

Make your move for a
secure financial future

GESB FINANCIAL ADVICE

Who needs financial advice anyway?

Financial advice isn't just for those breathing the rarefied air. It's for those of us who want to save money, protect assets and prepare for whatever life throws our way. And the sooner you do it, the better prepared you'll be. In fact, seeking financial advice could be the most important thing you do, not only for you, but also for your family.

In a nutshell, whether you have a little, or a lot and whatever life-stage you're at, good financial advice helps you plan ahead to achieve your goals.

WHAT CAN FINANCIAL ADVICE DO FOR ME?

Financial advice gives you professional guidance to help you make informed decisions about your money. Your adviser will put together a financial plan, helping you decide what you need to do with your money today, to achieve what you want in the years to come. Advice can cover a range of topics like budgeting, investing, saving, paying off debt, tax effectiveness and retiring.

JUST HOW MUCH EFFORT IS INVOLVED?

Your adviser will do the hard work, all you need to do is answer a number of questions about your financial situation. They'll want to know how much money you earn, how much money you owe and details about your current investments and expenses - the kind of information you pull together to complete your tax return every year. And it's worth a little effort, because the better they get to know you, the easier it will be for them to assist you in meeting your financial, lifestyle and retirement goals.

DO I REALLY NEED A FINANCIAL PLAN?

Let's answer that with another question. Are you confident that, come what may, your financial future is secure?

A solid financial plan lets you map out the path to a secure financial future, by supporting you as your family needs and career change. It can give you the tools to achieve your personal goals, like helping to fund your child's wedding or paying for an extended holiday. It also lets you manage those unforeseen events that can happen to anyone - coping after a redundancy or protecting your income and assets in case of illness or disability.

Ongoing financial advice makes it easier to chart your progress and help you decide whether you need to change direction and adjust your financial plan, as a result of changes to your personal circumstances or goals.

Most importantly, having a financial plan means having peace of mind. Because we all sleep easier, knowing that we've done everything we can to secure our financial future.

Research has shown that, in general, a couple looking to achieve a comfortable retirement will spend around \$55,249* per annum in retirement. The maximum couple's aged pension of about \$29,434* falls well short of this.

Good financial advice can help you bridge the gap by putting a plan in place to provide you with the standard of living you want when you retire.

OKAY, SO WHY GESB FINANCIAL ADVICE?

As you'd expect, GESB Financial Advice has a team of qualified and experienced advisers. And naturally, like everyone in GESB, we're dedicated to delivering the right advice - the way you need it, when you need it. But just as importantly, our financial advisers know and understand GESB's unique super schemes and retirement products inside out, so there's nobody better placed to help you get the most out of yours.

Three key words describe the GESB difference: service, expertise and trust.

Service

We consider your entire financial situation and build a personalised strategy to address your super and retirement needs. And while other super funds and financial advisers can leave you feeling even more confused about your finances, GESB Financial Advice is committed to presenting even the most complex advice in a way that's easy for you to follow. We want you to understand our advice and to be better informed about your finances in general.

Our range of services are exclusive to GESB members and we are based right here in WA.

Expertise

Our advisers are highly qualified financial planning experts. Unlike some financial planners, our team know GESB's products intimately, especially the complex area of untaxed and defined benefit schemes.

What this means for you is we're the best people to customise your financial plan, including maximising the unique benefits of your GESB account and designing the most tax-effective structure for your retirement. Getting expert financial advice can help you avoid costly mistakes.

Trust

We work hard to discover all we can about you, to understand your individual circumstances and your aspirations for the future. What's more, our advisers aren't paid commissions and they're not paid based on product recommendations. Our advice is based purely on providing you with the best financial strategy to suit your needs.

GESB FINANCIAL ADVICE CAN MAKE ALL THE DIFFERENCE

It doesn't matter what stage of life you're at, you can always benefit from some advice about your finances, and GESB Financial Advice can offer you a range of services to help you reach your goals.

For example, we can help you:

- Understand your retirement options and opportunities to start planning for a long and comfortable retirement
- Get the most out of your super
- Be comfortable that you will achieve your retirement income goals

We tailor our services to suit you - from offering straightforward advice about a specific issue, through to working with you on a comprehensive financial plan.

