

How will the Federal Budget affect you?

The 2016/17 Federal Budget has put the superannuation system into the spotlight. Here are some of the proposed changes that may affect you.

Transition to Retirement (TTR) changes

Unlike a super account, the investment income you earn on the balance in your TTR account is currently free from tax. Under the 2016/17 Federal Budget, however, the government proposes to remove the tax-exempt status of income earned in your TTR account and instead apply the concessional tax rate of 15%. The change will apply from 1 July 2017 irrespective of when your TTR account was opened.

Concessional (before-tax) contributions cap cut to \$25,000

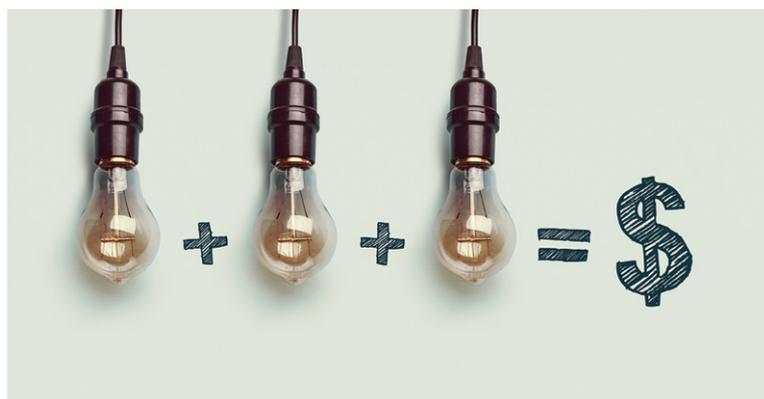
From 1 July 2017, the annual concessional contributions cap will be reduced to \$25,000 for all individuals regardless of age.

Removal of the super contribution work test for over-65s

Currently, if you're over 65 you must satisfy a work test before making any personal contributions to your super. The government proposes to remove this work test and allow all individuals under 75 to claim tax deductions for personal super contributions regardless of their employment circumstances.

Low-income spouse tax offset income threshold to be increased

From 1 July 2017, the 18% tax offset of up to \$540 will be available to any individual, whether married or de facto, who makes a super contribution on behalf of a spouse under age 75 earning up to \$37,000. This is an increase from the current threshold of \$10,800.



We're here to help

It's important to remember that these budget changes aren't set in stone – they're subject to the result of the upcoming federal election and being legislated and passed through parliament.

However, if you're unsure about how the changes might affect you or would like some financial advice, call us on **1300 130 380** and speak to one of our qualified financial advisers. They're available to answer any questions you may have, and to help guide you on your financial journey into retirement.

Our advisers don't receive any commissions and will always be acting in your best interests. You can speak to an adviser over the phone, or arrange a face-to-face consultation.

For a more detailed summary of these changes and more, visit lucrf.com.au/news.

Are you from a non-English speaking background?

Chances are we can speak to you in your native language.

Our qualified financial advisers are fluent in:

Hindi, Cantonese and Mandarin.

Our contact centre team (for general enquiries) can speak:

French, Greek, Gujarati, Hindi, Kinyarwanda, Kirundi, Mandarin, Portuguese, Punjabi, Sinhalese and Tamil.

Call us on **1300 130 780**.

Bruce Djite

Adelaide United striker and LUCRF Super member

We're proud to share our recent Q&A with Bruce Djite, striker for the 2016 A-League champions, Adelaide United.

Bruce Djite was born in Washington, D.C., United States and moved to Sydney with his parents and two brothers in 1990.

Djite has always been adamant that he wanted to play football for Australia, even though he is eligible to play for Ivory Coast (where his father was born), Togo (where his mother was born) and the USA.

Djite is known on the field as a fast, tall and powerful striker. He was a key contributor in the Olyroos' qualification for the 2008 Beijing Olympic Games and played his debut for the Socceroos the same year.

Djite is known off the field for his intellect and involvement as an ambassador for a number of charities. He has been a member of LUCRF Super since 2011.

Bruce, what did winning the 2016 A-League grand final mean to you?

It was the biggest moment in my sporting career!

When did your passion for football begin?

When I was six I went to school in the Ivory Coast. Everyone was playing football and so I just joined in. I enjoyed it from day one and have kept playing ever since.

