

Maximise your Wealth Benefits

Making the best of life

At Thornton Group, we believe looking after your wealth requires a life long commitment. Through the different stages of your life you will come across many changes, some planned and some quite unexpected. Our role as your financial planner, is to help you manage these life changes whilst working towards your lifestyle and financial goals.

There's no greater achievement than a full life, complete with the richness of personal and financial rewards of your hard work. The time has come for you to enjoy and share these rewards, it's finally your turn to sit back and relax. Our ongoing review program will guide and educate you through your retirement, helping you maximise your retirement benefits without financial worry and stress. Maximising your Government benefits and spending your retirement savings wisely will help you enjoy a comfortable retirement.



"Providing the right approach to secure your financial future"



When can we help?

- \$ Phasing into retirement
- \$ Managing part time work
- \$ Dealing with retirement living
- \$ Healthcare programs
- \$ Reconnecting with your pastimes
- \$ Managing retirement savings
- \$ Managing government support and benefits
- \$ Helping your children and grandchildren
- \$ Getting involved in charitable work
- \$ Protecting your lifestyle and assets

How can we help?

- \$ Retirement strategies
- \$ Personal tax advice
- \$ Centrelink advice
- \$ Life planning
- \$ Cash flow management
- \$ Investment strategies
- \$ Intergenerational wealth transfer strategies
- \$ Wills and estate planning
- \$ Risk insurance management
- \$ Ongoing investment and risk management education



Ken, at seventy four has been retired for many years and Anne, at sixty five continues to work full time as a teacher. They both receive a small pension from the UK and Eire and own a townhouse in Sydney. When Anne retires, they hope to downsize and move to the Blue Mountains.

They currently receive a combined pension from the UK and Eire of \$20,000 and investment earnings of around \$4,000. Mary has Superannuation of \$300,000 and income of \$50,000 per annum.

What did Ken and Anne want to achieve?

- Sustain their standard of living
- A worry free retirement
- Move to the Blue Mountains
- Upgrade their current car

The value of advice

When Ken and Anne went to see a financial planner, Ken had no superannuation and they were not clear how they could achieve their retirement plans.

With a combined strategy of a reverse mortgage, application to the pension bonus scheme and smart strategies to manage their asset in order to receive an aged pension, Ken and Anne achieved all their goals and a strong foundation for a worry free retirement.

Ken and Anne manage to achieve an income of \$64,500 similar to pre retirement after Anne retires from the workforce. Anne continues to work casually as she is now able to do the work she loves and enjoy her partial retirement, at the same time. This assists their retirement income by about another \$10,000.

Ken and Anne's Story

How did Ken and Anne get there?

Creative retirement planning

Even though Ken was retired at the time, he managed to meet the work test which allowed him to contribute to Superannuation. Ken cashed in his shares and equity portfolio and also drew down on their home by way of a reverse mortgage which he contributed into Superannuation in late 2006. Both Ken and Anne had registered for the pension bonus scheme three years before which entitled them to a lump sum payment at time of retirement primarily as a result of deferring the claim of an age or service pension.

At this time, Anne decided to retire from the workforce. As their combined assets exceeded the asset test, instead of converting their Superannuation into an Allocated Pension (AP), they were set up with a Term Allocated Pension (TAP) which at the time was only 50% under the asset test ruling.

This allowed them access to the Pension bonus scheme of \$14,800 and also a part pension with \$220 each per fortnight. The TAP's were commuted within six months and both Ken and Anne reapplied for the Commonwealth seniors health card.

This once again left them in a position where they exceeded the assets test which meant they had to forego the pension. However, with the asset test increasing in September of 2008, Ken and Anne managed to reapply and start receiving an age pension of \$260 each per fortnight.

Reaping the benefits

Finally in January of 2009, Ken and Anne sold their townhouse, repaid the reverse mortgage and in March moved into their new home in the Blue Mountains. They have just purchased a new car and with an update to Centrelink they will still continue to receive a part pension and possibly have some surplus cash left over.