



In this edition:

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If you are new to reading The Key newsletter, welcome. If you are an avid reader of this publication you would be familiar with this forum, delivering relevant and interesting content from the financial planning industry, to help you better manage your financial life. A core value of our business is that every Australian should have access to, and benefit from, good financial advice. In reading this publication, we hope that you find the articles interesting, and perhaps they will provide some talking points for your next review meeting with your financial adviser.

Enjoy reading this edition of The Key.

Start your own business and thrive

There are many things to consider when starting a business, but if you are organised and not shy about asking for help, things will fall into place.

Starting a new business is exciting but there's a lot to think about and organise.

Before you even begin, consider how prepared you are to make difficult decisions, work long hours, face financial constraints, lose sleep and confront failure.

Talk to others

If none of these scare you, and you feel you have the drive and ambition to make a success of your business idea, then get started by talking with others who have done what you wish to do.

The best information often comes from people with experience, plus they can help you set up a business network and even act as a mentor.

Be under no illusions, this is a complex process with many moving parts, but if you set up a logical checklist of processes and things to do, you will make your new life a lot easier.

The Department of Industry, Innovation and Science offers a lot of help through its business.gov.au website, including a start your own business preliminary checklist.

Business plan

One essential ingredient in any new idea is to draw up a business plan, which you will need to secure any financing. It will also provide direction and help keep you on track.

Financing your idea and keeping track of where the money is going is crucial to your success, so bookkeeping will be a key skill to master. Finding a good accountant is also essential.



Necessary items

Some recommendations when creating your business:

- choose your business structure and type
- apply for an Australian Business Number (ABN)
- register your business name and trademark
- protect your intellectual property
- understand the appropriate standards and codes of practice
- set up record- and account-keeping processes
- register a website name
- work out what taxes you need to register for
- find out the registration processes and licences you need to start a business
- consider your insurance needs
- buy or lease business premises.

Employment

If you intend to hire people, you will also need to be familiar with the relevant labour laws, superannuation rules, work health and safety obligations and tax laws. Information about pay and conditions under the national workplace relations system is available from the [Fair Work Ombudsman](#) website.

Your insurance obligations will be wider than just plant and machinery. You will also need coverage for workers' compensation and public liability.



Here to help

With so much to think about, it's clear that starting a business is challenging. A financial adviser may help you understand your new financial obligations and develop a financial plan tailored to you, to help get your new business off to the right start.

Managing your money through illness or injury

Bills need to be paid even if illness or injury keep you out of work for any length of time.

The mortgage, credit cards, rates, rent, utilities, insurance and loans plus a host of other bills stack up regardless of your circumstances.

Dealing with a serious illness or injury is stressful enough without having to consider how to cope financially. Money is not likely to be high on your immediate list of concerns.

However, making sure you get everything you are entitled to and offsetting bill payments can help relieve some of the stress of an already traumatic circumstance.

Advocates

When you are injured or ill, it's easy to miss important information, so it's essential to have someone by your side who can listen, question and ensure your needs are met.

Choose someone you can trust, such as a close relative or friend, who can be your advocate, and help understand instructions from medical professionals as well as organise any medical payments.

If you find yourself alone, search online for support networks and community health organisations for your particular illness or injury, and don't be afraid to seek professional help for any emotional problems.

Services

The available government services include the [Department of Human Services](#) or [Centrelink](#).

In very limited circumstances, you may get early access to your superannuation on compassionate grounds if the illness or injury is catastrophic. You can apply through the [Department of Human Services](#).

You might also like to contact [Financial Counselling Australia](#) to talk to someone who can provide free, unbiased information to help with your financial difficulties.

Employment

Other things you should do include checking with your employer on how much paid sick leave you have, whether you can take unpaid leave, and how long you can have off work. The [Fair Work Ombudsman's sick and carers' leave](#) information covers your rights at work.

Insurance

Check your insurance policies, including any linked to your superannuation, to see if they provide income support or bill payment help.

Types of insurance include:

- **income protection**, which provides an income if you are unable to work
- **health insurance**, which can help with medical costs
- **total and permanent disability insurance**, which can be included in your superannuation and covers the costs of rehabilitation, bill payments and living costs
- **trauma cover**, which covers specified illnesses or injuries.

Reach out

Open up about your circumstances to your debtors and ask for a hardship variation to your bills. Many companies have hardship officers who can help you with a repayment plan that is manageable in your circumstances, such as paying in instalments.

From setting up these repayment plans to choosing appropriate insurance, a financial adviser may help take care of your finances while you're injured or ill, which means you can focus on recovering.



Wedding budget bliss: How to afford your dream wedding

Whether you're planning a large, luxurious wedding or a small, intimate affair, smart budgeting could help free you from financial worries, so you can enjoy your special day.

Start planning early

It's never too early to start your wedding budget (even if it's the day after the engagement). And given that the average Australian wedding costs \$36,200¹, the sooner you learn to control your spending, the sooner you can focus your dollars on making the wedding day special. This may apply to families of the bride and groom as much as the couple themselves.