IT'S FINANCIAL ADVICE YOU CAN AFFORD

Your first meeting with one of our advisers is obligation free. Then, if you decide that you would like us to help with your financial plan, we will calculate the fee based on the time and effort required. And we always confirm our fees and the extent of the advice you'll need with you before we start - so you are fully informed and there are no surprises.

The good news is that you may even be able to deduct a portion of the fee from your super. This means you're getting financial advice with no out-of-pocket expenses.

We think financial advice is for everyone. Call us on 13 43 72 today to book your obligation free consultation.

What is a Statement of Advice?

We will provide you with personalised advice in the form of a written financial plan, called a Statement of Advice. This is a legally required document that financial advisers provide. The Statement of Advice we create for you will be unique to your personal objectives and financial circumstances.

In your Statement of Advice we will firstly provide an overview of your current financial situation. We will then give you a summary of your goals, as we came to understand them through our discussions with you. This will be followed by all our recommendations and the basis for each of them, including the expected benefits and any possible disadvantages or risks you need to be aware of, should you accept and implement our advice.



Retire soon, debt free

CASE STUDY

WE WANT TO RETIRE SOON, WITHOUT ANY DEBT

Approaching their 60s, Chris & Linda Simpson's thoughts were turning to retirement. However, with their mortgage and investment property still to pay off, a daughter's wedding on the horizon, pending home renovations and the need for a new car, they could see debts were beginning to mount.

FINANCIAL OVERVIEW

With both having successful careers, they were salary sacrificing a percentage of their incomes to super and had always invested and put money aside for retirement.

The couple were topping up their \$80,000 and \$60,000 incomes with \$10,000 in investment income from their rental property. This property formed part of their total investments (excluding their family home) of \$1.1 million, which included \$650,000 in West State Super.

They were also carrying \$518,000 of debt, which included their investment property loan, home mortgage and credit card debt. Their intention was to sell the investment property to help fund their retirement.

However, the combination of contributions tax on their West State Super and potential capital gains tax on the sale of their investment property would have given rise to a substantial tax burden upon retirement.

FINANCIAL GOALS

Chris said that they planned to live on around \$50,000 a year in retirement, with \$10,000 for holidays each year and thought they'd be well prepared to meet this when the time came to retire. But, with the tax burden they would carry as well as the impending additional short-term lump sum expenditures, they were suddenly not so sure that they would have enough money.

"A lot of expenses seemed to come our way all at once. We worried about it. Could we really afford to retire? Just when we should be winding down on work, I began to think our dreams of retirement would have to stay just that - dreams!"

OUR FINDINGS

Upon analysing their situation, their GESB Financial Adviser found that they would indeed have had significantly less than what they needed to fund their retirement. The total tax burden alone would have amounted to approximately \$175,000, which would seriously have impacted the amount of money they could have invested in their retirement plan. This would have put Chris and Linda's well deserved retirement goals into serious jeopardy. Most alarmingly, without advice, the income they could achieve would have fallen well short of their target.






HOW WE WERE ABLE TO HELP

Their GESB Financial Adviser mapped out a combination of strategies that would enable Chris and Linda to achieve their retirement income goals, cover their short-term lump sum expenses and repay their debt.

The strategy resulted in a reduction in tax of over \$125,000 and Chris and Linda being able to achieve \$60,000 income each year in retirement. "We knew what we wanted to achieve, but just didn't know how to get there. After the advice, we could see that without it, we would have been left with little in retirement after paying off our loans."

"While the advice took us in quite a different direction, the combination of the reduction in our overall tax burden and debt has made a huge difference to our future. And now that we have a clear financial plan, we're looking forward to a long and happy retirement, because we know we can!"

How to contact us

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*Source: AFSA Retirement Standard based on Dec 2011 quarter figures
www.superannuation.asn.au/resources/retirement-standard

The figures assume that the retiree(s) own their own home. The figures relate to expenditure by the household. This can be greater than household income after income tax where there is a drawdown on capital over the period of retirement. Single calculations are based on female figures.

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