

# On the *money*

Issue 1, 2016



*Money* magazine's  
**Best of the Best**  
awards 2016

Your quick guide  
to super

A chat with  
**Giaan Rooney**



# Welcome to the first edition of **On the money** for 2016.

## Have you heard the big news?

CareSuper received three *Money* magazine awards for 2016. We were thrilled to be named the winner of the following categories:



Best Super Fund Manager



Best MySuper Fund for the  
Balanced option



Best Balanced Super Fund  
for the Balanced option

*Money* magazine noted that CareSuper ‘...has delivered outstanding returns on a net-of-fee basis’. The judges also mentioned CareSuper’s long-term investment performance as a key factor in the sought-after ‘Best Super Fund Manager’ category win. Head to page 6 for more information on the latest returns and how your super is invested.

## Making super easy for you

We want to make dealing with your super easier, especially managing your account online. The MemberOnline portal, where you can view and change your investment choices, access your account details and update your personal information, is regularly updated to improve your online experience. Go to [caresuper.com.au/register](http://caresuper.com.au/register) if you have not yet registered for your online account.



## Grow your super

Even though your retirement is probably a long way off, the best way to prepare for the day it finally arrives is to start planning early. If you’re able to make extra contributions to your super when you’re young, they’ll work much harder for you.

One of the easiest ways to improve your super situation is to make sure you’re not paying fees for multiple accounts. If you want to consolidate your super into CareSuper, you can do so online or over the phone. Go to [caresuper.com.au/maximisesuper](http://caresuper.com.au/maximisesuper) to find out more.

Also, take a look at the **Grow your super** calculator at [caresuper.com.au/supercalculators](http://caresuper.com.au/supercalculators) to find out how much difference extra contributions could make to your super.

We hope you enjoy this edition of **On the money**. If you have any questions or feedback, please email us at [admin@caresuper.com.au](mailto:admin@caresuper.com.au) or call us on 1300 360 149.

*Julie Lander*

**Julie Lander** | CareSuper CEO

## Contents

Issue 1, 2016

Your quick guide to how  
super works 04

Investment update 06

Giaan Rooney: Why I'm an  
ambassador for CareSuper 07



CareSuper is pleased to have been a supporter of the Mother's Day Classic since 2008.



Proud Major Sponsor



**SUNDAY 8 MAY 2016**

**Events held nationally**

**IT DOESN'T MATTER HOW  
YOU WALK OR RUN.  
IT JUST MATTERS WHY.**

Go to [mothersdayclassic.com.au](http://mothersdayclassic.com.au) to register

# your quick guide

# to how super works

Superannuation can seem tricky, but the nuts and bolts of it are actually pretty simple – and really worth getting your head around. Here's a quick 'how-it-works' guide to super:

## The employer bit

Generally, your employer contributes the equivalent of 9.5% of your salary into your super account. This is known as the Superannuation Guarantee contribution (SG), and it's required by law. In most cases, SG contributions are taxed at a rate of 15% which, if less than your marginal rate, makes super tax effective.

9.5%

## Investing your money

Your super fund invests your money for you so it can grow over your working life. Super funds generally invest in different 'types' of investments, like property and shares. This diversification helps reduce risk by spreading member's super across a range of investments that may all perform differently.

As a CareSuper member, unless you've made an investment choice, your super will be invested in CareSuper's default investment option – the Balanced (MySuper) option. You can choose from 12 different investment options as well as the Direct Investment option (for eligible members).



To find out more about your investment options go to [caresuper.com.au/investmentoptions](https://caresuper.com.au/investmentoptions).



## What you can do to help your super grow



If you've got more than one super account, combining your super is an easy way to stop paying extra fees and costs – which can save you money in the long run. But before you consolidate your super, consider whether this is the right option for you, whether any exit or other fees apply and the impact on any insurance you may have (including loss of insurance).

Not sure who's got your super? If you've got a MyGov account, you can see all of your super, and even consolidate it, just by linking to the ATO. You can also search for lost super at [caresuper.com.au/lostsuper](https://caresuper.com.au/lostsuper).

➔ Find out more about boosting your super at [caresuper.com.au/maximisesuper](https://caresuper.com.au/maximisesuper).

