

# MFMRF

Manildra Flour Mills Retirement Fund Pty Limited  
www.super.manildra.com.au

## Newsletter August 2022

Over the last quarter, global markets have continued to be highly volatile with increasing interest rates, surging inflation, the ongoing impact of the Russia/ Ukraine War, the continued financial implications of Covid for the supply-chain and workforce and predictions of an upcoming US recession. Unfortunately, this meant a direct hit to investment returns across the superannuation industry for FY2021-22. The Fund's Earning Rate for the year to 30 June 2022 is -4.5% p.a. for non-pension accounts and -3.7% p.a. for pension accounts. However, the Trustees remain focused on multi-year structural trends and resilient business models to navigate this wave of economic volatility.

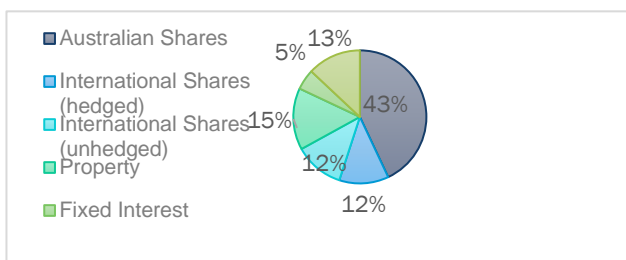
The 2022 Annual Report together with your Annual Member's Statement will be sent to you in late September / early October. We strongly recommend that you read this report and your benefit statement carefully so that you fully understand the operations and benefits of the Fund. Please note that we will be distributing these documents electronically. Therefore, please ensure that you provide our Fund Administrator with your preferred email address. Printed versions of the Annual Report and your Annual Member's Statement are available on request.

### Annual Investment performance:

The Fund's full-year return for the year ending 30 June 2022 was -4.5% p.a. The Fund has been directly impacted by the poorer performance of the share market compared to FY2020-21 when the Fund return was 23.3% p.a.

Annualised investment returns (after fees and taxes) to 30 June 2022	Fund Return
3 years	4.2%
5 years	6.2%
10 years	7.6%

### The Fund's asset allocation as at 30 June 2022 is as follows:



**Superannuation is a long-term investment. Past performance is not a reliable indicator of future performance. Markets go up and down and downturns are a normal part of the economic cycle. The returns shown are net of fees and taxes.**

**Your return may not be the same as the return shown. It will depend on whether you were a member for the entire period, any changes you have made and the timing of those changes. This is due to investment return fluctuations throughout the period.**

This document was prepared by Manildra Flour Mills Retirement Fund Pty Limited (ABN 74 065 680 195; AFSL 530609) the Trustee of the Manildra Flour Mills Retirement Fund (ABN 32 448 411 930; RSE Licence number L0003155;).

**Disclaimer:** This document does not take into account your financial situation, objectives or needs. No director of the Trustee nor any of its advisers are licensed to provide personal financial advice. Before making any decision about your superannuation, you should obtain advice from a licensed financial adviser, read the relevant Product Disclosure Statement and consider any relevant risk.

## Changes to Superannuation

### ***“Bring forward” contribution and work test***

From 1 July 2022, the age threshold for “bring forward” contributions that can be made by individuals widened from aged 66 and under to aged 75 and under **and** the work test no longer applies. This provides greater ability for older Australians to contribute to their retirement futures.

### ***Superannuation guarantee increases***

Prior to 1 July 2022, an individual earning less than \$450 per month was exempt from having superannuation guarantee contributions made on their behalf. For those on low wages or working casually, these were retirement savings denied to them. From 1 July 2022, this threshold was abolished. Employers are now required to make superannuation guarantee contributions irrespective of income earned.

### ***Downsizer contribution***

From 1 July 2022, further flexibility has been implemented to enable those aged 60 or older (previously aged 65 and older) to make a “downsizer” contribution. This means that if an individual aged 60 years or older sells their home (which must have been their main residence at some point) they can make a “downsizer” contribution of up to \$300,000 (or \$600,000 per couple). This type of contribution does not count towards the annual contribution caps, nor is there any work test or upper age cap applied.

### ***Extension of Minimum Pension Drawdown***

The temporary reduction to the minimum pension drawdown rates for all account-based pensions has been extended to 30 June 2023. That means that for existing pension or TTR members your payment rates will stay the same from 1 July 2022 for the next financial year unless you change your payment option or your balance runs out.

### **Preservation Age:**

Access to super benefits is generally restricted to members who have reached Preservation Age. Your Preservation Age ranges from 55 to 60, depending on your date of birth:

Date of birth	Preservation age (years)
Before 1 July 1960	55
1 July 1960- 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
After 30 June 1964	60

### **Contribution caps from 1 July 2022:**

Contributions	Limits
Concessional Contributions	\$27,500
Non-concessional contributions	\$110,000

From 1 July 2022, the minimum contribution paid by your employer has increased to 10.5% of your ordinary time earnings; it is scheduled to increase progressively to 12% by July 2025.

## Know your Administrator:

The Fund's Administrator is Peter May of PFS Consulting. PFS was established in 2001 and is an actuarial consulting firm that provides services to many superannuation funds, including corporate and industry funds and government funds as well as SMSFs.



### Peter May BSC FIAA

Peter May is an actuary who specialises in providing practical consulting advice to superannuation trustee boards and corporate clients on defined benefit funding, insurance arrangements, and investment. Peter has worked in financial services for over 30 years and qualified as an actuary in 1989. He has worked with PFS since 2002 having previously working as a consultant actuary for Palmer Gould Evans, Buck Consultants and AMP. Peter has been providing Administration and Actuarial services to MFMRF since 2004. His other interests include golf, travel (though not much recently) and, as a glutton for punishment, a Wests Tigers supporter.

## Retirement Incomes Covenant:

Effective from 1 July 2022, the retirement incomes covenant has been introduced to the Superannuation Industry Supervision Act 1993 (SIS Act). This requires all superfunds to create a strategy which identifies the retirement needs of its members and develop a plan to service those needs.

The MFMRF's strategy sets out how we plan to:

- Offer members a pension product that will assist members to have a comfortable lifestyle in retirement that meet their expectations;
- Provide resources to members to assist in retirement planning; and
- Provide information to members so that they can gain confidence on how retirement income can be accessed.

A copy of MFMRF's Retirement Incomes Covenant is available on our website under *Policies*.

## The ASFA Comfortable Standard

health, vitality and connection in retirement

Find out the minimum annual cost of a comfortable retirement in Australia.

[www.superannuation.asn.au](http://www.superannuation.asn.au)



**Find out your super balance at retirement:**  
[Superannuation Calculator](#)

### Have you provided us with your preferred email address?

If not, please advise the Fund Administrator at:  
[petermay@pfsconsulting.com.au](mailto:petermay@pfsconsulting.com.au).

### Member's Outcomes Assessment

Please note that a summary of the annual outcomes assessment is available on the website from the end of December each year.

### For more information about the Fund

Refer to [www.super.manildra.com.au](http://www.super.manildra.com.au) for more information about the Fund, relevant forms, PDS and notices.