Prepare FOR LIFE
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BRIGDENS FINANCIAL SERVICES PTY LTD
CHARTERED ACCOUNTANTS

In this issue

COVER THAT'S DESIGNED FOR LITTLE & BIG Kids

FOR PARENTS, THERE'S NO GREATER PLEASURE THAN WATCHING YOUR KIDS GROW INTO HEALTHY HAPPY ADULTS.

Childhood is all about great experiences and big adventures. However, it's not possible to prevent every childhood accident or serious disease. If, sadly, something were to happen to your children, how financially prepared would you be?

It's a conversation worth having.

BE READY TO LEND A HELPING HAND

A family with a seriously ill or injured child can face financial stress. Mounting medical bills and time off work to care for the child take their toll. That's why understanding the benefits of child cover can help you get the right cover if something unforseen were to happen to your child.

WHAT TO LOOK FOR

Child cover offers can vary quite a bit between providers. It's helpful to understand some of the key areas to look at when determining which cover best suits you.

Lump sum benefits can be as high as $200,000. Some providers include $10,000 in child cover premium-free for each eligible child as part of a lump sum or income protection policy, so this is worth investigating.

In addition, it's important to look at the cut-off age for child cover, which isn't necessarily just for little kids. Some providers make it available up to age 21 at which stage a lot of big kids have started driving and are going out without their parents. At this stage in life, children can be exposed to greater risks, increasing the possibility of injury through accidents.

If you move to another policy, including a spouse's policy, consider if you can take your child cover with them. There are providers that allow fully-transferable child cover without the need for a re-assessment so kids can easily remain covered.

When a child grows out of child cover, you may want to continue covering your young adult children. To make it easier, often child cover can be converted to life cover, with linked or stand-alone trauma cover, without the need for any medical underwriting.

To find out more about child cover, talk to us today and see how we can help you further.

Source | Asteron

Whether you're an experienced investor or a novice dipping their toe in the water, there are some essentials to remember. This article will introduce some of the concepts you need to help you navigate the investment waters.

Investing over the long term can help you weather market fluctuation and make the most of compound returns.

It's never too early to start investing. Whether the amount is small or large, the earlier you invest, the more likely you are of achieving a greater end result.

Market cycles

Investment markets tend to move in cycles. They can vary from providing strong returns year after year, known as bull markets, to bear markets where stock markets are declining.

It's important to recognise that investing is generally for the medium (3-5 years) to long-term (5+ years) and understand there will be periods of both outperformance and underperformance.Those with shorter time horizons and lower acceptance of risk often opt for more defensive asset types that are less prone to market movement, such as cash and fixed interest.

While defensive assets may provide greater shelter from volatility, they generally provide lower longer term returns than the other asset classes such as property and shares. This may result in you not achieving all of your financial goals and objectives.

Time in the market

It can be tempting to react to market volatility by jumping in and out of certain investments. But timing the market requires you to make two correct decisions that are very difficult to make: exactly when to buy and exactly when to sell. Being out of the market at the wrong time, even if it's for a short period can significantly reduce the overall performance of your investments.

Markets will always fluctuate but the longer you stay invested, the less affected you are by short-term volatility.

The power of compound returns

The power of compounding returns is the single most important reason for you to invest early. The interest your account earns on your original investment increases your account balance and ongoing investment earnings can be made on both your original investment and the interest your account has returned. In other words, you receive interest on interest. When your assets compound for a long period of time, this can give a substantial boost to your investment.

Asset performance over the long term

For example, if you decide today to invest an initial amount of $1,000 into a managed fund that earns 8% p.a. and then contribute $100 per month, in 10 years' time, you would have $20,071. If you started investing the same amount three years later, you would only have $12,708. This is where the power of compound returns takes effect. Spending more time in the market, or investing earlier, can make a big difference to your overall investment returns.

Benefits of dollar cost averaging

Dollar cost averaging (DCA) is a strategy of investing a fixed amount at regular intervals. DCA lowers the risk of investing a large amount into a single investment at the wrong time. The benefit of DCA is that the timing risk is reduced and as a result the cost is averaged out over time.

Within managed funds, for example, unit prices can fluctuate in response to market movements. By making regular investments rather than a one-off contribution, the unit price evens out over time.

When followed strictly, this strategy can help you reduce risk and avoid costly emotional and spontaneous investment decisions that might see you selling at the bottom of the market and buying in at the top.

Source | OnePath

The Importance of

rauma Cover

Thanks to modern day treatments, cancer survival rates are on the rise. But can you afford to be treated?

Our new case study will help you understand the importance of trauma cover when facing serious illness.

One in two Australians will develop cancer before the age of 85 and one in five will die from the disease, according to a report from the Australian Institute of Health and Welfare (AIHW).

But while the incidence of all cancers rose by 27 per cent in the 25 years to 2007, deaths from the disease have actually fallen by 16 per cent. This proves just how far modern medicine has come and the calibre of treatments available to treat the various forms of this illness.

In fact, this report has revealed that cancer patients are increasingly living longer with 66 per cent now surviving for at least five years (for all cancers combined in the period 2006-2010) – a large increase from the 47 per cent survival rate for all cancers in the period 1982-1987.

According to Anne Bech, spokeswoman for AIHW, "While overall cancer survival is improving in Australia variations still exist between types of cancer."

