Acenda Life

Retire your way

A planning guide for over 55s

Maximising your superannuation savings

As you reach the age of 55 and beyond, you might almost be on the home stretch to retirement. Or you may be asking yourself 'when will I be able to retire?' or wondering 'how much will be enough to enjoy the retirement I want?'

Superannuation (super) is one of the most effective ways Australians can save and plan for their retirement. That's why understanding your options and making informed decisions now, could make a big difference to your future. In this guide we explore the options and strategies that might help you to increase your super balance in the years ahead so you can look forward to retiring your way.

A good retirement plan starts with you. Wherever you're up to, we're here to help with general information and practical tools.

We can also point you in the right direction for professional advice and direct you to other helpful resources. Take control today to help feel confident that you're on track for the future you want.

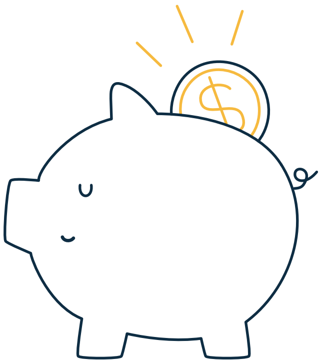
Why is super so important?

Saving and investing for your future

As you're on your way to your next milestone birthday, right now could be one of the most important times to ensure you're on track for the future you want.

You might already have a pretty clear understanding of how much super you have saved and how much your super might grow in the years ahead. How much you will have at retirement – or how much you'd like to have – will depend on a wide range of factors, including how your super is invested and other investments or assets you might have.

Retirement looks different for everyone, but as general 'rule', the more you save in super now, the more you'll have later.



Main source of income at retirement for people who retired in Australia in the last 5 years.[1]

Super	34%
Government pension or allowance	28%
Dividends or interest	3%
Rental property income	3%
Other sources	18%
No income / did not know	13%

1. Australian Bureau of Statistics, Retirement and Retirement Intentions Australia, 2022-23 financial year, Table 6, Sources of income in retirement **abs.gov.au/statistics/labour/employment-and-unemployment/retirement-and-retirement-intentions-australia/latest-release#data-downloads**

Understanding super contributions

Different ways to grow your balance

Your super savings become increasingly important as you approach retirement. So it's important to understand the various super contribution options available that may help to grow your balance in the years ahead.

1. Employer contributions (Superannuation Guarantee)

Employers are required to contribute a minimum percentage of your earnings into your super fund. Currently, this rate is 12%.

2. Voluntary contributions

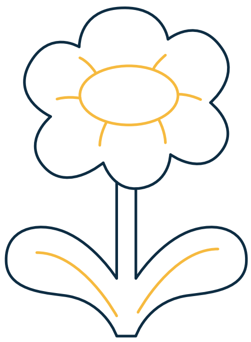
- These are **contributions** you can choose to make on top of the mandatory employer contributions. There are two main types outlined below:
- **Before-tax contributions:** also known as concessional contributions, include any contributions your employer makes (Superannuation Guarantee employer contributions) and salary sacrifice contributions. Salary sacrifice is when you ask your employer to pay some of your before-tax salary into your super account. These contributions are taxed at a lower rate of 15% within the super fund, subject to an annual cap – currently $30,000, including the super guarantee contributions from your employer.
- **After-tax contributions:** these are also known as non-concessional contributions. You may be eligible to contribute up to $120,000 annually without incurring additional tax. Depending on your age and total super balance, you might also be able to bring forward up to three years of contributions, allowing a maximum of $360,000 in a single year. Visit the ATO website for more information about the cap and bring forward rules for **non-concessional contributions**.

3. Government co-contributions

If you make personal after-tax contributions to your super and earn below a certain threshold, the government may contribute up to $500 to your superannuation.

4. Spouse contributions

You can contribute to your spouse's super account, either through a non-concessional contribution, or by splitting contributions you have already made to your own super. In some cases, you may be entitled to a tax offset, which may be beneficial for tax and income distribution purposes.



Any questions?

Visit the ATO website for more information about super contributions.

On track for the retirement you want?

Benchmark your savings with the ASFA Retirement Standard

The Association of Superannuation Funds of Australia (ASFA) provides a benchmark known as the ASFA Retirement Standard. This standard provides a guide for how much you might need to enjoy a comfortable or more modest retirement.

In 2025 ASFA's guidance for how much money you might need to have a modest or comfortable retirement is as follows:[1]

1. For a modest retirement lifestyle (aged 65–84):

- To cover a basic but acceptable standard of living, ASFA calculates that a single person may require around $34,522 per year. A couple may need around $49,992 per year. These numbers are estimated to cover essential living expenses with minimal extras.

Single
$34,522

Couple
$49,992

2. For a more comfortable retirement lifestyle (aged 65–84):

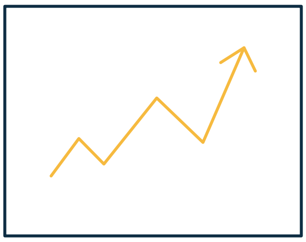
- If you're wanting a more comfortable lifestyle, ASFA calculates that a single person may require around $53,289 annually, and a couple about $75,319. 'Comfortable' might mean a higher quality of housing with enough money to enjoy some extras such as dining out, holidays, and recreational activities.

