

Four rules of money

1. Spend less than you earn

Spending less than you earn is crucial if you want to accrue wealth during your lifetime. Your expenditure will vary depending on where you are in life. However the key to achieving your financial goals is to know what you are spending. Prepare a budget, and plan to have a regular saving commitment.

2. Protect your capacity to earn

Your biggest single financial asset is your ability to earn. Most of us will understand the need to cover our loved ones in the event of premature death. But few cover the regular income that funds our lifestyle. How long would your savings last if you were unable to earn? What would you have to give up? Kids education or sporting activities . . . your home ?

Put a safety net in place to ensure your capacity to earn is protected.

3. Pay off non-deductible debt first

Personal loans, credit card balances, your home loan . . .

Consider your loans. If the taxman is not giving you a deduction for the interest paid you should repay those loans first.

4. Make your money work for you

Four common ways to make your money work for you:

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|----------------------|------------------------------------------------------|
| Invest in cash | - Term deposits or savings accounts pay you interest |
| Invest in shares | - Shares pay you dividends |
| Invest in property | - Property pays you rent |
| Invest in a business | - A business generates profit |

Is your money working hard enough?

4

1. You can...
2. You must...
3. You should...
4. You will...

Talk to us to review your circumstances and action the 4 rules today!

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