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"If you fail to plan then you plan to fail" **Basic preparation essential for people approaching retirement**

Many older Australians may perceive retirement planning as too complex given the ever-changing rules and regulations, but the reality is that without retirement planning people could miss out on the opportunity to maximise their nest egg once they retire.

Dante De Gori, Technical Manager at ClearView Retirement Solutions, urges people to seek financial advice so that they can use current regulations to their advantage, and start preparing for a comfortable retirement.

"If you seek a comfortable retirement, it is imperative that you put some thought into your retirement plans. Changes made as a result of the Federal Budget, as well as further changes expected at the end of the year from the Henry Review, emphasises the need for Australians to prepare for their retirement as soon as possible!"

Mr. De Gori outlines five of his top tips that he believes every Australian nearing retirement should be aware of:

1. Take advantage of co-contribution incentives - they still exist!

If you're a lower income earner, the superannuation co-contribution could be a worthwhile investment. From 1 July 2009, the Government reduced the super co-contribution from 150% for every additional dollar contributed in superannuation to 100% for the next three years. Despite the reduction, a 100% super co-contribution is still a very attractive measure and a good incentive scheme for many Australian workers.

2. If you want to save more in super without spending more, consider a TTR strategy

If you're 55 years or over, you may be able to use a Transition to Retirement (TTR) / salary sacrifice strategy to contribute more into superannuation, reduce the tax that you would otherwise pay, while maintaining your take-home pay. Despite widespread rumours, the Federal Budget did not make any significant changes that would affect the popular Transition to Retirement strategy. However, the Government has lowered the concessional contribution caps, which impact the amount you can salary sacrifice into superannuation. From July 1, the concessional contributions cap has been halved to \$50,000 for people aged 50 and over.

3. Analyse your retirement needs

To get a realistic determination of how much you will need for your retirement, your retirement needs analysis must take a holistic approach. This means your analysis must take into consideration all aspects of your finances, including items that could affect your cash flow and expenditures. At the very least ask yourself two key questions:

How long will you spend in retirement? There is no way to be 100% sure of this, however, you can make a reasonable estimate based on your general level of health and family history. For instance, if your family members typically live until they reach the age of 85 and you are in good health, then you may want to assume that you will live until that age.

What will your expenses be during retirement? Determining your projected expenses may be as simple as making a list of the items that will cost you money and the amount they will cost. One good way to do this is to use your current budget as the starting point, and eliminate the expenses that will no longer apply, and add in the items that will be new expenses during retirement.

4. Review your retirement plan regularly

Once you have a retirement plan in place, it is important that you regularly review your plan, to ensure that it continues to meet your needs. The reason being is that your situation and circumstances will always continue to change including external factors such as investment markets, legislation as well as unplanned expenses. A retirement plan is not 'set and forget' as your needs and goals will change and so too will the environment around you.

A good idea is that a retirement plan should be reviewed at least annually and sometimes sooner if your situation requires it. Should there be a significant change in your circumstances you should inform your financial adviser straight away so that your plan can be updated accordingly. Significant events can include such things as receiving an inheritance, being made redundant, illness or death in the family or even winning lotto.

5. Talk to a professional about your financial situation

To take full advantage of the above-mentioned tips or to find out more it is important that you seek advice. It is vital to get good financial advice to understand your investments and the level of risk, which suits your financial plans.

The key to successful investing is to develop a plan, maintain your course and avoid emotional decision-making. With sound financial advice, solid goals and clear objectives you can easily prepare for a comfortable retirement.

To contact your local ClearView adviser, please visit www.clearview.com.au/advisers

About ClearView

ClearView Retirement Solutions is a financial services group of companies that specialises in providing financial advice, products and services to people nearing, or in their retirement. ClearView Financial Advisers are committed to making high quality retirement advice and service accessible to their local community. Initial meetings are free of charge and without obligation.

ClearView Financial Advisers are representatives of ClearView Financial Management Limited.

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