

# 10 points to check on your annual super fund statement

With investment markets remaining volatile and both inflation and interest rates rising, it's been a tough year for super fund investments.


That means many super fund members will be pretty eager to check out how their super is doing when their annual member statement appears in their inbox or mail.

Even when you're keen to read your annual statement, however, it can be hard to know what to make of it, as it's full of unfamiliar figures and terms.

But it's important to check at least a few key points to ensure your retirement plan is still on track. So, here is *SuperGuide's* 10-point list to help you make sense of your super statement.

## 1 Your personal details

- ☐ Verify the accuracy of your personal details to avoid problems later on.
- ☐ Ensure both your email and postal address are still correct.
- ☐ Verify your super fund has your tax file number (TFN) or you may pay extra tax. This is generally noted as 'supplied'. Without a TFN, your fund cannot accept personal super contributions from you.

 **Note:** Keep all your super statements and documents together in a safe place. This makes it easier to review how your retirement savings have grown over the years and track how your fund is performing over time.

## 2 Your account balance

- ☐ Check your account's opening and closing balance to see how much you had in your account at the start and the end of the financial year.
- ☐ Compare your account balances at 30 June over the past few years. Most funds show this on your annual statement.
- ☐ Understand the different components making up your account balance:

**Preserved:** Can be withdrawn if you satisfy a condition of release.




**Restricted non-preserved:** Can be withdrawn when you leave your employer or satisfy another condition of release. Usually only applies to contributions made prior to 1 July 1999.

**Unrestricted non-preserved:** Can be withdrawn at any time, but tax may apply.


 Learn the [age you can access your super](#).

 Read more about the different [components in your super account](#).

### 3 Your fees

- ☐ Check the fees listed on your statement. These usually include an **administration fee** (the cost of managing your account), which is split into:
    - a. Account keeping fee
    - b. Trustee operating cost fee.
  - ☐ The administration fee is usually a fixed fee (such as \$1 per week), a percentage of your account balance, or a mix of the two.
    - There will also be an **investment fee**, which is usually a percentage and is the costs involved in professionally managing the investments your super fund makes on your behalf. Your statement will also list an indirect cost ratio (ICR), which includes costs paid by the super fund to external investment managers. This varies depending on the investment option you have selected.
    - Some funds also charge an **investment switching fee** and **adviser service fee** (the cost of the advice provided by your financial adviser, if you have one).
    - Compare your annual fees with those of a similar super fund to check you aren't paying too much. Consider switching funds if you believe your fees are too high and not matched by superior returns.
-  Learn more about [super fund fees and charges](#).
-  Check out the [average fees for super funds](#).
-  Learn which super and pension funds have [the lowest fees](#).

### 4 Your insurance

- ☐ Check the insurance cover that comes as part of your super account and how much you're being charged for it.
  - ☐ If you don't have any insurance cover, think about whether you need it, as buying insurance protection through your super fund can be cost-effective.
    -  **Good to know:** The insurance premium listed on your member statement is not a fee.
- It covers the cost of the insurance – usually death and total and permanent disability (TPD) cover and possibly income protection – that comes as part of your fund membership.
- ☐ Review whether the amount of insurance provided by your super fund is at the right level for your personal circumstances. This is important if things have changed at home, such as the arrival of a new baby, or if you and your partner have separated.
  - ☐ Think about whether your current level of insurance protection would cover the regular bills or pay off your mortgage if something happened. It's sensible to review your insurance cover annually or as your financial circumstances change.

- ☐ Ensure you're not paying for insurance you don't need if you hold an insurance policy outside super. If you also have a death or TPD policy outside super, consider cancelling one to save some money.
- ☐ Check if you've lost your insurance cover because your account was inactive. Under the 2019 Protecting Your Super reforms, you may need to reapply for insurance if your account hasn't received any contributions during the past financial year.

 Learn more about the [Protecting Your Super reforms](#).

