

MIDDLETON FINANCIAL PLANNING

PREPARING FOR
RETIREMENT

HOW'S YOUR FINANCIAL HEALTH?



Middleton
Financial Planning

PREPARING FOR RETIREMENT...

HOW'S YOUR FINANCIAL HEALTH?

Did you know it is estimated that most people will need around 67%* of their pre-retirement income each year to live comfortably in retirement?

Thinking about and planning for retirement can be quite daunting. And while we all have to contemplate what we want to do with our retirement years there is always a tendency to put things off until tomorrow. However, when it comes to retirement there is no substitute for a good plan.

Life expectancies are on the increase and we live over 20 years longer than we did at the turn of the century. Men aged 65 now are likely to live until they are 84 and women of the same age are expected to live until they are 87[^]. That's a lot of years in retirement. So, now might be a good time to take the first steps towards retirement security.

To help you plan for the future and help understand your current financial situation we have created a Financial Health Check. This Financial Health Check will help give you an indication of your preparedness for retirement and your level of financial awareness. And it may help pinpoint areas where some work needs to be done. Simply read each question, tick the ones you answer 'yes' to and score one point for each 'yes'.

ARE YOU READY FOR RETIREMENT? FIND OUT IN JUST 10 MINUTES USING OUR FINANCIAL HEALTH CHECKLIST.



*ASIC Moneysmart, [How much super is enough?](#)

[^] Australian Bureau of Statistics.

FINANCIAL HEALTH CHECKLIST

WHICH OF THE FOLLOWING AREAS HAVE YOU (AND YOUR PARTNER) WRITTEN DOWN AND AGREED ON GOALS?

LIFESTYLE

- Family, e.g. visit grandkids once a month
- Social connection, e.g. join a sports club
- Health and physical wellbeing goals

Score (out of 3)

GOAL SETTING

- Do you have a written budget?
- Have you written down your financial goals for the next five years and beyond?
- Do you have a current financial plan from a financial planner?

Score (out of 3)

SUPERANNUATION

- Do you know where all your super is and how much you have?
- Do you know how much super you require to fund your lifestyle in retirement?
- Do you know how your super is invested (which asset classes)?

Score (out of 3)

INCOME, EXPENSES AND INSURANCES

- Do you monitor your budget regularly to see if you are spending less than you earn?
- Do you have income insurance to provide an income if you are unable to work due to illness or injury?
- Are your insurances adequate for your current situation?

Score (out of 3)

CENTRELINK

- Do you understand how Centrelink assets and income test work?
- Do you know how the gifting and deeming rules work?
- Do you understand how some retirement income stream products may maximise your pension entitlement?

Score (out of 3)

INVESTMENTS

- Do you know what your 'net wealth' is?
- Do you know how long your investments could last in retirement taking into account your living expenses?
- Do you know your risk profile?

Score (out of 3)

ESTATE PLANNING

- Do you have a current will?
- Have you organised an Enduring Power of Attorney?
- Have you considered the tax consequences of all assets that will be passed on if you die?

Score (out of 3)

YOUR SCORE (OUT OF 21)

LESS THAN 7 You may need to seek help and start planning now.

7 TO 14 A good start but can improve with further planning.

14+ A good effort - was there any specific areas you need to focus on? Have your current arrangements been reviewed recently?



NEXT STEPS

YOUR SCORE IN THE FINANCIAL HEALTH CHECK IS A GUIDE TO HOW PREPARED YOU MAY BE FOR RETIREMENT.

It's important to know that it is never too late to put a retirement plan in place; the real danger is delaying it or failing to have a plan.

CONTACT US TODAY

To speak to your local middletonfp financial planner, we're here to assist you to get on track for retirement.

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