Single
$53,289

Couple
$75,319

To achieve a comfortable retirement, ASFA estimates that at age 67, super balances should be around **$690,000 for a couple** and **$595,000 for a single person**.[1]

These figures are subject to change due to variable factors like inflation and the cost of living. That's why keeping an eye on your super is so important. Make the time to regularly review your balance and your investment performance to see how you may need to adjust your strategy as you work towards your goals.



To see if you're on track, you can compare your current super balance with the ASFA benchmark for your age, using **ASFA's Super Balance Detective tool**

1. Association of Superannuation Funds Australia, Retirement Standard, June 2025, **superannuation.asn.au/resources/retirement-standard**

On track for the retirement you want?

Ways to boost your super savings

If after using these tools you feel you're a bit behind, don't panic. Here are some ways you may be able to boost your savings in the years ahead between now and retirement.

1. Increase your contributions:

Consider whether you can afford to make additional contributions to your super. Keep in mind the various caps which apply for before-tax and after-tax contributions.

Visit the ATO website for more information about **super contributions**.

2. Review your investment options:

Check that you're comfortable with the way your super is invested and the balance of risk versus returns. Adjusting your investment strategy may help grow your savings but be aware there is a trade-off. If you choose more high-risk growth investments, for example, you may get higher-than-average returns, but the risk of negative returns is also magnified. If you experienced a big drop in your super balance, there may not be enough time before you retire to recover those losses.

To see how your super with us is currently invested, login to our online portal at **acenda.com.au** or check your latest annual statement.

3. Pay off debts:

You may like to consider paying off high-interest debts or your mortgage before retirement. This could reduce your financial commitments and may help free up more of your super savings for retirement.

The median super account balance[1] for 55–59 year olds in 2022–23 was

$202,583 for males

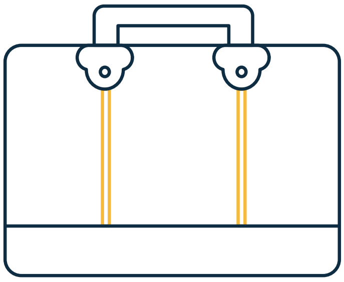
$140,662 for females

1. Australian Taxation Office, Taxation Statistics 2022–23, Individual Statistics, Chart 12: Individuals – median super balance, by age and sex, 2022–23 financial years, Snapshot Table 5, **www.ato.gov.au/about-ato/research-and-statistics/in-detail/taxation-statistics/taxation-statistics-2022-23/statistics/individuals-statistics#Chart12Individuals**

Career changes and retirement planning

Supporting your transition to retirement

It's not uncommon for people approaching retirement to consider a career change. Whether it's moving to a less stressful job, pursuing a passion project, working fewer hours or switching to part-time work, these changes have the potential to impact your super savings.



While reducing your hours or changing jobs may sound appealing, a reduction in your income will likely mean your employer's superannuation contributions are reduced too. Another reality to consider is that your health circumstances may change as you get older, possibly limiting your ability to continue working in your chosen profession.

If you plan to reduce your working hours or switch to a lower-paying job, here are just a few things you might want to consider, to help keep your super plans on track.

1. **Increase your contributions:**
   If your new job offers a lower salary, you might consider whether you want to – and can afford to – make additional voluntary contributions to top up your decreased employer contributions.

2. **Review your super fund:**
   Check that your super is working as hard as it should be for your retirement goals. Are you making the most of the options that might be available to you? Are you comfortable with your investment choices and the fees you are paying? And is any automatic insurance cover still meeting your needs? Or would you be better off keeping that money in your super?

3. **Budget and save:**
   Consider whether you need to adjust your budget to accommodate changes in your income. A few sacrifices here and there could help you save so you have more to invest in your super.

4. **Review your retirement plans:**
   Consider whether your retirement plans could be impacted by your change of employment or reduced income. You might need to reassess your planned retirement age or even your lifestyle expectations for retirement.

At what age would you like to retire?

The average age of retirement and its impact

Retirement age looks different for everybody. For some it may be when the Government's preservation age means they can access their super. This is currently 60, although there are some exceptions that could let you access your super sooner. Others may plan to retire at 67, which aligns with the eligibility age for the Government Age Pension.

According to the **Australian Bureau of Statistics** (ABS), the average age at retirement for all retirees in Australia is, in fact, 56 years old. However the average age at retirement has been increasing over the years, with the average age of those who retired in 2022 being 64 years old.[1] When you want to retire is, of course, completely up to you and will depend on your personal circumstances.

If you were to choose retirement at or around 56, you would want to be confident that your super savings will go the distance to support you throughout your retirement. Or would you need to rely on the Government Age Pension as an additional income source? And would that be enough to support your lifestyle?

