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September 2017

REAL LIFE

Australia's oldest family of butchers

The History of Hodges Family Butcheries

The Hodges Family is Australia's oldest family of butchers. The first of these was John Hodges. Born in Nailsworth, Gloucestershire, England, where his father, Henry Hodges, had owned a butchery since 1798, John migrated to Australia at the age of 17 aboard the "Orestes", arriving in Sydney on November 28 1839.

After spending several years at "Bruceedale" near Bathurst under the employment of William Suttor, John married free Irish migrant, Ann Lynagh in 1850 and the following year, opened a butchery at Clear Creek in Peel. By 1854, business was booming to the extent that he was able to bring his



Hodges Butchery 1930

wife's mother and siblings to Australia at his own personal expense.

According to an article in Bathurst Free Press dated June 28 1856, John was Master of Ceremonies at a function to celebrate the triumphant arrival in Bruceedale of the newly elected Member for Bathurst, William Suttor, John's former employer.

In 1860 John took over the butchery at Wattle Flat which had been opened by his brother, William, in 1856.

John's direct descendant William Henry Hodges (1851-1939) took over the family butchery after John's retirement.

After William's retirement, Sydney Hodges continued at Wattle Flat while his brother Ernest William Hodges opened a shop in Mudgee in 1913.

After Ernest's death in 1944, his son, Athol Bernard Hodges, (1910-1992) took over running the butchery. When Athol retired, he handed the

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Transition to Retirement Pensions — tax on earnings from 1 July 2017

Prior to 1 July 2017 there was no taxation on earnings for superannuation pensions. The Government introduced a change from that date to have earnings on pensions that are not in the "retirement phase" taxed at the same rate as earnings on superannuation accounts. The rate of tax on earnings for superannuation is up to 15%.

A pension is considered to be in the "retirement phase" if a pension member is aged 65 years or older or has confirmed with their fund that they have met one of the following conditions:

- Over early retirement age and under age 60 years and have permanently retired from the workforce (early retirement age is between 55 and 60 years of age, depending on when you were born),

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Left to right: David, Julie and Matthew Hodges standing in front of Joe, their grandfather Athol Hodges and Great uncle Meryvn Hodges.



Matthew, Julie, Bernard, David and Kathleen Hodges out the front of the shop.

Australia's oldest family of butchers- continued

Mudgee shop to his three children Bernard, Frances and Ernest. A few years later Bernard became the sole owner of the business in Mudgee.

Bernard went on to open a butchery in Wyoming on the NSW Central Coast around 10 years ago, which he sold last August.

John migrated to Australia at the age of 17 aboard the "Orestes", arriving in Sydney on 28 November 1839.

Over 20 years ago, the family moved to and opened a shop in Salamander Bay which is now owned by Bernard's

two sons, Matthew and David Hodges, who are direct descendants of John Hodges. This makes them the 5th generation of Australian butchers. And when Matthew's son, Harley, helps out rolling rissoles, that makes the 6th generation.

The Hodges family of butchers has seen many changes over the years and continues to move with the times. They had one of the first refrigerated cabinets in Australia and used refrigerated transport for all deliveries well before it became a requirement. They are currently looking at expanding to much larger premises and look forward to many more years in the business.

The Hodges butchers have been and continue to be AMIST Super members, since the fund was established over 30 years ago.



Transition to Retirement Pensions - continued

- Age 60 years and under age 65 years and have ceased employment with an employer that was contributing to AMIST Super.

Earnings on pension accounts in the retirement phase are tax exempt.

What should you do?

- If you are age 65 years or older you do not need to do anything as your pension earnings will automatically be tax exempt,
- If you are under age 65 and have met one of the conditions above and have not advised us you need to do so as soon as possible. The tax exemption only applies from the date that we are advised of your change of status.
- If you are under age 65 and have already advised us that you have met one of the conditions above (e.g. on your Pension Application Form) then you do not need to do anything.

If you are in any doubt as to whether we have recorded your status correctly please call the **AMIST Pension hotline** on **1800 255 521**.

Note: This change does not affect your regular pension payments which are still tax free after age 60 years.

You don't need the grand kids to show you how to manage your super on the internet

It's easy. AMIST Super has an online portal that allows you to check your super balance, switch investment options, update your personal details and lots more, anytime you want, 24/7, on your PC, your tablet or even on your smart phone.

It's called MemberAccess, it's completely free and it's available to you right now.

All you need is a password.

Simply call us on **1800 255 521** and we'll set you up with immediate access to MemberAccess. Or simply go to our website, click on the big red MemberAccess button then click the

blue Register Now button and follow the prompts.

No more paper statements (unless you want them).

Members who are register for MemberAccess will be automatically opted-in to receive their member statements online, rather than

through the mail. This will save the fund money and will help us to continue to keep fees low.

However, if you would prefer to continue receiving printed paper statements, you can opt-out at any time by changing your communication preferences within MemberAccess. Once you're logged into MemberAccess, "**communications preferences**" are located under "**Personal details**".





Investment Portfolio changes over the past 12 months

Murray Rutherford, Head of Investments

Over the past twelve months the AMIST Super investment team has been actively seeking to enhance long-term returns across all investments within our portfolio to benefit our members.

