



## December 2015

Merry Christmas and welcome to the latest edition of our client newsletter,

Our office will be closed from Wednesday 23 December until Monday 11 January.

Our articles cover a range of topics which we hope you will find interesting. We aim to keep you informed of changes as they happen, but we also want to provide ideas to help you live the life you want – now and in the future.

If you would like to discuss any of the issues raised in this newsletter, please don't hesitate to contact us.

In the meantime stay warm and we hope you enjoy the read.

All the best,  
Matt



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# Sun shines on local holidays

No matter how far and wide they roam, Aussies still love to call Australia home. Increasingly we are seeing this Great Southern Land as an attractive alternative to holidaying overseas.

For a while, the lure of exotic destinations was enhanced by the Aussie dollar's buying power as it soared against foreign currencies.

## Value for money

That was then. From its high of US\$1.10, the Aussie dollar has dipped below US70 cents meaning much less bang for our buck in far-flung destinations.<sup>i</sup>

With some pundits saying it could go as low as US50 cents, there has been no better time to explore our own back yard.

In fact, more of us are already doing just that. The latest statistics from Austrade show that domestic tourism was up 6 per cent in the March quarter.<sup>ii</sup>

This is a trend that is likely to continue as it has never been easier to plan an affordable holiday thanks to numerous websites and apps that help people map out vacations and track down fantastic travel and accommodation options.

## Meet the locals

Airbnb.com.au matches travellers with hosts who rent part or all of their homes for a fraction of the cost of swish hotel rooms.

Options range from stunning heritage-listed mansions to modern apartments to funky bedsits. Imagine waters' edge views over

the beautiful Tamar River near Launceston, just a short stroll from a vineyard's cellar door for just \$100 a night.

You would be hard-pressed to find a similar price within cooee of this location even on cheap accommodation booking sites such as stayz.com.au or lastminute.com.au.<sup>iii iv</sup>

## Under the southern cross

For those who want to spend time in the great outdoors, CampingAustralia.com.au has a free mobile phone app that lists caravan and holiday parks, pub and farm stays, backpacker hostels, showground camping and even free overnight camp sites.

Old style caravanning and camping has been on the rise for a decade, along with the new trend of glamping – that's camping mixed with a little luxury.<sup>v</sup> You don't even need to own your own caravan. The site HireMyCaravan.com.au allows you to find a locally available van that suits your needs and budget so you can hit the open road in comfort.<sup>vi</sup>

## So many choices

We are blessed to live in a country of incredibly diverse landscapes, from the

red desert of central Australia, to the tropical rainforests in northern Queensland, to the breathtaking temperate forests and beaches of the southern states. As to where to go – take your pick!

There is a good reason why Australia is becoming increasingly tantalising as a holiday destination for overseas visitors. It offers great hospitality, safety, a friendly climate, spectacular landscapes and a unique environment with unmatched native wildlife.

Apart from the fact that these factors rarely come together anywhere else in the world, our devalued currency means Australia offers great holiday value for locals, too.

***So what are you waiting for? – get out and experience all that Australia has to offer.***

i <http://www.theaustralian.com.au/business/markets/australian-dollar-falls-following-strong-us-jobs-figures/>

ii [http://tra.gov.au/documents/nvs/NVS\\_Summary\\_March\\_2015.pdf](http://tra.gov.au/documents/nvs/NVS_Summary_March_2015.pdf)

iii <http://www.stayz.com.au>

iv <https://www.lastminute.com.au>

v [http://tra.gov.au/documents/Snapshots\\_2012\\_Caravan\\_or\\_Camping\\_FINAL.pdf](http://tra.gov.au/documents/Snapshots_2012_Caravan_or_Camping_FINAL.pdf)

vi <http://www.hiremycaravan.com.au/>





# Jump retirement hurdles with a coach

Retirement is a life event that many of us long for, dreaming of the day we don't 'have' to work anymore and we can finally achieve the 'financial freedom' we have saved for. But it can also mean a period of adjustment as we settle into a new version of our life. This can sometimes bring with it feelings of anxiety, unsure of what we will actually 'do' or what our purpose is now work is no longer the main focus.

We chatted to the founder of The Happiness Institute, Dr Tim Sharp on how a Retirement Coach can help.

