clique' you can work from your own customised menu within the Favourites area without having to navigate through the other functional areas.

#### Help

This function will provide Help on each 'your clique' query.

The following options are available from the Welcome page:

- your clique – to access the 'your clique' logon page
- Product Information – will enable you to download the TOWER Trust product brochures, guides and prospectuses
- Adviser Bulletins – will display the library of TOWER Trust Adviser Bulletins
- Press Releases – will display the library of TOWER press releases
- About TOWER Trust – will display information about TOWER Trust including Privacy disclosures
- Contact Us – to send an e-mail to your local TOWER Trust office

#### **Investments:**

The only investment restriction is written puts as TOWER Trust are unable to administer them.

### **Advisor Education:**

TOWER Trust can provide a speaker to present at Dealer Group conferences and Professional Development days on a variety of super related topics, such as legislative updates, super strategies, RBL & estate planning strategies. They can also provide more intensive one-on-one training with advisers if required, and provide a speaker if an adviser wishes to conduct client seminars.

At least once a year, advisers will receive an invitation to attend a half-day TOWER Trust Technical Workshop covering advanced super strategies. Advisers who attend are awarded CPD points. There is no additional charge for these services

Furthermore, Business Development Managers can assist in providing advisers with technical support on SMSF and SAFs. They are supported by an in-house technical team. TOWER Trust can and does assist with the formulation of financial planning strategies incorporating TOWER Trust super products and services.

### **Product Disclosure Statements**

New Product Disclosure Statements for the SMSF product are expected to be released in June 2004.

The procedures involved in transitioning SMSF accumulation clients into the pension phase include:

- Completion of a Self Managed Superannuation Fund Application Form (for Allocated or Complying Pension funds).
- Separate client file created and new sub-account set up.
- Calculation of the net fund value based on the ETP as at conversion (includes fund value less any deduction of tax liabilities, outstanding audit fees, APRA levies etc).
- Asset transfers and/or processing investment instructions for the pension account
- Calculation of pension benefits including group tax
- Set periodical payments for current year's selected pension and group tax, including arranging for the payment to be made to the client's nominated bank account (net of tax).
- Lodgement of RBL form with the ATO
- Correspondence to clients including covering letter, pension calculation and copy of RBL form.

## **AFS Licensing**

TOWER Trust has applied for the following AFS Licenses;

- a licence to advise in financial products,
- a licence to deal in financial products,
- a licence to operate a custodial service,
- a licence to operate registered managed investment schemes.