

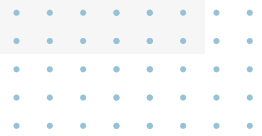
# How Much is Enough?



**MODORAS**  
Financial Performance Group  
above the line

## How Much Will Retirement Cost You?

Some hope for the best rather than plan for the best. But with professional advice, retirement is just the beginning.



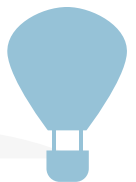
## How much do you need?

Start with a ballpark calculation of your retirement needs. One rough rule of thumb is that you can retire comfortably on about 75% of your pre-retirement income. Another is that every \$100,000 invested may provide a sustainable \$5,000 per annum in income (**if the minimum return is 5%**). This, of course, is dependent on the amount of income generated from the underlying assets that the \$100,000 is invested in.

According to the Association of Superannuation Funds of Australia (ASFA), for a comfortable lifestyle, a single person would require \$43,601pa and \$61,522pa for couples. While these figures may change over time, they allow a ballpark idea of how much you may need in retirement.

The average super balance of men aged 60 to 64 is \$270,710 and for women of the same age, the average is only \$157,050.

Because Australian women live several years longer on average and may take time away from work for pregnancy or childcare, they need significantly more savings to sustain an equally comfortable retirement.



**\$270,710**

super balance for men

**\$157,050**

super balance for women



### Sources:

ASFA Superannuation Statistics May 2019. 2. Australian Bureau of Statistics Retirement and Retirement Intentions, July 2016 to June 2017 3. ASFA Retirement Standard 2019

The average super balance for at age of 60 to 64

## Will you fall short?

If you are an employee, your employer will contribute 9.5%pa into your super fund. A salary of say \$100,000pa will provide net contributions of about \$8,075pa (after superannuation contributions tax of 15%). If you are an employer, you too will benefit from paying yourself super. Assuming that all funds are in super and no other assets are considered, projections indicate that a person wishing to retire comfortably at the age of 63 would need approximately \$800,000 without relying on additional Government payments\*.

## How to close the gap?

There is a wide spectrum of solutions to close a super savings gap. If you would like to find out more about how you may dramatically increase your superannuation nest egg using tax-effective investment strategies, take advantage of our complimentary initial consultation with a Modoras Adviser. From maximising your super contribution cap to salary sacrificing and contribution splitting (just to name a few) treat yourself to peace of mind knowing you are on track to bridge your super savings gap.

### **The good news is, the sooner you start... the more you may have!**

\*Calculations assume all funds are in Super and no other assets are considered. Projections assume no income from Government payments and projections are calculated based on life expectancy of age 84.

**Need more information?  
Contact us today: 1300 888 803  
Email: [info@modoras.com](mailto:info@modoras.com)  
Website: [www.modoras.com](http://www.modoras.com)**



**IMPORTANT INFORMATION:** This fact sheet has been prepared Modoras Pty. Ltd. ABN 86 068 034 908 an Australian Financial Services and Credit Licences (No. 233209) located at Level 3, 50-56 Sanders St, Upper Mt Gravatt Q 4122. The information and opinions contained in this fact sheet are general information only and is not intended to represent specific personal advice (Accounting, taxation, financial, insurance or credit). No individuals personal circumstances have been taken into consideration for the preparation of this material. Any individual making an investment decision should make their own assessment taking into account their own particular circumstances. The information and opinions herein do not constitute any recommendation to purchase, sell or hold any particular investment. Modoras Pty. Ltd. and associated entities recommends that no financial product or financial service be acquired or disposed of or financial strategy adopted without you first obtaining professional personal financial advice suitable and appropriate to your own personal needs, objectives, goals and circumstances. Information, forecasts and opinions contained in this fact sheet can change without notice. Modoras Pty. Ltd. and associated entities does not guarantee the accuracy of the information at any particular time. Although care has been exercised in compiling the information contained within, Modoras Pty. Ltd. and associated entities does not warrant that the articles within are free from errors, inaccuracies or omissions. To the extent permissible by law, neither Modoras Pty. Ltd. and associated entities, nor their employees, representatives or agents (including associated and affiliated companies) accept liability for loss or damages incurred as a result of a person acting in reliance of this publication.