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From:	Grow | Marinis Group
Sent:	Friday, 18 July 2014 12:58 PM
To:	Grow | Marinis Group
Subject:	Happy New Financial Year!

Dear Friends

Happy New financial year!

But what does that comment really mean?

Now is the time many of us turn our minds to our tax situation, if we are earning sufficient income outside of superannuation. It is my belief that no one should be paying more than legally required by the government. I recommend that if you are not already doing so, that you obtain qualified advice from an accountant and financial planner on whether you are eligible to reduce the tax you are required to pay.

Currently there is a great deal of 'fuzzy' commentary around superannuation. One of the most important points not being highlighted relates to the charges by selected providers for managing other people's money (in some cases charging up to 1.5% p.a. to do so!). Even the new "My Super" no frills product introduced by the Government costs users around 0.7% p.a. for what I believe is no more than a bank account style offering.

Most of you, as clients are now in fully functional funds that cost from around 0.4% p.a. to 0.7% p.a. depending on the construction of your investment portfolio. Over the long-term, the cost of the product really does matter when it comes to what you receive in your retirement.

Media commentators have tried in recent times to compare Australia's retirement structure with that of other countries. While it is great to consider the merits of separate systems, the difference in tax and social security structures means that they are not identical.

Recently I have been reading a great deal about what our cousins in Canada are doing in the Super space, I have come to the conclusion that here in Australia we are lucky. We started our superannuation system early; we have a robust (but not perfect) system, we are not dirt cheap and our system is very well regulated. In my view, every working Australian who owns their own home should be able to retire in dignity (provided they seek professional advice).

In conclusion, a topic which recently and continues to be the source of considerable ongoing media discussion is the Commonwealth Bank's 'two-handed retirement savings grab' which I am sure you are aware of. A corporate culture which allows its financial advisers to be rewarded for putting clients into unsuitable and inappropriate financial products, in my view is fully deserving of the condemnation and legal penalties which apply to such behaviour.

It is my long held opinion that a financial adviser should not be rewarded by the product provider, they should be paid by the client for advice, which is the model on which Marinis Financial Group has proudly operated on for many years.

As always, if you wish to discuss this edition of eGrow or any other matter with myself or another member of the Marinis Financial Group team, please do not hesitate to call us on 8130 5130.

Let's hope 2014/15 is a very happy financial year for us all!

Theo Marinis B.A, B.Ec, CPA, CFP®
Financial Strategist
Authorised Representative

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