



In your 50s

- Foundations for the future

Hopefully, life has become more comfortable, with the mortgage paid off, or close to it, the kids more financially independent and retirement to look forward to. While this can be a great decade to start enjoying some 'me time', - there are often big challenges to be faced in this decade.

Divorce among 50 to 59-year olds can happen. This could mean the assets you've built up as a couple are now divided and your lifestyle and income requirements change.

Unexpected changes in employment can also happen, meaning your road to retirement may not be as straight forward as previously hoped.

Here are some preventative measures, strategies and options that can help avoid or even eliminate life's 50 something speed humps.

Your five-point checklist:

- ✓ **Have a plan for the children:** One big trap is that the kids stay.....and stay. This is your time. You need to have resources for the future.
- ✓ **Plan your future:** Will your current job be viable and fulfilling through to retirement?
- ✓ **See a Financial Planner:** With higher disposable income, you need qualified advice to find what you must do to achieve the retirement you want.
- ✓ **Superannuation is key:** If you haven't got enough to retire on, you need to focus on it. Salary sacrificing can be a great way to build wealth.
- ✓ **Review insurance cover:** The likelihood of claims rises as you age, but the need for cover usually falls

Where we can help you	How can we help you
<ul style="list-style-type: none">▪ Effectively use your savings and investments▪ Manage your taxes▪ Optimising your superannuation▪ Planning for retirement▪ Protecting your lifestyle and assets	<ul style="list-style-type: none">▪ Prepare strategies to efficiently use your savings▪ Strategies to continue growing your super and making it more tax effective▪ Transition to Retirement strategies▪ Wills and Estate Planning strategies

Case Study

Adrianna is aged 56 and currently employed on an \$80,000 salary plus \$7,600 employer super guarantee contributions. Adrianna is considering salary sacrificing into superannuation providing she can meet her annual living expenses of \$50,000.

If Adrianna was to salary sacrifice \$16,000 per annum into her superannuation:

	No Salary Sacrificing	Salary Sacrificing
Gross salary	\$80,000	\$80,000
Less Salary Sacrifice	Nil	\$16,000
Taxable Income	\$80,000	\$64,000
Net tax + Medicare (2%)	\$19,147	\$13,627
Net Income	\$60,853	\$50,373
SUPERANNUATION		
9.5% Super Guarantee	\$7,600	\$7,600
Salary Sacrifice Contribution	Nil	\$16,000
Total Contribution	\$7,600	\$23,600
Less Contributions Tax	(\$1,140)	(\$3,540)
Net Increase in Super	\$6,460	\$20,060
Total Net Benefit to Adrian	\$67,313	\$70,433

Adrianna will be \$3,120 better off by salary sacrificing into super as she has reduced her after-tax income and has substantially increased her super savings.

Adrianna needs to take into consideration her super contributions cap which is currently \$25,000 per annum. Super money is preserved until you are retired. Although superannuation is an effective and tax efficient strategy, you can't access your super money until you meet a condition of release.



Phone: 1300 557 144

Email: admin@acaciafp.com.au

Web: acaciafp.com.au

Address: 703 Whitehorse Road, Mitcham Victoria 3156



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ABN 76 006 637 225 | AFSL 246934

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