

# Guide for SMSFs and retirement



How we help you take control

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# Maximising the SMSF advantage

## Stay compliant, reduce costs and plan with confidence

At Bronson Financial Services, we help Australians take control of their superannuation through tailored, low cost Self Managed Super Funds (SMSFs). Our clients are typically professionals, business owners, pre retirees and retirees with \$750,000 or more in superannuation who want more than generic advice.

Founded more than two decades ago by Paul Bronson, a Certified Financial Planner®, MBA and SMSF Specialist Adviser, Bronson Financial Services has built a reputation for simplifying the complexities of SMSFs through expert guidance, education first support and transparent investment strategies.

This guide explains the fundamentals of SMSFs, the key risks and responsibilities and how Bronson Financial Services delivers a structured, specialist approach that fully supports trustees. Whether you're managing an existing fund or considering starting one, this guide is designed to give you the insight and confidence to move forward with peace of mind.

“Their SMSF process gave us confidence from day one. Their SMSF expertise means every decision is backed by Paul’s experience and tailored to our needs”.

DS, Brisbane



# Understanding SMSFs

An SMSF is a way of saving for retirement that gives you full control over how your retirement savings are invested.

Unlike industry or retail super funds, where investment decisions are made by fund managers, SMSF members are the trustees, making all decisions about the fund's investments, strategy and compliance.

Many Australians are drawn to SMSFs for the greater control, investment flexibility and tax planning opportunities they offer. SMSFs can invest in a wide range of assets, including Exchange Traded Funds (ETFs), direct shares, property and even collectibles (within rules).

For families, SMSFs can also serve as pooled wealth vehicles; allowing spouses or family members to combine balances and align strategies.

However, with that freedom comes responsibility. Trustees are legally accountable for the fund's compliance; including maintaining an up to date investment strategy; lodging annual returns; and ensuring the fund is operated solely for the purpose of providing retirement benefits. If something goes wrong, even if caused by a third party, the trustee is ultimately liable.

For these reasons, SMSFs are generally best suited to individuals or couples who have sufficient superannuation to justify the ongoing costs and responsibilities of running a fund, a long-term commitment to active engagement and the desire to take ownership of their financial future.

**At Bronson Financial Services, we help SMSF trustees manage these responsibilities with confidence, using structured advice and education to guide every step.**

“Paul guided us through every step of setting up our SMSF, from the trust deed to investment strategy. His plain English advice gave us the confidence to take control of our super using an SMSF”.

M and A, Wellington Point



# Benefits of an SMSF

Self Managed Superannuation Funds provide a number of advantages over traditional industry or retail superannuation funds. For the right individuals, they offer a more hands on, cost efficient and strategic approach to managing retirement wealth.

## Greater control

As a trustee, you decide how and when your superannuation is invested. SMSFs allow access to a wider range of investments, including direct property, listed shares (Australian and international), term deposits, fixed interest and more; giving you the ability to tailor your investment strategy to your goals.

## Flexibility

SMSFs provide greater flexibility in making strategic financial decisions, especially around the timing of transactions that may impact tax or estate planning outcomes. They also support unique features such as in specie transfers, allowing assets like ASX listed shares or commercial property to be transferred into the fund instead of cash; subject to compliance with super laws.

## Cost efficiency

SMSFs often become more cost effective as your super balance grows. Most fees, such as accounting, audit and compliance are fixed, meaning larger balances benefit from lower proportional costs. Pooling funds with other members (e.g. spouse or family) can further increase this efficiency and spread costs.

ETFs offer a low cost way to build a diversified investment portfolio, with most charging lower management fees compared to actively managed funds. By holding ETFs directly through the SMSF, our clients also avoid expensive platform fees, keeping more of their super invested and compounding over time.

## Tax advantages

Like all superannuation funds, SMSFs benefit from concessional tax treatment:

- In the accumulation phase, investment earnings are taxed at just 15%.
- In the pension phase, earnings (including capital gains) are generally tax free once you meet the relevant retirement conditions.

“We established our SMSF with Bronson Financial Services to reduce investment costs and take full control of our portfolio. Their low cost ETF model has delivered significant annual savings and complete transparency across our holdings”.

M and N Ascot

Note, while these benefits appeal to many people saving for retirement, there are a number of issues and risks associated with SMSFs that you need to consider before deciding whether an SMSF is right for you.

Remember that you can have investment choice within the relative ‘safety’ of a retail or industry superannuation fund, so it’s worth considering whether this may be a better option before deciding to set up your own SMSF.