To do this, we have worked on three key processes:

1. Review of investment objectives

AMIST Super has delivered strong long-term results for members, that have been in-line with other funds and well-above investment objectives. But can we do better? We think so.

After a thorough review of investment objectives, we have increased the return objective for the Balanced, My Super, Growth, and High Growth options by 1% each per annum. This increase is the result of our continued focus on member outcomes, strong results, and our expectations for the future performance from our investment managers. Also, we have recognised our size and stable member-base is a competitive advantage which allows us the opportunity to access markets and investment strategies that are under-utilised by other funds.

2. Review of Strategic Asset Allocation

As members, it is important for you to know that your super is in good hands. It should be well-managed by a high quality team, it should meet your retirement objectives and compare favourably with other funds.

One of the primary drivers of good long-term performance is asset allocation. As a result of our review in this area, we have reconfirmed the long-term asset allocation for each investment option. These allocations remain appropriate for the investment objectives in each option and are in line with other industry super funds. Within the Balanced, My Super, and Growth options, there is slightly more investment in Property and slightly less in Infrastructure when compared to the industry average. Recently this has served us well, given strong property price increases.

3. Review of underlying investments and managers

The majority of our work toward enhancing member outcomes has occurred by repositioning several individual investments. Whilst all current manager allocations remained suitable, under our review, we identified opportunities for upgrades in three areas:

- The introduction of new managers who are considered to have higher return potential in certain areas
- Increasing geographic diversification of our investments to take advantage of asset pricing in other parts of the world; and
- Increasing exposure to private markets that offer compelling return potential relative to public market options.

Over the past 12 months, AMIST Super has invested in 6 new managers for a total of \$558 million (approximately 30% of total funds) committed to new strategies.

We have upgraded our global credit strategy to gain additional yield through an illiquidity premium. (This is where an asset cannot be sold immediately, without a potentially significant impact on price, so a premium is paid to the investor as compensation for tying up their capital.)

We have upgraded our Global Bond allocation to allow more diversity and flexibility.

We have upgraded our infrastructure holdings to introduce privately held assets around the world. And, we have upgraded our international equity

holdings to separate accounts to reduce fees and increase control.

In summary, all of the changes have been made to ensure that the AMIST Super portfolio remains diversified, and in a position to provide strong returns to members while maintaining an appropriate risk profile across investment options. While risk will always exist in the marketplace, AMIST Super remains well positioned to weather storms and participate in the upside through exposure to high quality assets and active investment managers.

AMIST Pension wins CANSTAR award again

Each year CANSTAR researches and rates account-based pension funds across Australia to determine which ones offer outstanding value for money. This year they looked at 66 different products from 59 superannuation providers with AMIST Super achieving a five star rating for outstanding value. This is the third occasion AMIST Pension has won this prestigious award.





\$1.6 million limit on retirement phase pensions from 1 July 2017

The Government has set a limit on the amount that a person can have in superannuation pensions that are in the "retirement phase" (e.g. where a person has not met one of the conditions outlined in the article "Transition to Retirement Pensions – tax on earnings from 1 July 2017" above).

The limit from 1 July 2017 is \$1.6 million and is assessed across all superannuation pensions – therefore if you have \$1.2 million in an AMIST Pension and \$500,000 in pension(s) with another fund (total \$1.7 million) then you will have exceeded the limit and will have to withdraw at least \$100,000 from the pension(s) to ensure that you stay within the limit.

If you believe you may be affected please contact the AMIST Pension hotline on 1800 255 521 and they will be able to assist you or transfer you to Link Advice if you need advice.

More details of the conditions around this limit are contained in the current AMIST Super Pension Product Disclosure Statement which is available at our website www.amist.com.au.

You may also wish to refer to the Australian Taxation Office website www.ato.gov.au/individuals/super/super-changes/New-transfer-balance-cap-for-retirement-phase-accounts.

Karl wins quiz prize.

Congratulations to member **Mr Karl Hipfel** of Victoria, for correctly answering the quiz questions in the last edition. Karl wins the \$200 prize.

Take our quick quiz and you could win \$100!

How well do you know your Pension? You'll find the answers to these questions in this edition of **Horizons**.

Entries close **30 November 2017**. Just send your answers and details below to: AMIST Pension Quiz GPO Box 4293 Sydney NSW 2001 or Fax to: 02 9230 1111.

1. How old was John Hodges when he migrated to Australia?
2. Where is Matthew and David Hodges' shop located?
3. By how much has the return objective for the Balanced, My Super, Growth, and High Growth investment options been increased?
4. True or false. MemberAccess lets you manage your super from your smart phone.
5. How many generations of butchers has the Hodges family produced?
6. What is the maximum amount a person can have in super during the "retirement phase"?
7. How many times has the AMIST Pension won the CANSTAR Award for Outstanding Value?.....
8. What is the rate of taxation on earnings for superannuation?
9. By what method will members who are registered for MemberAccess now receive their annual statements?
10. What does TTR stand for?

Please be sure to write your name and contact details clearly.

Name:

Address:

State: Postcode: Phone:

Email:

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