Who do you see as the ultimate player?

Probably Messi overall. Cristiano Ronaldo is also unbelievable, but he makes the game look like work, whereas Messi looks absolutely naturally gifted. Messi is a magician.



What would you like to say to a younger aspiring footballer?

Make sure you keep enjoying it and concentrate on improving your game at every training session. As long as you do that, you may become a high-level player.

When you're not playing football what are you up to?

I'm currently doing a Bachelor of Business and assessing businesses for investment opportunities.

Are you preparing for life after sport, and if so how?

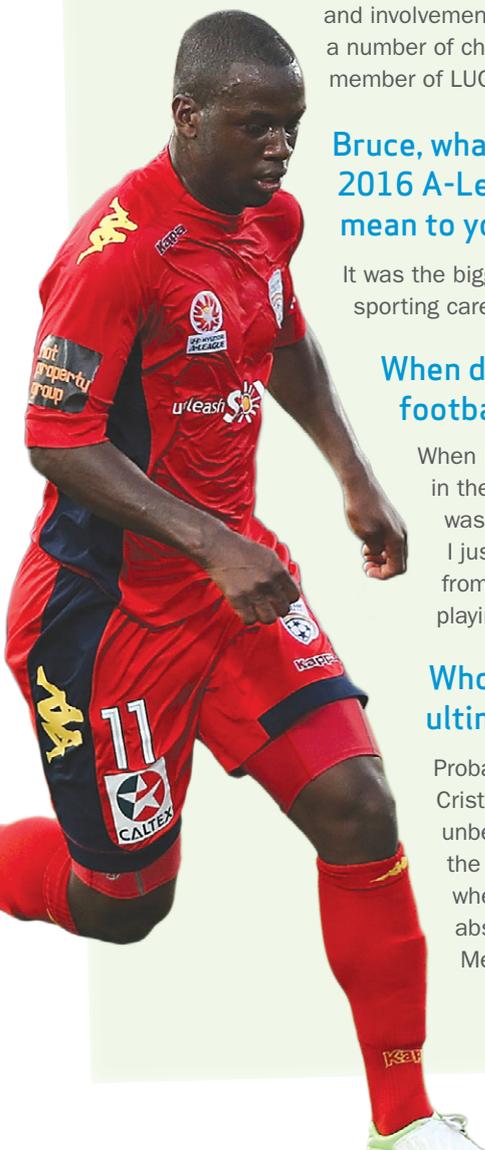
I'm preparing through finishing my university degree but also through networking with a lot of people in the business and political worlds. I have made many good friends in both these areas through football.

What's your experience been like with LUCRF Super?

I was previously with a retail super fund and I moved to LUCRF Super in 2011. I find the choice of investment options is broad enough to suit my needs. They do a good job in taking care of my super.

LUCRF Super is proud to be the major partner of Professional Footballers Australia. Find out more at lucrf.com.au.

We would like to congratulate Bruce and the rest of the Adelaide United team on their 2016 A-League Grand Final win over the Western Sydney Wanderers.



Riding the investment roller coaster

So far this year, growth assets such as shares have been trading in a wide and volatile range.

As such, investors have been taken on a roller-coaster ride, first down through January and mid-February and then up.

These market fluctuations reflect the tug of war between concerns that the global economy might be weakening and the attempts of central banks around the world to stimulate their economies by keeping interest rates low.

Consequently, it's hard to predict the performance of financial markets over the short term and markets are likely to continue to be volatile. Much will depend on the policy responses by the biggest contributors to the global economy such as China, Japan, the European Union and the United States.

So what should members close to retirement do?

It's understandable that members who are close to retirement are concerned by market volatility. So, we're here to help.

Success Story

Super-savvy Margaret paved the way to her own well-deserved retirement.

Margaret Story's canny understanding of the financial landscape led her to start a TTR strategy. She's now well-placed to enjoy a healthy, happy retirement.

Margaret spent much of her working life in financial services. When she became a member of LUCRF Super in the 1990s, she was working as a bookkeeper for an accounting firm. Just before she retired, she was employed by a multinational loss-adjusting company as a bookkeeper in their head office's finance department.



Margaret can also look forward to spending quality time with her grandchildren (seven at last count with the most recent born in February this year) and broadening her love of travel by exploring northern Australia, Africa, China and Europe.