Bronson Financial Services provides clear, structured guidance to help you decide whether an SMSF is the right fit.



# Key risks and compliance issues

While SMSFs offer flexibility and control, they also come with strict legal responsibilities.

Many trustees underestimate the importance of ongoing compliance, strategic oversight and professional review, until issues arise.

## 1. Regulatory red flags

SMSF trustees must comply with a range of ATO and Superannuation Industry (Supervision) Act (SIS Act) requirements. Common breaches include:

- Outdated or missing investment strategies, which violate SIS Regulation 4.09 and can lead to ATO penalties.
- Residency issues, where central management and control are exercised offshore, risking the fund's concessional tax status.
- Poor record keeping or late lodgement, which increase audit scrutiny and may trigger penalties or disqualification.

“Our SMSF hadn't updated its investment strategy in years. We didn't realise this was a problem until Paul explained the potential penalties.

They created a clear, compliant plan aligned to our goals, giving us confidence and erasing our concerns about not meeting our legal obligations”.

D and V Condong

## 2. Financial inefficiencies and hidden costs

Without regular review, SMSFs may:

- Pay unnecessary platform or wrap fees that erode long term returns.
- Hold excess cash, missing opportunities for franking credits or market growth.
- Incur duplicate administration fees due to multiple bank or broker accounts.

“In our SMSF we were sitting on too much cash, missing out on growth. Paul built us a diversified ETF portfolio that keeps risk in check while our retirement savings grow”.

J and S Parkinson

## 3. Strategic blind spots

SMSFs that “set and forget” are at risk of being caught out by policy changes or poor succession planning. For example:

- Recent legislative proposals revised Division 296 to tax realised earnings on an indexed \$3 million threshold at 15% with an additional 10% applying above \$10 million.
- Outdated estate planning or binding death benefit nominations can create legal disputes or unwanted tax outcomes for beneficiaries.

## Case study: Compliance rescue

One SMSF trustee approached Bronson Financial Services with a compliance concern around a binding death benefit nomination. Upon review, we discovered a deeper issue; interest payments on a related party loan had not been adjusted for two years. This exposed the fund to the risk of non arm's length income being taxed at 45%. The issue had been missed by both the accountant and auditor. We guided the trustee to a new accountant, rectified the issue and restored compliance; avoiding potentially severe ATO consequences.

At Bronson Financial Services, we proactively manage compliance risks so our clients can focus on retirement and not red tape.



# The Bronson Financial Services difference

At Bronson Financial Services, we believe SMSFs should be clear, cost effective and confidently managed. Our approach is built on deep SMSF expertise, transparent low fee investing and a personal commitment to your long term success.

## SMSF specialists, not generalists

SMSFs aren't just one of many services we offer; they are our core specialty. Led by Paul Bronson CFP®, MBA and SMSF Specialist Adviser, Bronson Financial Services provides structured, compliance first advice tailored to each client's goals, risk profile and life stage.

## ETF centric investment model

We build SMSF portfolios using low cost, index based Exchange Traded Funds (ETFs), held directly (HIN) on the CHESS sub register – not through expensive platforms. This delivers:

- No platform or wrap fees
- Lower management costs
- Full ownership transparency (HIN)
- Investment liquidity – all funds can be sold over the ASX and settled within T+2 time frame
- Efficient franking credit capture.

This simple, efficient model ensures more of your money stays invested and working toward your retirement.

“Bronson's ETF approach is easy to understand. It gives us lower costs, greater transparency and straight forward reporting. We can see how our super is in place to support our retirement”.

F and F, Brisbane

## SMSF cash flow modelling

Unique to Bronson Financial Services is our SMSF cash flow modelling service that shows clients how their retirement income and expenses play out over time.

With twice yearly reviews, we adjust for legislative and compliance changes, life events and market shifts; giving clients clarity and confidence year after year that their retirement is being managed to achieve their goals.

“We used to worry if our retirement savings would last long enough. With Bronson's cash flow modelling and annual reviews, we know exactly what we can spend and enjoy our retirement without the fear of running out. Most importantly, we now have peace of mind knowing our financial future is secure and well managed”.

P and L, Balmoral

## Compliance and strategy oversight

From ensuring your investment strategy meets SIS Reg 4.09 to reviewing trustee documentation and audit readiness, Bronson Financial Services keeps your SMSF structured and compliant. We manage the details, so you don't have to.