The first step in setting up a budget is to take stock of your income and expenditure. Knowing these financial basics is essential for calculating the maximum you can afford to spend on the wedding – and your ideal cost scenario.

Talk to your family

If you're part of the bride's or groom's family and want to contribute, let them know. Family members could contribute a set figure, fund a specific part of the ceremony, such as the flowers or venue, or simply agree to cover a fraction of the whole cost. Just make sure it's discussed with the couple early so they can factor it into their budget.

Know your limit

Once you have established your ceiling, it's time to research typical wedding costs. This can help you firm up your 'must haves' and what you are willing to compromise on. Want a live band but don't need fancy table decorations? Aren't fussed about a three-course dinner but must have a great cake?

Agreeing on your priorities upfront can help you clarify which aspects to save for and which to downplay or skip altogether.

Research hidden costs

Don't forget about hidden costs. Aside from the big-ticket expenses such as hiring a venue, serving food and alcohol, and buying or renting wedding clothes, other costs you may not have thought of such as insurance, corkage and the marriage licence can also add up.

Start a spreadsheet

Once you have an idea of your budget and priorities, it's time to dive into the details. This is where an online wedding budget calculator or Excel spreadsheet can come in handy.

Write down your maximum cost for every item from bouquet to band and compare it with the real costs once vendors' quotes start coming in.

It's also a good idea to set aside 5 per cent of your budget for unexpected or emergency costs (such as fixing a spill on the wedding dress the night before).

Stick to your budget

It's important you stay accountable to your budget. Keep your spreadsheet up to date, set up a wedding-expenses-only bank account, and stick to your guns as far as your limits and priorities are concerned.

Now hack your wedding budget

If you've created your budget and despair of affording it any time soon, don't worry. Here are some final tips to help you reign in your costs:

- **limit your guest list to your favourite people:** At \$100 per head, every 10 guests cost you \$1,000
- **think outside the box when picking a wedding venue:** A park, garden, art gallery or friend's house may be more affordable than a hotel, and the natural ambience can save you money on decorations
- **book an out-of-season wedding:** It can be cheaper to schedule a wedding in winter, on a weeknight or a Sunday morning
- **keep your menu simple:** Stick with the specialties of the season and region, consider canapés or buffets over three-course meals, and ask for house spirits (not top-shelf varieties) or beer and wine.

Planning a wedding can be a daunting and expensive task. And without a well thought-out financial plan, it's easy to go over budget.

So, while you may call upon a wedding planner to help you organise your special day, a financial planner may be just as important. A professional financial adviser may help you create and stick to your budget as well as stay accountable – so you can focus on the important things, like celebrating with the people you love!

1. Australian Securities and Investments Commission, 'How much can a wedding cost?'. MoneySmart. Available at: <https://www.moneysmart.gov.au/managing-your-money/budgeting/simple-ways-to-save-money/how-much-can-a-wedding-cost>

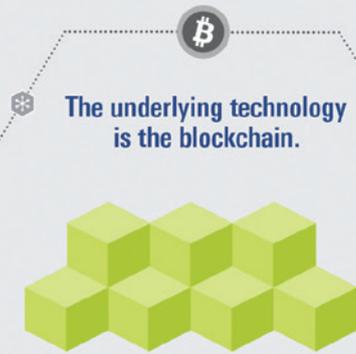


WHAT IS BITCOIN?

BITCOIN IS A TYPE OF DIGITAL CURRENCY KNOWN AS A **CRYPTOCURRENCY**



It operates on a decentralised peer-to-peer networked program on your computer without the need for any third party such as a regulator or bank.



The underlying technology is the blockchain.



Bitcoin's value (which is hard to define) has oscillated wildly and has all of the hallmarks of a 'speculative bubble'.

Facing government crackdown as criminals are using due to anonymity.

What's the Bitcoin buzz?

by Mark Rider, Chief Investment Officer, Wealth Australia, ANZ

What is Bitcoin?

Bitcoin is a type of digital currency known as a cryptocurrency.

It operates on a decentralised peer-to-peer networked program on your computer, meaning that transactions can be conducted between a buyer and seller without the need for any third party oversight such as a regulator or bank.

The underlying technology that makes all cryptocurrencies possible is the blockchain.

Bitcoin's 'wild run'

Bitcoin's value has oscillated wildly. It peaked at US\$20,000 in mid-December 2017, lost 40 per cent of its value within a week, then bounced back and hasn't stopped bouncing since.

What are the risks?

Bitcoin certainly has all of the hallmarks of a 'speculative bubble' and history is littered with plenty of examples of speculative fevers that ultimately collapsed.

Another risk is regulation. Some cryptocurrencies are becoming the preferred medium of exchange for criminals due to anonymity, if governments can find a way to crack down they surely will.

Want to know more?

Have a chat to your financial adviser who can help you work out if Bitcoin, or cryptocurrency, merits further investigation.

*This article is the expressed opinion of the author, Mark Rider, Chief Investment Officer, Wealth Australia, ANZ. If this article is of interest please discuss further with your financial adviser.

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