

# Financial checklist for women

## Did you know?

- ⌘ Women generally live longer than men, for example a 40 yr old woman will live over four years longer than a 40 yr old man<sup>1</sup>
- ⌘ 46% of marriages will end in divorce<sup>2</sup>
- ⌘ 23% of women will never marry<sup>3</sup>
- ⌘ On average, at retirement women have less than half the amount of superannuation compared to men<sup>4</sup>.

These statistics demonstrate the importance of financial independence for women! Your investment and savings needs are just one part of the picture. Listed below is a checklist to help you work with Future Wealth Planners on the financial issues facing women today. Tick each statement 'true' or 'false'.

### 1. Protecting your financial security

True False

So you're working towards building your wealth, but how much effort are you putting into protecting it?

- |    |  |                          |                          |
|----|--|--------------------------|--------------------------|
| A. | If something unexpected were to happen to you:   |                          |                          |
| ⌘  | your family would have enough money to meet their financial obligations and earn an income for many years to come.                                   | <input type="checkbox"/> | <input type="checkbox"/> |
| ⌘  | each of your family members would be provided for in the most tax-effective way.   | <input type="checkbox"/> | <input type="checkbox"/> |
| ⌘  | your business partner(s) would have the funds to buy out your interest in the business, creating a nest egg for your family.                         | <input type="checkbox"/> | <input type="checkbox"/> |
| B. | If something were to happen to your business partner(s), your business would have the cash flow to hire a suitably qualified person to replace them. | <input type="checkbox"/> | <input type="checkbox"/> |
| C. | You have arrangements in place to receive the income you need if you were unable to work due to illness or injury.                                   | <input type="checkbox"/> | <input type="checkbox"/> |

### 2. Reducing your debts

Once a house is purchased, reducing debt should be a priority.

- |    |  |                          |                          |
|----|--|--------------------------|--------------------------|
| A. | You have a written budget and you stick to it to ensure you're paying as much off your mortgage as you can afford.   | <input type="checkbox"/> | <input type="checkbox"/> |
| B. | You have compared a range of mortgage products (for example, offset accounts and equity home loans) to ensure your money is working to pay off your loan as quickly as possible. | <input type="checkbox"/> | <input type="checkbox"/> |

### 3. Your financial future

Given women, in general, will spend less time in the workforce than men, saving toward a secure retirement by contributing as much as you can afford while you are earning is very important.

- |    |  |                          |                          |
|----|--|--------------------------|--------------------------|
| A. | You have worked out how much you will need to retire securely and are contributing to your super in order to achieve your aim. | <input type="checkbox"/> | <input type="checkbox"/> |
| B. | You have discussed with your wealth adviser the super investments that best meet your needs for returns in the long term.      | <input type="checkbox"/> | <input type="checkbox"/> |

1 Australian Government Actuary, Australian Life Tables 2000-2002  
2 Australian Bureau of Statistics, Cat No. 3310.0 Marriages and Divorces in Australia, 1999  
3 Australian Bureau of Statistics, Cat No. 3310.0 Marriages and Divorces in Australia, 1999  
4 Household, Income and Labour Dynamics in Australia (HILDA) Survey, 2002



#### 4. Providing for loved ones

True

False

While it's unpleasant to think about, unfortunately we all have to confront the fact that we won't live forever.

- |    |  |                          |                          |
|----|--|--------------------------|--------------------------|
| A. | You have updated your will with your solicitor in the past two years.  | <input type="checkbox"/> | <input type="checkbox"/> |
| B. | You have considered arrangements, including a binding nomination, to dictate who would inherit your superannuation.  | <input type="checkbox"/> | <input type="checkbox"/> |
| C. | If something were to happen to you, each of your family members would be provided for fairly and in the most tax-effective way (for example, through testamentary trusts). | <input type="checkbox"/> | <input type="checkbox"/> |

#### 5. Saving to meet long-term goals

While retirement savings are essential, we will all have needs in the future (for example, payment of school fees or the need to take an extended absence from work) that we can start saving for.

- |    |  |                          |                          |
|----|--|--------------------------|--------------------------|
| A. | You have investments in your name to which you regularly contribute.                             | <input type="checkbox"/> | <input type="checkbox"/> |
| B. | You have your own bank account and keep enough cash in it to avoid bank fees.                    | <input type="checkbox"/> | <input type="checkbox"/> |
| C. | You have considered whether a margin loan to invest might be appropriate for your circumstances. | <input type="checkbox"/> | <input type="checkbox"/> |

#### 6. Knowledge is power

There's only one person who can take full responsibility for your financial independence: you! Remember, knowledge is power, especially when it comes to your financial freedom.

- |    |  |                          |                          |
|----|--|--------------------------|--------------------------|
| A. | You have attended an investor seminar or financial study course during the past two years.   | <input type="checkbox"/> | <input type="checkbox"/> |
| B. | You read all your bank statements and investment reports thoroughly and make sure you understand them. If not, you always ask questions. | <input type="checkbox"/> | <input type="checkbox"/> |
| C. | You visit your wealth adviser at least once a year to review your financial plan and make changes where necessary.                       | <input type="checkbox"/> | <input type="checkbox"/> |

If you've ticked 'true' for all of the above, congratulations! You're taking responsibility for your own financial freedom and on your way to achieving it. If you haven't, don't despair – you're not alone. Life's so busy these days that many people struggle to find the time to really think through the full implications of financial independence. This is a valuable opportunity to review your current financial position, look to the future, decide what you want to achieve, and have a plan to make it happen! If you've ticked a number of 'false' boxes above, we suggest you take this checklist to Future Wealth Planners to discuss how these matters can be addressed.