## Insurance through super



All default super funds must offer insurance, so you might want to check and see whether you're covered – and for what.

One of the benefits of having insurance through super is that your premiums are taken from your super account so they don't reduce your take-home pay. You can usually opt out of insurance if you want, but before you do you should consider whether this is right for you.

➔ Find out more about the insurance offered to CareSuper members at [caresuper.com.au/insurance](https://caresuper.com.au/insurance).

## A summary of super and tax\*



When your employer pays SG contributions into your super fund, or you make a pre-tax personal contribution (like salary sacrifice), this money is usually taxed at 15%. Depending on your salary, this 15% tax may be less than what you pay on your income.

For after-tax personal contributions (like direct debit), there's no 15% contributions tax as you've already paid tax on your income.

Once your super has been invested, earnings are also taxed at a concessional rate – usually 15%. This can make your super an effective way to save for the long term.

The best bit comes later on once you've retired. If you turn your super into an income through a pension product, earnings are all tax free and once you are aged 60, withdrawals are tax free too.

There are caps that apply to high levels of contributions so you should be aware of them, as exceeding them can mean you pay more tax.

## Like to find out more?

If you have questions about how super works, or if you'd like to talk to a professional about the investment options your super is invested in, assistance is available. CareSuper members have access to super-related advice over the phone at no extra charge from Industry Fund financial planners.\*\*

➔ Visit [caresuper.com.au/advice](https://caresuper.com.au/advice) to book a call back with a financial planner.

\* Please note that the tax information provided is a summary only.

The information provided is general advice only and has been prepared without taking into account your particular financial needs, circumstances and objectives. You should consider your own financial situation or needs and you may also wish to consult a licensed financial or taxation adviser.

\*\* Financial advice is offered through CareSuper's relationship with Industry Fund Services Limited (IFS), and is provided by an authorisation under the Australian financial services licence of IFS, ABN 54 007 016 195, AFSL 232514.

# Investment update



We're currently outperforming many other similar super funds, due to our defensive investment strategy

**Suzanne Branton**  
General Manager – Investments

## How is your super performing?

It has been a mixed start to 2016. Volatility in Australian and overseas share markets combined with falling oil prices and other factors have resulted in fairly flat economic growth in many key markets.

### What does this mean for you?

When it comes to the investment returns our members are likely to receive for the 2015/16 financial year, the results may not be as strong as they have been over the past few years. As a result of the volatile markets we're experiencing, many of our investment options are likely to produce more modest returns for the 12 months to 30 June 2016.

Even though our returns may not be as strong as recent years, we're currently outperforming many other similar super funds, due to our defensive investment strategy. Our Balanced option's return of 1.70% for the six months to 31 December 2015, is above the median Balanced option return of 1.20% for the same period,\* demonstrating that even in uncertain times, we deliver competitive returns to our members.



To view the returns for all CareSuper options, go to [caresuper.com.au/investments](http://caresuper.com.au/investments).

\* As measured by the SuperRatings Fund Crediting Rate Survey – Balanced (60 – 76) Index, December 2015

Past performance is not a reliable indicator of future performance and you should consider other factors before choosing a fund or changing your investments.

## Innovative super investments: Project Loon

One day, your super could help people in remote parts of the world access the internet via a network of hot air balloons.

Yes, you read that right.

Along with more traditional share investments, some of CareSuper's global share managers also invest in companies that do some pretty interesting work!

**Company:** Google Inc.  
**Sector:** Technology  
**Stock exchange:** NASDAQ (USA)  
**What:** Project Loon

Along with answering all our essential (and other) questions, Google is working on some intriguing futuristic projects – like Project Loon.

The goal of Project Loon is to deliver affordable internet access to people in remote and



developing areas using a network of balloons that float in the earth's stratosphere. The project uses stratospheric winds and software algorithms to work out the best location for the balloons, so Google can then transmit internet signals down to earth. The project is still in development, but it's likely to create even more demand for Google's products and services.

Image source: Google Loon – Launch event by iLighter at <https://www.flickr.com/photos/ilitephoto/9052643301/in/photostream/> under a Creative Commons Attribution Generic 2.0 license <https://creativecommons.org/licenses/by/2.0/deed.en>.