## Education and empowerment

We don't just manage your SMSF; we help you understand it. Whether you're curious about ETFs, franking credits, contribution limits, or tax changes, we explain your options in plain English so you can make informed decisions with confidence.

## Twice yearly reviews that evolve with you

Our service is not “set and forget”. Each year, we meet with clients to:

- Review cash flow and income strategy
- Update investment allocations
- Address new legislation or family needs
- Ensure your fund stays aligned with your retirement goals.

Bronson Financial Services gives clients more than technical advice. We provide a long term partnership built on trust, transparency and peace of mind.

“After selling our business, Paul showed us how to maximise our super contributions and invest tax effectively. He simplified everything so we could focus on life after the business, knowing our future was secure”.

R and L, Warwick

# Proprietary SMSF advice process

At Bronson Financial Services, we follow a proven, structured process designed to give SMSF trustees clarity, confidence and control. Our 7 step proprietary process consists of:

1. Defining goals and risk profiling
2. Reviewing of current structure and compliance
3. Strategic asset allocation
4. ETF selection and implementation
5. Cash flow modelling and scenario testing
6. Ongoing monitoring and reporting
7. Review and refinement

This step by step process combines a proven approach, cost effective investing and proactive support; so, your fund stays aligned with your goals, funds your retirement and is compliant.

## Step 1: Define objectives and risk profile

We begin by understanding what matters most to you. Is your goal capital growth, stable income, or wealth preservation? We assess both your financial goals and emotional tolerance for risk, using a combination of quantitative tools and real life scenario discussions. This ensures your investment strategy suits your timeline, lifestyle and comfort with market fluctuations.

## Step 2: Review current position and compliance

We complete a full review of your current position:

- Map out existing assets, liabilities and cash flows.
- Review all SMSF documents and Investment Strategies to ensure all are still relevant and compliant.
- Portfolio structure and performance to ensure current asset allocation matches the investment strategy.
- Fees and hidden costs.
- Documentation, compliance and ATO registrations.
- Investment strategy health check (e.g. SIS Reg 4.09 compliance).

This step often uncovers existing SMSF inefficiencies such as overexposure to cash, outdated strategies or platform fees that can be eliminated.



## Step 3: Establish strategic asset allocation

With your goals and risk profile clear, we create a strategic mix of growth and defensive assets. We ensure the allocation is:

- Diversified across asset classes (equities, bonds, alternatives).
- Align to risk profile and investment horizon.
- Structured to handle market volatility.
- Flexible enough to adjust with your life changes.

This framework helps prevent emotional, reactive decisions – keeping you on track through market cycles.

## Step 4: Select investment vehicles

Our investment engine is built on directly held, low cost ETFs:

- ETFs offer transparency, liquidity and ultra low fees (often under 0.10% p.a.).
- No need for expensive wrap platforms as your fund owns the ETFs directly via a Holder Identification Number (HIN).
- You retain full visibility over every investment and franking credit.

We also integrate Xplan reporting to deliver clean, automated portfolio insights to both you and your accountant.



## Step 5: Stress test and scenario model

We test your strategy against simulations for:

- Market downturns.
- Interest rate shocks.
- Sector specific risks and rotations.

This helps you understand how your fund would perform under pressure—and gives you peace of mind that your strategy is robust, not just optimistic.

## Step 6: Implement and monitor

We implement the new portfolio in phases if needed, tracking costs and tax impacts. Ongoing monitoring includes:

- Semi-annual performance reviews.
- Rebalancing when needed (without disrupting your long term plan).
- Adjusting based on economic shifts, pension requirements, or changes in your goals.

## Step 7: Review and refine

Our service includes twice yearly strategy reviews, where we revisit your income needs, risk profile, upcoming expenses (like travel or renovations) and regulatory updates. This ensures:

- You stay compliant.
- Your drawdowns remain sustainable (i.e. will fund your retirement).
- Your fund evolves with your life.

With each step, Bronson Financial Services keeps your SMSF structured, compliant and purpose driven.

You gain the confidence of knowing there's a clear plan in place; and a trusted partner guiding you every year.

# Client case studies

## Cash flow confidence and planning retirement with structure

A couple approaching retirement came to Bronson Financial Services unsure whether their superannuation would provide the income they needed for their lifestyle. They had no clear view of their future expenses and their SMSF was heavily concentrated in one asset.

We conducted a cash flow modelling review, mapping out their income needs, including travel, home renovations and living costs; and tested these against their portfolio. The analysis showed that their single asset fund could not sustainably generate the pension income required.