As you approach retirement, it's important to keep reassessing your financial situation, considering factors like your super balance and other assets and investments. Delaying your retirement by just a few years could give you more time to put more money into super and grow your investments.

Would you prefer to ease into retirement? Semi-retirement could be something to consider. A transition from full-time to part-time work could give you more time for your personal pursuits and interests, but still give you the benefit of maintaining paid employment. If you have a physically demanding job, semi-retirement might be an option worth exploring.

Deciding when to retire is one of the biggest decisions you're likely to make in your life. According to the ABS, the average age people intend to retire is currently 65.[1] But life doesn't always go to plan. Around 13% of retirees had to retire from their last job due to sickness, injury or disability. A further 5% were retrenched, dismissed or were unable to find work, while another 3% stopped working to care for an ill, elderly or disabled person.[2]

While there are some considerations around working and retiring that may be out of your hands, there are many factors you can take control of and other things you can plan for. Use our worksheet to ask yourself some of the tough questions and to consider some important things, as you get closer to retirement.

60
is the age you can access your super

65
is the average age Australians intend to retire[1]

67
is the Government Age Pension eligibility age

1. Australian Bureau of Statistics, Retirement and Retirement Intentions Australia, 2022–23 financial year, **abs.gov.au/statistics/labour/employment-and-unemployment/retirement-and-retirement-intentions-australia/latest-release**
2. Australian Bureau of Statistics, Retirement and Retirement Intentions, Australia, 2022–23 financial year, Table 5 Reasons why retirees ceased last job, **abs.gov.au/statistics/labour/employment-and-unemployment/retirement-and-retirement-intentions-australia/latest-release**

What will your retirement look like?

1. How long will you work?

- Are you happy (and able) to continue working full time or would you like to transition to part-time work?
- Are there other opportunities you want to explore or are you happy to work in your current role and industry until you retire?
- Can you afford to reduce your work hours and salary?
- Do you still have a mortgage to cover or need to support your family?
- If you're renting, have you factored this into your retirement need calculations?

2. Will you have enough money to live on?

- Do you know how much money you'll likely have in retirement?
- Could you maintain your lifestyle on your estimated retirement income or will you need to change your spending habits to help ensure your money lasts?
- Do you plan to travel or make big purchases, such as a new car or home renovations?

3. Where will you live in retirement?

- Do you own your own home? Do you still have a mortgage? Will you stay in your current home, or do you plan to downsize and pay off your mortgage?
- Do you pay rent? Will you continue to live where you are, or will you need to relocate somewhere cheaper? Where would you relocate? Do you want to stay nearby or are you looking for a change?

What will your retirement look like?

4. Are you and your partner on the same page?

- Have you talked about your retirement plans with your partner?
- Do you and your partner want to retire at a similar time?
- Do you share the same retirement goals, or have you got different ideas on what retirement looks like?

5. Do you have enough to retire when you want?

- Will you have enough retirement savings to retire when you want?
- When do you plan to access your super?
- Do you know if and when you'll qualify for the Government Age Pension or other benefits?

6. What are you looking forward to doing?

- How will you spend your time in retirement?
- Do you have a plan on how you will transition from working to retired life?
- What hobbies and interests might you explore?

Consider talking to a financial adviser

Help to navigate your way to a more secure future

Retirement planning can be complex and sometimes it's hard to know where to start or what to do next. The closer you get to retirement, it's essential that every decision you make is well-informed and a decision that, hopefully, will work hardest for your future. You've worked hard your whole life, so you want to look forward to enjoying the retirement you want.

If you haven't already, you may want to consider talking to a qualified financial adviser. Advisers take the time to understand your personal finances and your goals for retirement so they can provide recommendations and personal strategies based on your specific situation. It's a good idea to share any answers you included in this guide with your adviser, to help them formulate some ideas and suggestions to help you.

There's a lot to consider between now and retirement. A qualified financial adviser could help you navigate the complexities of retirement planning.

Visit the **Financial Advice Association of Australia** for online help finding an adviser near you. You can search by postcode and also specialty, such as retirement planning.

Conclusion

A little planning now could make a big difference later

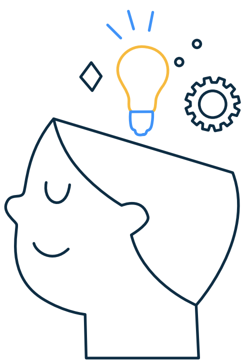
In your mid 50's and beyond, the prospect of retirement starts coming into focus. It's a time when many people look to build their super balance so they can feel confident that their money will go the distance in retirement.

By understanding your contribution options, thinking about the rest of your working life, and evaluating your savings and current strategies with retirement benchmarks, you can hopefully make more informed decisions to help secure your financial future. Proactive planning and management of your super can help ensure that you are well-prepared for retirement. Taking these steps may enable you to look forward to your next chapter with confidence, and financial security.

We're here to help

Visit **acenda.com.au** to explore more retirement planning topics. You can also call us on **13 57 22**.

Please note that while we can't provide you with personal financial advice, we can help you with factual information and general advice about your products with us. We can also help you implement any product changes you've decided on.



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