



[VANGUARD INVESTOR](#)



[ATION](#) (5WEL)

[VANGUARD INVESTOR](#)

[EDUCATION](#) (5WEL)

[Bowerman: Directions required](#)

*Tue, 19 Oct 2010*

*3:35pm*

[\[5VAN\] Smart Investing with Robin](#)

[Bowerman: Strictly no borrowing](#)

*Wed, 27 Oct 2010*

*11:20am*



Thank you for downloading the Smart Investing podcast from index fund manager Vanguard Investments Australia, on the web at [vanguard.com.au](http://vanguard.com.au)

This commentary is written by Vanguard Principal, Corporate Affairs & Market Development Robin Bowerman. The title is Why did you setup your SMSF?

It was first published on Wednesday 14 September 2011

And is read by Michael Mullins

Please remember that advice in this podcast represents a general view. It is recommended that you seek specific financial advice, before making investment decisions.

It probably makes much sense for trustees of SMSFs to ask themselves two simple questions.

Why did you establish your own fund in the first place? And is your fund meeting your original objectives?

Asking themselves such questions may help trustees to refocus on their SMSF objectives, if still appropriate for their circumstances, and to think more closely about the direction of their funds.

With the latest APRA statistics showing that the number of SMSFs reached 456,472 by June 30 – up by 7402 over the preceding quarter – chances are that many trustees are running funds that are not meeting their initial expectations.

Yet perhaps with the right professional advice, it may be possible to get a fund back on track.

The recently released Vanguard/Investment Trends 2011 SMSF Report includes the results of a survey on why trustees established their funds. Their reasons include to: gain more control over investments (58 per cent of funds), wish to invest in specific shares (38 per cent), save money on fees (31 per cent), outperform their current super fund (28 per cent) and increase tax-effectiveness (25 per cent). Multiple answers were permitted.

Do these reasons sound familiar?

If your SMSF is not performing up to expectations or perhaps is less tax or cost-effective than anticipated, a quality adviser should be in the position to talk you through the issues.

In some instances, of course, the one-time expectations of an SMSF trustee may have been unrealistic. And some trustees would have found less time than once envisaged to devote to the affairs of their SMSFs.

And that concludes the column

Why did you setup your SMSF?

from Robin Bowerman, Principal, Corporate Affairs & Market Development at index fund manager Vanguard Investments Australia

To receive the column by email each week go to [vanguard.com.au](http://vanguard.com.au) and register with Smart Investing.

Please remember that advice in this podcast represents a general view. It is recommended that you seek specific financial advice, before making investment decisions.