

**SMSF
WEEK
2020**
NOV 23-27



PROUDLY SUPPORTED BY:



The SMSF Association has retained Rice Warner to update its report prepared for the Australian Securities and Investments Commission (ASIC) in May 2013, Costs of Operating self managed super funds (SMSFs).

The research is based on both published fee structures and actual data from more than 100,000 SMSFs. It establishes the size at which an SMSF becomes viable.



SMSFs with \$200,000 or more are cost competitive with both Industry and Retail funds.



Fees (excluding statutory fees) have fallen over the past 7 years. Technology improves, competition improves!



The bulk of small SMSFs either grow quickly or are closed. SMSFs paying pensions are comparable to those accumulating funds.



The SMSF sector has delivered equivalent returns to those of the APRA sector since 2005 in both good years and bad years.

Comparison of annual costs of SMSFs (\$) - Accumulation accounts

Balance	SMSF Compliance Admin			SMSF Full Admin		
	Low	Mid	High	Low	Mid	High
\$50,000	\$1,189	\$1,689	\$2,453	\$1,514	\$2,134	\$3,074
\$100,000	\$1,190	\$1,690	\$2,454	\$1,515	\$2,135	\$3,075
\$150,000	\$1,191	\$1,691	\$2,455	\$1,516	\$2,136	\$3,076
\$200,000	\$1,193	\$1,693	\$2,457	\$1,518	\$2,138	\$3,078
\$250,000	\$1,194	\$1,694	\$2,458	\$1,519	\$2,139	\$3,079
\$300,000	\$1,196	\$1,696	\$2,460	\$1,521	\$2,141	\$3,081
\$400,000	\$1,199	\$1,699	\$2,463	\$1,524	\$2,144	\$3,084
\$500,000	\$1,203	\$1,703	\$2,467	\$1,528	\$2,148	\$3,088

SMSF Fee above range for Retail and Industry funds

SMSF Fee within range for Retail and Industry funds

SMSF Fee below range for Retail and Industry funds

>\$500,000 Balance
SMSFs are generally the cheapest alternative.

>\$250,000
SMSFs become the cheapest alternative provided the Trustees undertake some of the administration, or, if seeking full administration, choose one of the cheaper services.

>\$200,000
Competitive with both Industry and Retail funds even for full administration.

\$100,000-200,000
Are competitive with APRA regulated funds provided the Trustees use one of the cheaper service providers or undertake some of the administration themselves.

< \$100,000
Not cost-effective in comparison to a large superfund, unless the SMSF could grow within a reasonable time.

Find out more smsfconnect.com

Disclaimer: The information provided on this page has been taken from the Rice Warner research report 'Costs of Operating SMSFs 2020'. It does not take into account the personal objectives, financial situation or particular needs of any reader and should not therefore be relied upon to make financial decisions. The cost of managing an SMSF is only one of the factors that needs to be considered when deciding whether an SMSF is right for you. To find out more visit smsfconnect.com