



TIME TO REFLECT

Many people use the Christmas/New Year period to reflect on the year that has just passed, often in a blur, and begin thinking about the future and how to achieve their hopes and dreams. Similarly, the new financial year is a good opportunity to reconsider financial strategies and goals.

Below is an easy-to-follow guide to getting your finances tidied up for the year ahead.

1. Have your key financial goals changed?

Many clients find that their goals change slightly from year to year. Also, major life events such as serious illness, the birth of a child, inheritance, marriage and the death of a parent or spouse can all result in significant changes to an individual's wealth management goals.

2. Prioritise your goals.

Not all goals are equal, and to ensure you aren't overwhelmed with the task ahead of you, it is important to rank and prioritise your goals and to decide what timeframe you want to achieve them in. Being realistic about your timeframe is essential to ensuring that your goals will be achieved.

3. Be clear about timeframes.

Most industry experts agree that a short-term goal is one that can be achieved within a year or so. Medium-term goals typically require two to five years, and long-term goals usually take longer than five years.

For example, reducing credit card debt is likely to be a short-term goal, whereas saving for a home deposit would often be a medium-term goal. Providing for retirement is a very common long-term goal.

4. If your financial goals have changed, how will this affect your financial strategy?

This is where the advice of a financial planner is critical. They have the tools and knowledge to create projections that take into account changes to your goals, and changes to your timeframes for achieving them. These projections will help you to see where your plans for savings, investment contributions, or assets, may need updating.

5. Be investment savvy.

Make sure that your investments support your level of risk and your goals. Your financial planner can develop a tailored analysis that best suits your individual risk preferences and goals. They can also provide you with a review of your portfolio and advise on any sell-downs or top-ups that would benefit you. Your adviser can also work with your accountant to ensure changes are implemented in a tax-effective manner.

Reflecting and thinking about your financial position and setting a clear path is critical in making sure you reach your goals. Your adviser can help guide you and make sure you are always on track.

Helping you build yours.

