

# Financial Planning Foundations Checklist

Regardless of where you are in your life, most people can benefit from considering the following financial planning checklist. This is just a brief look at some of the areas you should be thinking about.

## **Budget**

A budget doesn't need to be elaborate, in fact, you can download a budget tracker from our website. A budget is a bit like a diet, too strict they don't last, too easy you don't end up with the result you want. Less than 3% of Australians preparing for retirement have a budget, yet understanding how much it costs you to live is an essential building block for all your future planning.

## **Superannuation**

Superannuation is vital to your retirement plans. If you are a member of a defined benefit super scheme, it is important you understand how your benefit is calculated. By understanding this you may have the opportunity to maximise your super benefit. In an accumulation plan, one of the important things you need to consider is your investment options. Managing investment risk in a way that you are comfortable with while seeking to maximise your long-term investment returns is important. Consider using a diversified investment portfolio approach to limit this risk.

## **Will and Enduring Power of Attorney**

Everyone who has any assets needs a Will. Your Will allows you to 'speak from the grave'. It can allow you to control how your assets are distributed and may be able to protect assets and dependants. An Enduring Power Of Attorney allows someone you trust to make decisions on your behalf if you are unable, either for physical or mental reasons.

## **Savings outside superannuation**

The secret to successful saving is a little and often. Regular savings can take advantage of compounding investment returns and provide the opportunity for capital growth. And if your savings are deducted from your pay packet before you get it, you probably won't even notice the difference.

## **Access to Capital**

Access to a 'nest egg' of capital is an important part of your financial plan. For some people, this capital could represent additional payments made into their mortgage that has a drawdown facility. For others superannuation may be a more appropriate vehicle. With superannuation, however, remember that access to this money could be an issue, particularly for younger people.

## **Insurance**

Most Australians think nothing of comprehensively insuring their car, but then don't insure their most valuable asset, themselves. Review your life and income protection cover regularly and don't forget health insurance.

## **Financial Goals**

These provide a purpose. An outcome you can plan for and work towards. If you don't know where you want to go, how will you ever get there? This applies at any age, from saving for a deposit on your first home, to paying school fees, to planning your retirement. At least once a year sit down and think about your short, medium and long-term financial goals. Review what you have done in the past year to move closer to your goals, and determine your plan for the next 12 months.

This checklist is not exhaustive, but for many people it provides a practical guide to some of the issues they need to consider.

## **Do you need to see a financial planner?**

Professional financial planning advice can help put you on the right path to achieving your financial and lifestyle goals. Whether you are:

- ◆ Actively planning for your retirement;
- ◆ Considering a redundancy offer and need to make a decision;
- ◆ Simply wanting to make sure you are minimising tax and maximising opportunities to grow your super savings;

State Super Financial Services can tailor a financial plan to suit your individual circumstances. And, as part of your member service, there is no cost or obligation for you to meet with one of our professional financial planners.

To find out how we can help you now and in the future call **1800 620 305**  
or visit our website at [www.ssfs.com.au](http://www.ssfs.com.au)