



All I want for Christmas... is to survive it debt free!

With the holiday season fast approaching, it's tempting to throw out the year's careful planning and budgeting to splurge in the name of Christmas. But getting into the Christmas spirit doesn't mean you have to get into debt.

Follow these tips to emerge in the new year debt free.

Set a budget

First take some time out to review your current finances. Determine how much you can realistically afford to spend without getting into the red. Remember to include gifts and entertainment as well as all the small things that come with the season like cards, stamps, decorations, food and travel. Next make a list of everyone you plan on giving a gift to and decide how much you want to spend on each person. Finally check that the total figure you want to spend is not beyond your budget. You may need to reduce the amount you're able to spend on each person or reassess the number of people on your list.

Start early

Before you know it, Christmas will be upon us. In fact, the department stores have already started spruiking their Christmas wares. By shopping early, you can look out for sales and great deals for later in the year. You also have time to comparison shop

rather than last-minute shop; where your panic to pick up something (anything) will usually mean spending more.

Look for savings and incentives

If you choose to use your credit card, look for any rewards or discounts that may be available through your credit provider. Also try to shop online first as you're less likely to impulse shop and can easily compare prices across various websites. There are plenty of online retailers that offer savings across a number of product categories such as fashion, skincare, make up, fragrances, books and electrical appliances. You can also find discounts through online community classifieds, auctions and daily deal sites.

Remember who you're shopping for

When you're shopping for family and friends, it's very easy to find things which will be just perfect for yourself. This is a very common mistake which is sure to break your budget. Christmas shopping isn't a 'one for you, one for me' deal. Don't buy it. If you really need to have it, wait until after the holidays when it's more likely to be on sale.

Stick to your budget

Remember that a deal is not a deal if you can't afford it. Once you reach your budget limit, stop.

Save early

Get off the overspending merry-go-round by saving early for next year. As soon as the holiday season is over, determine next year's Christmas budget and set up automatic direct debits into a dedicated Christmas savings account. You'll be all set by the time the department stores bring out their tinsel again.

If you'd like more advice on how to manage debt and build a savings plan, speak to your financial adviser today.



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- Insurance – it can definitely happen to you
- Estate planning – essential for everyone

Insurance – it can definitely happen to you

Most people wouldn't dream of taking their car on the road without car insurance, or living in a house without home and contents insurance. But when it comes to taking up insurance to protect their life or income, most Australians act indifferently.

Common reasons for not taking up insurance are a lack of knowledge, a belief that insurance is too expensive and the age-old 'it won't happen to me' mentality.

If this sounds like you, it's worth taking a moment to consider your insurance needs. The peace of mind this will give you is well worth the effort.

If you already have insurance, then you're on the right track. Just spend 30 minutes to check that your insurance policies

haven't lapsed, that you understand what you're covered for and that it's adequate for your needs.

Myth #1: It's too complicated

If you're new to insurance, it may seem complicated. There are all sorts of different products, acronyms and official-sounding terms. To help make things clearer below is a snapshot of the typical types of insurance available to you.

Type of cover	Also known as	What is it?
Death	Life or Term life	Death cover provides your family with financial security if you die. If you die, your insured benefit may be paid to your beneficiaries.
Total & permanent disablement	TPD	Total & permanent disablement cover provides you and your family with financial security by paying a lump sum if you become totally and permanently disabled and are unable to ever work.
Income protection	Salary continuance	Income protection cover provides you with a regular monthly income if you are unable to work and earn your income.
Critical illness	Trauma	Critical illness provides you and your family with financial security if you are diagnosed with a life-threatening illness like cancer, heart attack or stroke. Unlike TPD, there is no need to prove disablement, only that you have suffered one of the specified medical conditions.
Business expense		Business expense cover provides you with a monthly payment to reimburse the regular fixed operating expenses of your business if you're unable to work due to sickness or injury.



Myth #2: It's too expensive

Value is relative and depends on what is important to you. But when you have dependants, it's hard to argue that the right insurance cover is anything but money well-spent. The ability to sleep better at night knowing that everything is taken care of is priceless.

Besides, insurance doesn't have to be exorbitant. By finding the cover that best suits your needs; you should be able to structure your insurance cover so that your premiums are well within reach.

Myth #3: It won't happen to me

You might think 'I don't need to worry, I'm fit and healthy' but with the incidence of life threatening or debilitating health conditions on the rise, you may think again

after considering the following leading causes of death (and disability) in Australia.

1. Heart disease

- Heart disease affects one in five Australians, and affects two out of three families
- Heart disease prevents 1.4 million people from living a full life because of disability caused by the disease

2. Stroke

- There are 60,000 strokes each year, an average of one every 10 minutes
- One in three people who suffer a stroke die within a year while 43 per cent of strokes result in disability

3. Dementia and Alzheimer's disease

- Dementia is fatal and, as yet, there is no cure

- Dementia is already the single greatest cause of disability of Australians aged 65 years or older

4. Cancer

- 1 in 2 men and 1 in 3 women will be diagnosed with cancer by the age of 85
- Cancer accounts for 3 in every 10 deaths in Australia

Get some advice

If the thought of understanding insurance and what's right for you seems like an insurmountable obstacle then leave it to the experts. The cost of insurance doesn't need to stop you in your tracks and you're always better off knowing more. Speak to your financial adviser to get the advice you need, and remember, it can definitely happen to you.



Estate planning – essential for everyone

When you think of estate planning what comes to mind? For most of us, it immediately conjures up thoughts of death. Who wants to think about death when you have a whole life to live? Understandably, we often push estate planning to one side and focus on more pressing concerns such as looking after our family, paying our bills and generally living life.

If you change your view slightly, however, it's easy to see estate planning in a more positive light. If you have loved ones that depend on you and if you want to ensure that they are properly cared for, estate planning should be important to you.

Estate planning basically ensures that the wealth you have worked hard to build is protected. It reduces the stress on your loved ones or beneficiaries by ensuring that when you pass away or become incapacitated, your wealth is transferred to them smoothly, tax effectively and according to your wishes.

Essential for everyone

The word estate can conjure up images of vast properties and millions of dollars, but you don't have to be wealthy to have an estate plan. You also don't have to wait till you're older to get your estate affairs in order.

Estate planning is essential for everyone, particularly if you:

- are the parent of minor children
- have family members with special needs
- have recently bought or sold major assets
- have a family trust, self-managed super fund or business
- care about your health care treatment.

Why estate planning is important

Estate planning is vital if you want to:

- avoid probate – this is often a lengthy process where your assets are frozen and cannot be transferred to your loved ones until the courts determine if your Will is valid and enforceable
- minimise tax
- protect your beneficiaries and your assets
- avoid beneficiaries fighting over who gets what.

More than just a Will

Estate planning is also more than just having a Will. If you already have a Will, then you're off to a good start. Most people, however, make the mistake of believing that their Will covers all of their assets. In reality, jointly held assets, trust assets and superannuation are excluded from Wills and should be considered as part of a comprehensive estate plan.

A comprehensive estate plan should include:

- having a valid and up-to-date Will
- nominating your beneficiaries for your super
- listing beneficiaries for your insurance policies
- naming guardians for minor children
- setting up testamentary trusts to reduce tax liabilities for your beneficiaries
- choosing a power of attorney to look after your financial and personal affairs if you become incapacitated.

Get your affairs in order

The best time to get your estate affairs in order is now. Your financial adviser can help you set up an estate plan, ensuring you have a valid Will and enough insurance. They can also help you find the most financially and tax effective way to distribute your assets after you pass away.



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