By diversifying their SMSF into a more liquid, ETF based portfolio and creating an updated investment strategy, we gave them a structured, realistic retirement plan. The couple gained confidence knowing exactly what income their super could provide and clarity on how long it would last. This turned uncertainty into peace of mind.

“Before Bronson Financial Services, we had no clear idea of our retirement budget. Their cash flow modelling showed us exactly how our super could support our lifestyle, year after year”.

T and H, Hope Island

“We didn’t realise how risky our SMSF’s record keeping was until Paul reviewed it. Now everything is in order and we’re confident we’ll pass any audit”.

R and L, Hope Island

## Fee reduction and portfolio rebuild, \$20,000+ in platform savings

Two SMSF trustees approached us with concerns about underperformance. On review, we found their assets were held through a retail wrap platform that was costing them \$21,587 per year in fees; far more than the value being delivered.

We transitioned their fund to a direct ETF portfolio directly held (HIN) on the CHESS sub register, cutting out unnecessary platform costs while aligning the portfolio to their true risk profile. Their ongoing investment costs fell to just over \$3,000 annually – a saving of more than \$18,000 per year.

By eliminating hidden fees and building a transparent, cost effective portfolio, we significantly improved their long-term retirement outcomes. Every dollar saved now stays in their fund, compounding toward their retirement goals.



# Clients we work with

Bronson Financial Services advises clients who value clarity, structure and long term guidance. We focus on individuals and families who want more than generic advice. They want a specialist who understands the complexities of SMSFs and retirement planning.

## Existing SMSF trustees who are overexposed to cash or lacking compliance

Many SMSFs are left sitting in cash, missing growth opportunities and risking compliance issues.

We help trustees restructure their portfolios with cost effective, diversified ETF strategies while ensuring their fund meets all regulatory requirements.

## Individuals and families wanting to set up an SMSF the right way

Starting an SMSF can feel overwhelming. We guide new trustees through the process from trust deed and investment strategy to cash flow modelling, so your fund is structured for success from day one.

## Pre retirees and retirees with \$750k+ in super

Our service is designed for those with significant superannuation balances, where cost efficiency and strategic advice can make a meaningful difference.

Whether you're still building wealth or preparing to draw down in retirement, we provide tailored strategies that evolve with you.

## Retirees seeking confidence in their spending

A common concern in retirement is: "Will my money last?" Through our SMSF cash flow modelling service, we give retirees clarity on income, expenses and the sustainability of their lifestyle. This structured approach helps clients enjoy retirement with confidence, knowing they are on track and supported with twice yearly reviews.

## For professionals and executives

As a professional or executive, we help ensure your SMSF is structured to match your goals; avoiding compliance risks, cutting fees and replacing outdated platforms with efficient ETF strategies. Our advice includes tailored cash flow modelling and strategic reviews, so your super stays aligned as your career and retirement plans evolve.

## For business owners (pre/post exit)

We help business owners structure or restructure their SMSF to reduce fees, manage contributions around cash flow and prepare for post exit income needs. Whether you're still growing your business or planning a succession, our advice ensures your super works efficiently, before and after the transition.

## Accountants seeking compliant investment strategies for clients

We work alongside accountants to ensure their clients' SMSFs have a compliant investment strategy, are not overpaying in fees and remain structured to deliver long term retirement outcomes.

At Bronson Financial Services, we work best with clients who value transparency, education and a long term partnership.



# Getting started – making an informed decision

An SMSF can provide greater control, flexibility tax advantages compared to other superannuation structures. But it also requires time, discipline and responsibility.

Running your own fund means staying on top of investment choices, maintaining records and meeting strict compliance obligations.

That's why the first step is to make an informed decision about whether an SMSF is the right fit for your needs, circumstances and long term goals.

While SMSFs deliver clear benefits for many clients, there may be alternative structures that are more suitable depending on your situation.

At Bronson Financial Services, we make the decision process easier by offering a free initial consultation. In this session, we will:

- Discuss your current SMSF's health – assessing structure, compliance and current strategy.
- Identify unnecessary costs – such as platform fees or inefficiencies that erode returns.
- Discuss personalised cash flow modelling – showing you how your retirement income and expenses could play out over time.

This process ensures you can move forward with clarity and confidence, knowing whether an SMSF is the right pathway for your retirement.

To explore your options and see how Bronson Financial Services can help, please contact us to arrange your initial consultation.

“We were shocked to learn how much platform fees were draining our returns. Bronson's ETF approach cut costs dramatically and boosted our SMSF's performance

C and M, Bannockburn



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