"I like to travel for the scenery rather than the cities," she says, adding, "That said, I loved the European cathedrals with their stained glass and pipe organs."

"Over all that time, investments have been up and down everywhere. But I have noticed that LUCRF Super has managed this well."

As part of her TTR strategy, Margaret began sacrificing a substantial amount of her salary into her accumulation fund. By the time she'd entered retirement, her account had grown significantly. The timing was ideal, as she explains: "When I decided to retire, it felt right and it's turned out well. It was at a time when I knew that I could still get out and enjoy my life with mobility and good health."

Our long-term returns (Pension)			
Option name	Financial year to date*	3 year^	5 year^
Balanced	2.10%	8.13%	8.20%
Conservative	3.11%	5.55%	6.39%
Moderate	3.26%	6.86%	7.45%
Targeted Return	3.37%	6.15%	N/A#
High Growth	2.56%	9.55%	9.40%
Cash	2.04%	2.73%	3.43%
Property	19.00%	13.70%	15.51%
Indexed Shares	3.12%	12.08%	10.76%
Australian Shares	4.98%	6.58%	7.60%
International Shares	-5.46%	13.15%	11.73%

*From 01/07/2015 to 16/05/2016. ^As at 30 April. Returns are net of fees and taxes. Past performance is not a reliable indicator of future investment returns.

#Targeted Return was introduced on 1 Nov. 2012.

Our fully qualified financial advisers can help you find the investment option that best suits your own personal circumstances. Simply call us on **1300 130 780**.

Margaret continues an up-beat routine that includes aerobics, Nordic walking and Pilates through her local University of the Third Age (USA), a non-profit group run entirely by volunteers offering a huge range of courses and activities.

"Now that I've retired," Margaret laughs, "I've realised that I really don't know how I ever found time to go to work!"

All of us at LUCRF Super wish you the very best in your retirement, Margaret. May you journey with good health and happiness.

Doing our bit for breast cancer research



For the second consecutive year, LUCRF Super proudly sponsored the Mother's Day Classic.

On Sunday 8 May, we sponsored the trophies for the fastest females in this year's 8km Mother's Day Classic runs held in Melbourne and Geelong. In addition, some of our staff members helped raise funds and build awareness for breast cancer by participating in the annual event.

Our payroll and accounts officer, Christine Dimitros, and her husband, Paul, took part in the fun run hot on the heels of completing the gruelling 100km Oxfam Trailwalker challenge. They trekked from Glen Waverley's Jells Park to Warburton's Wesburn Park, Victoria, in less than 48 hours.

Finishing the walk sore but not sorry, the two teamed up again to participate in the 8km fun run in Melbourne.

"I didn't expect to bring home a trophy, but I didn't go in it to win," Christine said. "I did it for the fitness, the enjoyment and the fact that I'm supporting a great cause."

Held on Mother's Day each year, the Mother's Day Classic is a fun, healthy and inspirational event that brings the community together to support and remember those touched by breast cancer. Missed the event? It's not too late to donate. Visit mothersdayclassic.com.au.



An update from the LUCRF Community Partnership Trust

The LUCRF Community Partnership Trust (CPT) identifies and supports worthy causes that provide important services to people within the communities in which our members live and work. We're proud to share one of our most recent partnerships.

Emerging Pacific Youth Leadership Program

South West Multicultural and Community Centre (SWMACC) is a charitable organisation providing services in the local government area of Campbelltown, NSW. They support people from culturally and linguistically diverse backgrounds, particularly those from Pacific Island communities, who are socially and financially disadvantaged.

The CPT is supporting the SWMACC's Emerging Pacific Youth Leadership Program (EPYLP) to empower and educate emerging leaders through forums, workshops and training, and help them make a positive impact on the world.

Selwyn's story

When Selwyn joined the EPYLP, he was working part-time as a labourer. His passion was community work but he had no qualifications in this field. Since participating in the EPYLP, Selwyn has completed his Certificate IV in Community Services and is now employed by the Department of Education.

As the founder of the #FistsDown social media campaign, Selwyn inspires youths to put a stop to organised fights and brawls. He was invited to present the campaign to Multicultural NSW and is now working towards getting the #FistsDown campaign into schools.

Contact us
1300 130 780
lucrf.com.au



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