## **5 Your investment return**

- ☐ Check how your investment option has performed this year and how your investment return compares to its benchmark. If its performance is similar or better than its benchmark, the fund's investment team is doing its job.
- ☐ Consider whether your return expectations are reasonable. If you're unhappy with your investment return, compare it with returns for the broader investment market and with similar super funds.
- ☐ Many investment markets had a difficult year and turned in negative results due to a range of external factors such as the pandemic, war in the Ukraine and rising inflation in major economies. This means you need to be realistic about investment returns and what your super fund could achieve in that type of environment. Most super funds posted negative returns for 2021–22, so unless your fund's return was particularly bad, there may not be much to gain from shifting to another fund.

 Learn how to [benchmark your super fund](#).

 Find out how to [switch your investment option](#).




## **6 Your investment option**

- ☐ Check the investment option listed on your super statement. Each investment option has a different combination of assets such as Australian and international shares, property, fixed interest and cash.
- ☐ Think about whether your investment option (such as high growth, balanced, conservative or cash) reflects your current risk profile. Generally, younger fund members should have a higher allocation to growth assets, while members closer to retirement should lean towards a more defensive mix.
- ☐ Consider whether your investment option and level of risk are still appropriate for you, given the current economic conditions and investment environment. Although you may have felt comfortable taking more investment risks in the past, you may feel differently now given the uncertainty brought on by the COVID-19 pandemic and rising inflation.


 Learn about [your personal risk profile](#).

 Check out how risk profiles [affect your investment choices](#).




## 7 Your contributions and transactions

- ☐ Review the list of transactions for your super account during the year. Ensure it includes your employer's contributions and any personal contributions you made during the year. You should also check the fees and insurance premiums debited from your account.
- ☐ Check your employer put regular Superannuation Guarantee (SG) amounts into your super account. If their SG contributions are not listed, contact your employer or HR person immediately.
  -  Learn what to do if [your employer doesn't pay your super](#).
  -  **Need to know:** Your employer must make SG contributions into your super account **at least** four times a year. Some employers choose to make their super contributions more often. The **quarterly due dates** for these contributions are 28 January, 28 April, 28 July and 28 October each year.
- ☐ Check your employer paid your salary-sacrifice contributions into your super account if you set up a salary-sacrifice arrangement covering your pay for the most recent financial year.
- ☐ Ensure all your personal contributions, such as tax-deductible and non-concessional (after-tax) contributions, are listed on your statement.
- ☐ Check your personal contributions are listed as the right type of contribution (such as concessional or non-concessional).
  -  Read our [beginners guide to making super contributions](#).




## 8 Your beneficiaries

- ☐ Check the beneficiary, or beneficiaries, nominated to receive the balance of your super account and any insurance benefit if you die. If you've nominated a beneficiary, your annual statement usually notes either 'nominated', or the person's name if you've made a binding death benefit nomination.
- ☐ Remember to update your death benefit nomination if you have a new partner or have recently separated, so the right person gets your benefit if anything happens to you.
  -  Learn more about [death benefit nominations](#).

## 9 Your retirement plans

- ☐ Consider if your retirement is on track, given the information in your member statement. Many super funds now provide a projection of your likely account balance at retirement on your annual statement.
- ☐ Think about whether your current level of super contributions will take you to your retirement savings goal, or whether you will need to make additional contributions in the coming year to get there.
  -  Learn [how to plan for your retirement](#).
  -  Check out [how much super you need to retire](#).
  -  Learn about the [accuracy of retirement estimates](#).

## 10 Your satisfaction

- ☐ Review whether you're satisfied with your current super fund. Are the investment options it offers right for you? How does its customer service stack up? Is the education it offers, or the insurance cover you have, what you want or need?
- ☐ Consider whether you want to consolidate your retirement savings if you have multiple super accounts. Before making any decision, compare each super fund and ensure you check any exit fees and whether you can get the same insurance cover if you merge your existing accounts.
  -  Learn more about [your super fund](#).
  -  Check out our [7 steps for comparing super funds](#).
  -  Learn [how to find your lost super](#).