

THE CIRCLE OF LIFE

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PEOPLE ARE LIVING LONGER AND BARRING ILLNESS, YOU ARE EXPECTED TO LIVE A FULL RETIREMENT INTO YOUR 80'S. IS THERE SUFFICIENT CAPITAL TO SUSTAIN THIS?

Shortage of money in your old age is a terrible stress and the last thing you want to do is have to live off the generosity of family. Your children are into the "Financial circle of life" themselves and need to develop this without hindrance and demands from you.

There are of course other parts to this "circle" – when I pass away, do I want to leave a financial legacy for my children, for my wife or for my grandchildren?

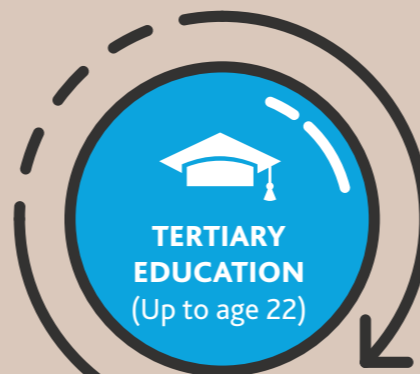
All this is possible with the correct financial planning – and there are qualified individuals, such as financial planners, who have been trained to assist you to put together this "Financial Circle of life" – from the start of your working days and onwards.

IF YOU HAD CHILDREN, THEY HAVE PROBABLY LEFT THE NEST – THEY HAVE BEEN EDUCATED AND ARE NOW PURSUING THEIR OWN LIVES AND CAREERS.

However, they may still need your financial assistance – are you still able to provide this without compromising your own financial situation?

Now is the time to add to that already growing retirement nest egg that you started in your twenties, with additional contributions to ensure that when you finally decide to kick the nine to five, you will be able to retire comfortably and do the things you have always dreamed of.

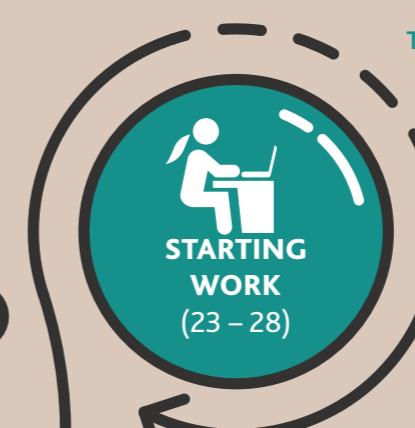
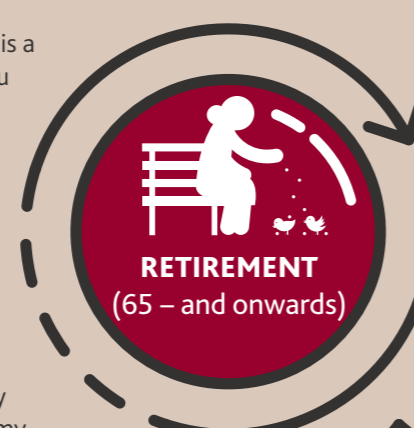
The need for Life Insurance is no longer as important, so you may be able to cut down on this in order to feed more into your retirement investments. This is a good point in time to also revise and update your Will.



BEFORE WE GRADUATE INTO FULL TIME EMPLOYMENT WE NEED TO BE AWARE OF OUR FINANCIAL ENVIRONMENT AND HOW WE CAN USE THIS TO OUR ADVANTAGE.

Financial wellbeing is all about one word – Planning. If we plan correctly and within our means, then life becomes an easier and more coherent journey.

Use the time at university/college to research the best ways to start the financial journey. Although you may not be earning at this stage of your life, the discipline of budgeting starts now.



THIS IS AN EXCITING AND CHALLENGING TIME!

Not only will you be earning a salary for the first time, but you will have graduated into the real world. This takes some getting used to, but it is still important to sow that tiny investment savings seed right up front.

The miracle that is compound interest ('returns on returns') will teach you that smaller amounts invested for longer terms will yield you a handsome reward if you stick to the savings routine.

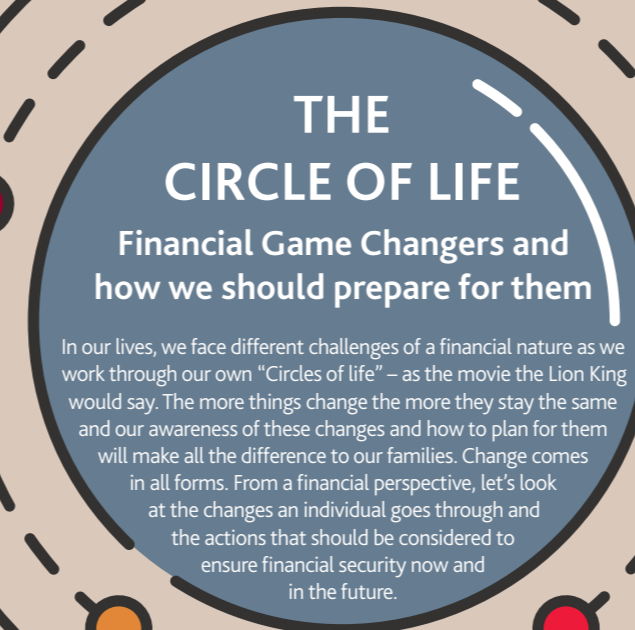
Maybe at this stage, you will purchase a car or even a small property and this will open the doors to acquiring some form of insurance in the event that you are not there to repay these debts.



NOT ONLY WILL YOU (HOPEFULLY) HAVE MET, COURTED AND MARRIED YOUR IDEAL PARTNER, BUT SUDDENLY YOUR OBLIGATIONS HAVE INCREASED.

This may mean a bigger property and inevitably more liabilities, mostly in the form of additional debt, the need to protect your partner and children in the event of your premature passing. Take advice on income protection, disability insurance and life insurance options to provide for these needs. Make sure you have a valid Will in place. This phase of life should be characterised by savings - ensuring that savings and investments are initiated to provide sufficient capital to educate any children that may come along. The cost of educating children continues to increase and sadly, quality education inevitably carries a correspondingly heavy price-tag.

At this stage of your life, you would do well forming a long term relationship with a financial planner.



SIMBA, THE YOUNG LION IN LION KING WAS WELL SCHOOLED BY MUFASA HIS FATHER WHO PROVIDED HIM WITH THE WISDOM TO EMBRACE HIS OBLIGATIONS AND RESPONSIBILITIES. YOU CAN DO THE SAME!