## *I've heard of a team coach – for sport – but what's a Retirement Coach?*

"A Retirement Coach is, in fact, very similar to a sports coach; someone who supports a learner in achieving a specific personal or professional goal. In sports this might be to improve skills with a view to winning. Where someone's retired or retiring, the process would be similar, but the goals would be more about health, wellbeing and overall helping the individual to thrive and flourish and enjoy the best life possible."

## *Why would someone need a Retirement Coach, and when's the best time to find one?*

"Firstly, not everyone does 'need' a Retirement Coach. For many people transitioning from work to retirement is easy and positive. That being said, there are many people for whom this process can be challenging. If you do find yourself feeling

especially negative about the change, it could be time to seek help. Sometimes you might even feel great about retiring but just unsure about how and where to direct your energy. This is where a Retirement Coach could be very useful. As for timing – well, the earlier the better."

## *How could a Retirement Coach help someone become happier in their retirement?*

"This varies but some of the more common themes include:

- Helping to clarify values and direction and purpose
- Improving physical health and wellbeing and energy levels
- Rebuilding and regenerating hope and optimism
- Helping the individual to connect or reconnect with others who have similar interests

And generally, helping them to define and then work towards a happy, fulfilling life!"

## *What's involved in the process?*

"The general process involves assessment of your current situation, strengths and weaknesses, setting goals, planning how you can achieve those goals, learning relevant skills and techniques and setting up maintenance systems so you can continue with your journey even after the coaching has finished."

## *After working with their coach, what do your clients say has made the biggest impact on their life in retirement?*

"Many different things but the more common and profound would probably be...clarifying a new direction and purpose and re-defining an identity (who am I now that I'm not longer a 'worker'?)"

## *What are the signs that someone I care about might need a Retirement Coach?*

"Persistently low mood (including irritability and/or excessive frustration), lack of sleep, lack of appetite, loss of interest in social and recreational activities, social isolation and/or cognitive decline (such as difficulties remembering or paying attention)."

## *What could I do to help them?*

"We can only really help others if they want to be helped; but we can prompt them to get help by subtly and appropriately raising concerns, directing them to relevant resources and ultimately, encouraging and supporting them to see a suitably qualified professional."

You can find out more information about Retirement Coaching at [www.thehappinessinstitute.com.au](http://www.thehappinessinstitute.com.au)

**Or if you have any questions about your finances in retirement, contact us today.**



# Six super terms that should be on your radar

**Confused by industry jargon? We help you make sense of it all...**

We want to empower you to take control of your finances and own your tomorrow. But we know it's not always easy. The language of finance can be complex and confusing.

Here we explain superannuation terms in everyday language.

## Superannuation guarantee (SG)

The payments your employer makes into your super. All Australian employers are required to pay at least 9.5% into their employees' super accounts. The SG rate is frozen until 30 June 2021, after which it is set to increase gradually to 12% by 1 July 2025.

## Concessional contributions

Any payments into your super by your employer from your pre-tax salary (including super guarantee and salary sacrifice) up to \$30,000 (or \$35,000 if you're over 49) that are only taxed at 15%, which is lower than most people's marginal tax rate — unless

you earn over \$300,000, in which case you're taxed at 30%.

## Non-concessional contributions

You can pay up to \$180,000 a year into your super with after-tax funds— or \$540,000 spread over three years. Although your payments won't allow you to receive a tax deduction, non-concessional contributions can still be a tax-effective way of saving for retirement. Any earnings are only taxed at up to 15% and any withdrawals are tax-free once you can access your super.

## Co-contributions

Depending on how much you earn, if you top up your super using after-tax contributions, you may receive up to \$500 from the government.

## Beneficiaries

The people you want to receive your super savings in the event of your death. It's important to remember that your will

doesn't cover your super. So if you don't name your beneficiaries, your super fund may decide who gets your money after your death.

There are two types of beneficiaries binding and non-binding. Having a non-binding beneficiary will give the trustee an indication of how you would like your super distributed, however making a binding nomination is the only way to make sure your super savings will go to the right people at the right time because your super fund is legally obliged to follow your instructions.

It's important to note binding nominations are only valid for three years so you need to keep them up to date.

Contact us we can help you make tax-effective contributions to your super and keep your beneficiaries up to date.

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*2. to discard as obsolete or old*

**superannuation** /,su:ˈpæːnʊːˈneɪʃən/

*1. regular payment made into a fund towards a future pension.*

*"a superannuation fund"*