



Financial planning for women

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Introduction

Whether you're single, with a partner, a part-time mother or career high-flyer, it's never too late to plan for your financial future.

The good news is more and more women are taking charge of their financial destiny and not leaving it in someone else's hands or to the fickle winds of chance. From financial intelligence to wealth creation strategies, women are becoming better informed and increasingly savvy in their approach to managing financial matters.

At Financial Spectrum, we specialise in helping women of all ages, backgrounds and financial positions better plan for the future.

We hope this eBook provides some insights on this process and encourages you to talk to us so we can help you on the journey.



Why women are different

There are differences in the lives of women and men that can change how you approach financial management. From greater life expectancy to disjointed career paths, planning and managing finances for women can be very different.

Longer life expectancy

On average, women live five years longer than men. While this may be good news from a longevity point-of-view, it does mean women need to be financially prepared for a longer retirement. It also means women who are in lifelong relationships with men may find themselves solely responsible for their finances towards the end of their lives.

Irregular career paths

Many women become mothers or caregivers and alter their working patterns to undertake these important roles. While a fulfilling time for many women, it can dramatically impact finances. From time out of the workforce to not making super contributions, finances are put under duress and options need to be considered.

Less involvement in financial decision making

Many studies show a large percentage of women in long-term relationships manage the day-to-day finances of the household, but leave long-term, high-value financial decisions to their partner. This is of particular concern given that 50 per cent of marriages end in divorce, and combined with greater female life expectancy, many women are often left to manage their finances with little knowledge or experience.

Pay variations

Whether we like it or not, women in many industries and professions earn less than men. Recent statistics show the average weekly income for men can be 30 per cent higher than women. This disparity can clearly impact long term opportunities for financial security and we encourage all women to seek professional financial advice to ensure the scales can be better balanced.

Relationship breakdowns

Many relationships end in divorce or breakdown and women often suffer greater financial impact as a result. For example, a woman re-entering the workforce after being a primary carer may find wage and time pressures challenging.

These and other variables can be a challenge, but also an opportunity. Seeking professional advice is always wise and we encourage you to come and talk to one of our financial planners who can help to guide you through these and other scenarios.

Starting out: Building foundations for the future

The sooner you begin planning for your financial future the better. As a young women on the cusp of life you have a fantastic opportunity to build financial success for your current as well as your future life if you begin now.

Whether you're embarking on university, have begun a new career, or are looking to get married and start a family, there are a host of ways that with the right advice and guidance you can make your life financially bright.

At Financial Spectrum we love to work with young and enthusiastic women with a desire to take on the world. We'll help you develop plans and strategies to suit your needs from borrowing for your first investment property to protecting yourself against loss of income. Our end goal is helping you achieve your goals.

Always remember, the earlier you get started the better we can help position you for your financial future.



Case study: Sarah's experience

Sarah is an up and coming lawyer at a city firm. She had been earning a good income for several years but felt she had little to show it. Still living at home, she didn't have any real savings and was keen to leverage her income to better position herself financially.

She had limited knowledge of investing, and while she had some broader financial goals such as buying a home and living comfortably in retirement, she had no idea how to get started.

Sarah came to see a Financial Spectrum financial planner who helped develop a strategy that included:

- Helping her to budget her money so that it didn't impact her lifestyle but allowed her to start building savings
- Arranging life insurance to protect her from loss of income if she became ill or disabled
- Helping to educate her about the basics of investing

Thanks to her financial planner, Sarah was able to purchase her first home and is on the path to retirement independence. She also has peace of mind knowing that everything she is building is protected in the event of illness or injury.



Mid-life planning: Working smart for the future

For those in the midst of this phase, mid-life can be a period of juggling time, responsibilities and priorities.

While often overlooked in the chaos, it's a good time to monitor how you are tracking financially and adjust behaviours to ensure you preparing yourself for a secure retirement.

So regardless of what position you find yourself in at this stage, take time to review and revise your financial goals and aspirations. If you're not sure where to begin, talk to a professional financial planner. They can help identify what you have in place and if it's still appropriate for your needs now and into the future.

The end goal is peace of mind and a secure financial future.

A Financial Spectrum financial planner can help you review areas such as estate planning, investment and protecting you and your family through life insurance and income protection.



Case study: Lisa's experience

Recently divorced, Lisa is a single mum with one daughter, Emily.

Back in full-time work, Lisa was keen to start building her financial independence. With funds from divorce proceedings, she has some money to put toward securing her and Emily's financial future.

Unsure of where to begin, Lisa spoke to a Financial Spectrum financial planner who helped:

- Identify investments appropriate to her situation
- Put in place an estate plan and appropriate life insurance cover for the unexpected
- Make the most of her savings for retirement by restructuring her superannuation
- Put in place a budget to help her fund their lifestyle

Thanks to her financial planner, Lisa was able to use her funds to invest for both her and Emily's future and has a plan in place in case of the unexpected.



The later years: Enjoying the benefits

While exciting, the idea of retirement can also be daunting. Perhaps you'll travel, perhaps you'll spend more time with the grandkids. But whatever you do, you'll need money to enjoy this period of life.

If you have planned well leading up to retirement you may be able to live your life in financial comfort. If not, you may face some challenges. Regardless of where you find yourself, a professional financial planner may be able to assist you.

For those that are comfortable, perhaps a plan to financially help the children and grandchildren after your time. For those less secure, perhaps releasing some equity from your family home can ease the pressure. There are many options available and your financial planner can help you identify those that will best suit your needs.

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Case study: Carolyn's experience

As an empty nester who has held a successful career, Carolyn was looking forward to the freedom of semi-retirement. But while it was an attractive proposition, she was still concerned about the financial implications of reducing her overall work hours.

Carolyn also wanted to ensure she had a plan in place that would allow her to live a certain lifestyle, while leaving a legacy to her children and grandchildren.

Carolyn sought the advice of a Financial Spectrum financial planner, and through a transition to retirement strategy, they helped:

- Take advantage of new superannuation rules that enabled her to put her earnings into her super fund and draw an income – her cash flow remains the same but she's paying less tax and building more super for the future
- Build wealth in trust for her grandchildren's education
- Prepare to retire completely in five years, with a clear idea of how much she will have to support her lifestyle

Thanks to her financial planner, Carolyn was able to implement a tailored strategy and has comfort she can achieve all that she wants to in the years ahead.



How Financial Spectrum can help

While being a woman is clearly a rewarding experience, it's important to be aware of the financial variances and issues that exist. We're hopeful this eBook has helped identify some of these for you.

At Financial Spectrum we can help guide you every step of the way on your financial journey. Our financial planners will always ensure you make informed financial decisions throughout each stage of your life.



About Financial Spectrum

Financial Spectrum is an privately owned financial planning practice. We develop tailored financial strategies to help you build your wealth and achieve your lifestyle aspirations.

We offer so much more than investing. We take the time to understand you, and then help you make the right decisions to achieve the future you're aspiring to.

We can help you to:

- Plan for the future
- Build your investment strategy
- Grow your personal wealth
- Simplify your budget
- Minimise bad debt
- Increase your super
- Reduce your tax
- Protect your family

Let us help you take control of your finances, build your wealth and achieve your future lifestyle aspirations. Contact us for a complimentary, no obligation meeting today.





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