



**I have three superannuation funds totaling \$43,000. They have been losing money in recent years. Can I set up a self managed fund and invest it myself?**

**Janet, Eden NSW**

Whilst there is no limit to the amount of funds that you must have in order to establish your own self managed super fund (SMSF), I am afraid that your balance is too low and would only be eaten by administration fees which can be between \$2,000 and \$3,000 per annum.

Unless you planning to take high risk with your investment strategy, which is not advisable, you will probably be falling behind.

I have always felt that \$100,000 was the minimum amount that you should have before you should consider your own SMSF. Last year the Government hinted at \$140,000 which is probably conservative but they want to ensure that nobody is financially worse off.

Before you consolidate your three funds into one account make sure you check if any of them have life insurance attached. Whilst you may save fees by consolidating, you don't want to reduce your protection.