



**“Plan today, protect tomorrow”**

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# A financial health check



*For many this time of the year is an opportunity to rest and recharge before getting back onto the treadmill. Because we are all so “busy with life”, we often put “less urgent” items aside, resolving to get to them when we have more time. But there just never seems to be “more time”. Too often doing a financial health check is one such item. I would urge you to take a few minutes to consider the 8 questions in the leading article. It does not have to be hard to make changes or put a plan in place. Call me if you would like to have that chat.*

*Finally, to you and all your families, best wishes for a very Merry Christmas and an outstanding 2017!*



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A quick financial health check. Go through these 8 questions and be honest with your answers. There is no “right and wrong”, just your own answers:

- 1) Could you lay your hands on \$1,000 today due to an unexpected expense – Yes/No
- 2) Are you looking to make a large purchase this year (car, travel, home appliance etc) and fund it with debt? – Yes/No
- 3) Is your will up to date – Yes/No
- 4) Do you have KiwiSaver in place – Yes/No
- 5) If you passed away tomorrow, would your family be financially secure -Yes/No

6) Do you have health insurance in place to avoid waiting lists – Yes/No

7) If you had a severe illness that stopped you working for say six months, would you be able to survive financially? – Yes/No

8) Is servicing your mortgage well within your means or would you like to rearrange the debt to make it easier on your pay packet? – Yes/No

If you are not comfortable with your answers, call me for a chat about helping rearrange things. We are not saying that we can solve everything; we can at least offer an independent (and confidential) viewpoint. Sometimes an outside viewpoint can be of value.

In the meantime, a good starting point is to put \$50 aside each payday into an ‘emergency’ fund. It quickly accumulates and covers unexpected bills such as car repairs, dentist bills and your children’s expenses.



## Gerrymandering

Imagine if Phil Goff, the Auckland mayor, redrew Auckland electorate boundaries to make sure that in the next election Labour won every seat. This is election rigging, and is completely legal in most US states!

Gerrymandering is usually obvious, because you tend to end up with odd-shaped electorates. This is where the name comes from. In 1812 Governor Elbridge Gerry of Massachusetts helped his own team by creating a district that looked a bit like a salamander, hence ‘Gerry-mandering’.

# How much life insurance do I really need?



Death cover can be calculated in a number of ways, but it is important to remember that it is a totally individual calculation.

For example, if you died tomorrow, you may want the insurance to clear the mortgage, fund the funeral and leave a fund for the kids and surviving partner to live on for a couple of years.

In other cases you may have a business that carries debt. This should be considered either as part of the insurance cover or separate if you have a business partner.

You may be putting aside money for your kid's university education and wish to fulfil that obligation from the insurance.

Something to remember is that if you live with a non-working partner, he/she should be insured as well. If they died, as well as the funeral, you would be faced with childcare and additional expenses.

The bottom line is that no two people are in the same situation and as a result it is necessary to do an individual needs analysis. And of course, this is worthwhile doing on a regular basis as things change often. You may well carry insurances now that are no longer relevant.

*Brain fitness answers... 1. There are nine Mustards. Since each daughter shares the same brother, there are six girls, one boy and Mr. and Mrs. Mustard. 2. 'Just one word' 3) his horse was named 'Sunday'.*

# The curious beings called 'Millennials'



Depending on which source you use Millennials are people born from 1982 to 2004. Because of globalization, social media and the exporting of Western culture millennials worldwide are quite similar to one another.

Whereas in the 1950s families displayed a wedding photo and maybe a military photo in their homes, millennials have pictures of themselves.

Millennials have less civic engagement and lower political participation than any previous group. They got so many participation trophies growing up that a recent study showed that 40% believe they should be promoted every two years, regardless of performance!

They are also fame-obsessed and can be identified easily as they are glued to the screen of a phone or tablet. They walk among us! They are our future.



A group of senior doctors has released a list of thing it considers to have little or no benefit.

**1 Eating five portions of fruit and vegetables a day:** The British advise five a day. In Denmark, it's six. In Australia, it's seven.

**2 Taking vitamin C:** If you feel a cold coming on, it's a waste of time reaching for the vitamin C tablets.

**3 Flossing:** The British Dental Association's scientific adviser declared flossing to be pointless.

**4 Having a landline:** They really exist to allow your broadband provider to charge more.

**5 Drinking eight glasses of water a day:** This figure first appeared in a recommended dietary allowance guide in the USA 70 years ago and it just stuck! It has no basis.

**6 Don't put** tomatoes, potatoes, bread, onions, avocados or bananas in the fridge.

**1. Mr and Mrs Mustard have six daughters and each daughter has one brother. How many people are in the Mustard family?**

**2. Re-arrange: O O U S W T D N E J R to spell just one word.**

**3. A man rode out of town on Sunday, he stayed a whole night at a hotel and then rode back to town the next day on Sunday. How is this possible?**



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