Giaan Rooney:

# Why I'm an ambassador for CareSuper

An Olympic swimmer and a super fund. It sounds a little like the opening line of a joke. So what exactly do these two things have in common?

'Plenty,' says Giaan Rooney, whose relationship with CareSuper began over five years ago when she came on board as brand ambassador for a campaign aimed at getting young members to care about their super.

'For starters, I've been contributing to super since I was 15 – so for more than half my life. Which makes me feel really old, but also makes me feel really positive about my financial future.

'I've also already retired once. When I gave up professional swimming at age 23, I had to start all over again. That's obviously not the same as stopping working forever, but I think when I retire for good I'll experience those feelings again – being a bit scared, but also looking forward to the next chapter.'

Has the relationship with CareSuper always felt like a natural fit?

'Definitely. Because I started earning money from swimming at a pretty young age, I also had to make some decisions about my super early on,' she explains. 'I've never regretted choosing to invest in my future.'

'I know there's a lot more to super than retirement – like insurance. I'm a pretty cautious person, so insurance is a big thing for me. It really gives me peace of mind knowing I'm covered for all situations, both inside and outside of super. The only thing I'm missing is pet insurance. I tried, but my dog's only got three legs and nobody will cover him!'

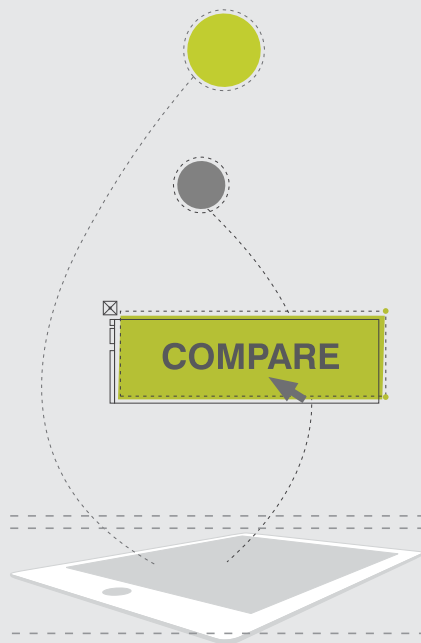
A regular at CareSuper young member events, Giaan will be missing in action for a few months when she heads to Rio as a commentator for the 2016 Summer Olympics.

'I can't wait. I'm really excited to see how all our Aussie athletes go – especially the swimmers, of course. The Olympics is such a huge event, it's going to be amazing.'

6 I've never regretted choosing to invest in my future. 9



# Compare your super and you could be better off



Go to [caresuper.com.au](http://caresuper.com.au)

'Compare' modelling provided by SuperRatings, commissioned by CareSuper. Outcomes will vary between individual funds. Past performance is not a reliable indicator of future performance and should never be the sole factor considered when selecting a fund. This advertisement contains general advice only. Consider CareSuper's PDS from the fund's website and your objectives, financial situation and needs, which are not accounted for in this information, before making an investment decision.



## Contact us

*call* CareSuperLine 1300 360 149  
*visit* [caresuper.com.au](http://caresuper.com.au)  
*email* [admin@caresuper.com.au](mailto:admin@caresuper.com.au)  
*write* CareSuper, Locked Bag 5087  
Parramatta NSW 2124

**Disclaimer:** This magazine has been prepared for general information purposes only and not as specific advice to any particular person. Any advice contained in this magazine does not take into account any particular person's objectives, financial situation or needs and you should read the applicable Product Disclosure Statement. You should consider the appropriateness of this advice, having regard to your own particular objectives, financial situation and needs before acting on any advice. You need to apply the concepts to your own situation before making an investment decision.

**CARE Super Pty Ltd (Trustee)**  
ABN 91 006 670 060 AFSL 235226  
**CARE Super (Fund)** ABN 98 172 275 725



FOREST MANAGEMENT



ENVIRONMENTAL  
MANAGEMENT SYSTEMS



CHLORINE FREE  
CERTIFICATION



CERTIFICATION



LASER GUARANTEED

Pacesetter Laser is 30% recycled, which is post-consumer waste. It is made from elemental chlorine free bleached pulp sourced from sustainably managed sources. It is manufactured by an ISO 14001 certified mill.