The report also revealed that cancer sufferers, who have survived for five years, had a 90 per cent chance of living for another five years for all cancers combined. This is all good news right? Well if you have enough money to cover all the necessary (and ongoing) treatments then absolutely! But what if you can't afford to be treated?

One might be forgiven for thinking that a combination of income protection insurance, private health insurance and Medicare are enough to cover the treatment of serious illness. But the truth is, in the case of cancer, where it can take years of treatment including many rounds of chemotherapy, radiotherapy and even surgery, serious illness can come at a huge cost which can mean hundreds of thousands of dollars out of your pocket.

It's important to speak to us to understand the difference a lump sum payment can make in the event of suffering a pre-defined traumatic event such as cancer.

Not only will trauma cover help to meet any out of pocket expense you might face, but it could in fact, ultimately assist with the road to recovery by removing some of the added financial pressure created by the need for ongoing and often expensive treatments.

Are you financially prepared for the treatments that go along with surviving serious illness?

For more information on trauma cover to put your mind at ease, contact us today.

Source | Zurich

Financial planning
is about *much more* than just retirement

Many people may think financial planning is all about retirement. It's not. Financial planning is about making the most of what you have – at every stage in life. Whether it's investing, superannuation or minimising tax; whatever your stage in life, financial planning can make a difference.

If you are interested in investing, there are several things you need to consider. For example, how long do you have to invest and how comfortable are you with fluctuations in the value of your investments? We can help you determine your time horizon and risk profile and then recommend the most suitable type of investments to help you realise your goals.

What about your super? Is it working as hard as you are? Your risk profile can also be applied to your superannuation investments. It's a long-term investment, but it's important to make sure it's invested in the right way.

Limits to the amount of super you can contribute each year ($25,000 in concessional contributions for people under 60 and $35,000 for those aged 60 and over) means the earlier you start, the better. Contributing more to super will not only boost your super balance, it could even reduce the amount of tax you pay!

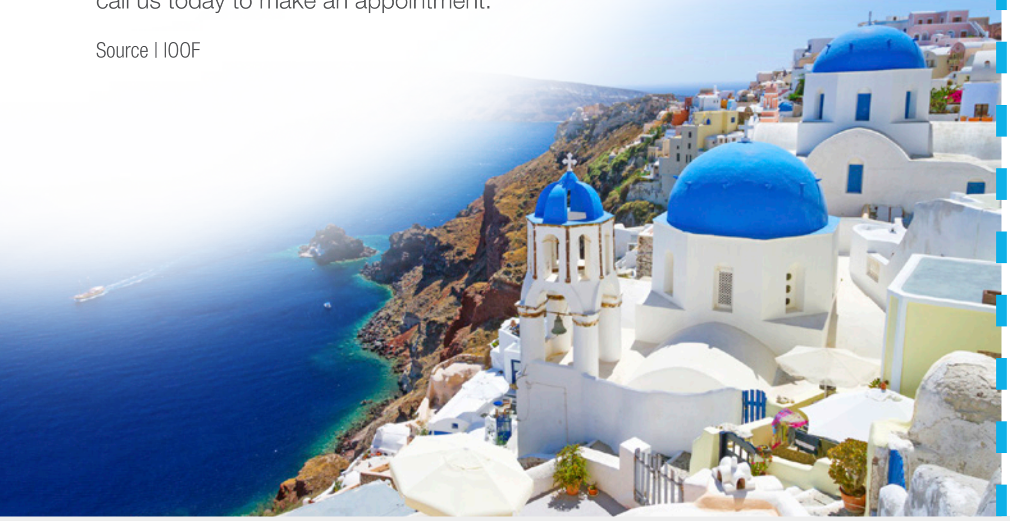
Everybody's different – different needs, different goals and different circumstances, however, professional financial advice can help you at every stage of your life.

We can provide guidance on:

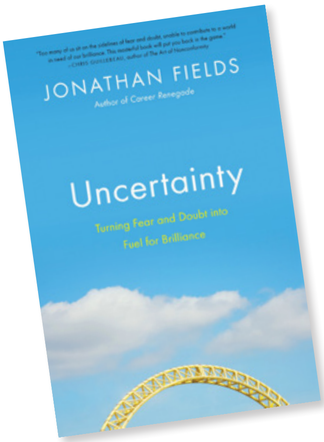
- Stockbroking, investments, shares, gearing and insurance
- Tax-effective superannuation strategies
- Centrelink and aged care strategies
- Estate planning strategies, and
- Portfolio administration.

To start planning for a successful financial future, call us today to make an appointment.

Source | IOOF



GOOD READ



Uncertainty

by Jonathan Fields

Jonathan Fields knows the risks - and potential power - of uncertainty. He gave up a six-figure income as a lawyer to make $12 an hour as a personal trainer. Then, married with a three month old baby, he signed a lease to launch a yoga centre in the heart of New York City... the day before 9/11. But he survived and along the way, he developed a fresh approach to transforming uncertainty, risk of loss and exposure to judgment into catalysts for innovation, creation and achievement.

Fields' approach enables creativity and productivity on an entirely different level and can turn the once-tortuous journey into a more enjoyable quest.

Drawing on extensive case studies and research, Fields shares a set of detailed personal practices and environmental changes that can not only humanise the creative process, but also allow individuals and teams to stay more open to opportunity and play a bigger creative game.

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