



## **Maximising retirement income**

Australians can no longer rely solely on social security payments to provide for their retirement. And for most of us, the thought of downgrading our standard of living on retirement does not appeal. So if you've reached retirement age, it's time to make the most of the money you've worked so hard for.

It means investing your capital in the most tax effective way so it continues to earn income for you. Ideally, this means you can live comfortably for all your retirement years. Of course, this may be dependent on your starting amount, but your Gold Financial Adviser has a number of ways to help you achieve this goal. Because when you retire, the last thing you want to worry about is money.

### **Tips on retirement planning**

Retirement planning isn't just about money. It's about you - your needs and wants, your aspirations and dreams, the kind of home you want to enjoy and the kind of pace you want to keep.

### **Know when your retirement will begin**

Does the thought of early retirement thrill you or scare you? Retirement is something you do once in a lifetime, so choosing when you want to do it affects your retirement plan from the bottom up.

### **Consider how long your retirement will last**

You want your retirement assets to outlast you, so you need to assess your chances for longevity, based on your family history, your personal habits and your lifestyle. Together these will help you form a picture of where you stand relative to average life expectancies for people your age.

### **Take a look at your present cost of living**

Take a good look at the expenses in your life now. You might even want to consider how you could lessen your current expenses by economising or by reviewing your priorities.

### **Look into your sources of income during retirement**

Other sources of income such as dividends or rent from investments are important to take into account. Downsizing from the family home to a smaller home can also give you extra capital. It may also be wise to consider whether you will inherit any money during your retirement.

### **Think about how your expenses will change**

75 per cent of present income, adjusted for inflation, is the generally accepted benchmark of replacement income you'll need for retirement. But it will be much more if you choose to spend your leisure years travelling the world, or substantially less if you opt to live more modestly than you do now.

### **Calculate your retirement gap**

Once you've calculated what your retirement expenses will be and what your projected retirement income will be (based on your present levels of investment), chances are there will be a shortfall between what you'll need and what you'll have. This difference is your retirement gap - the amount of additional income you'll need to produce to live the way you want during your retirement years.



**Bridge that retirement gap!**

Remember that time, your rate of return and effective use of superannuation all contribute to the outcome of your investment plan.

**Work out if you can contribute more**

To help pay for the bridge that closes your retirement gap, consider contributing a little more.

**Check your plan regularly**

Every year or so, you should review your retirement plan with your financial representative and make sure your plan is still in a position to meet your ever-changing needs.

If you would like assistance in contacting a financial adviser, please [click here](#) for a list of specific phone numbers or email [admin@goldfinancial.com.au](mailto:admin@goldfinancial.com.au).