



# Starting a family

Exciting times ahead for you

A new baby means surprise, anticipation, awe – and some major financial changes.

Ask any parent, and they'll agree – the birth of their first child was a life-changer.

First you've got to get the nursery sorted: crib, furniture, painting and decor. When bub arrives, there are day-to-day costs like nappies and clothes. And then there's the potential cost of a different car or larger home.

Many parents say they'll just 'make it work' financially. But making it up as you go along isn't ideal. To manage these changes, and maintain some work-life balance, you'll need to set new goals.

## Weighing up the issues

There's a lot to be explored well before the birth date. For instance, have you considered whether you're eligible for government benefits? Should you renegotiate either parent's employment package to include childcare or a new

car? Does your company super plan include the right insurance? Is there another type of insurance which fits your new family's needs?

Eligibility and payment levels vary considerably. You'll want to assess the impact of any parental leave payments on the family income, and how long that situation will continue.

## New baby = new budget

With or without paid parental leave, many mothers plan to return to work.

If both parents are back at work, the family needs to budget for the cost of childcare. This expense can be bigger than expected. Regardless of school choice, it's a good idea to also start putting aside something for their future education. A realistic budget, one which helps you plan for your new needs and responsibilities, is an important first step.

## Getting help from an expert

New parents have plenty of support and expertise to draw on if they feel they need to. Doctors, health centre staff, parents, family members, and even online parents' groups can lend a hand.

Just like you draw on the parenting expertise of these people, you can draw on our financial expertise to assess your financial needs and help you plan for the future of your new family.

We can walk through the issues with you, and work together with your accountant if tax questions come up. This will ensure you can provide your family with all the essentials, from recurring monthly expenses to future education costs and income protection. This will give you some peace of mind, and leave you free to prepare for the happy arrival.

## Two people become a family\*

Jason and Bree married three years ago and they are expecting their first child very soon. “It was kind of planned,” said Jason, “but it actually happened about a year before we meant it to, so we’re excited, but not quite prepared.”

“I work for a great company and I have paid parental leave,” says Bree. “I’m excited about spending time with our baby, but I also want to go back to work when my leave is over. I think we can manage it.”

After discussing their situation with work colleagues and family, Bree and Jason decided that they would benefit from talking with a financial adviser.

*“We needed help to set our priorities,” explained Jason, “so we made an appointment, and worked out a plan to give us a better chance to reach our goals.”*

“I know that childcare will chew up a lot of my salary when I go back to work, but not all of it,” added Bree. “We’re aiming to save hard and trade up from our unit to a house within two years, hopefully.”

### How financial advice helped

Bree and Jason were assisted in working out a new budget, restructuring their insurance policies to ensure they were appropriately covered, and implementing an investment strategy for the baby’s future education. Jason said, “It’s a bit scary at times, but we can’t wait for our baby to be born.”

\* The above example is illustrative only and is not an estimate of the investment returns you will receive or fees and costs you will incur.

## Getting expert help

*We can work with you to create a plan to help give you peace of mind from the day you announce your happy news, to the day your little ones leave the nest.*

***Talk to us today.***

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