

# Preretirement List

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*Retirement is something most of us plan to do at some stage. For some, it is a targeted year or an age fixated upon for many years, perhaps even decades, preceding the big change in life. In previous times, the age to aim for was 60 or 65. But now many focus on retiring earlier, sometimes much earlier and others not at all, simply reducing hours or changing direction.*

For everyone, retirement is a time of tremendous change and to enjoy this transition works better if the magnitude of the change has been well considered. Time is a luxury available in retirement but you need to know how you will fill the void previously enveloped and controlled by work?

If work made you feel productive and useful, establish how you can manage your life now so that you still have these most important feelings reinforced. The following list is by no means exhaustive but it does represent some key points to consider. Pre-retirement is a time for evaluating and reassessing a number of areas in your life.

## 1. The Residence

- Is the family home the right size for you now and in the foreseeable future?
- Is the access, both inside and out, manageable in the event of reduced mobility?
- Can you continue to maintain the garden and property yourself? Alternatively, do you have the funds available to pay someone else to do it for you should ill health force a change?
- Is the location right for easy access to emergency healthcare?
- Are all your funds tied up in your lifestyle assets such as the family home or bach?
- If, considering the points above, you decide to move, what items will you have on your checklist for a new home?

## 2. Insurances

- Do you need your current levels of insurance?
- If you've had an endowment policy, arrange to cash it out at the appropriate age

- If you've finished working or have reached the specified age for your policy type, stop your income-protection policy.

## 3. If in Business

- Plan your exit strategy at least two years ahead (preferably five) from the business and implement the appropriate steps at the right time.
- Work towards finding the right people to takeover or purchase your business.
- Ensure policies, procedures and accounts are up to date and ready for the sale/transfer.
- See an earlier article published in the Accountants Journal by the author on how to prepare the business for sale.

## 4. Estate Planning

- Reassess the provisions in your Will, Enduring Powers of Attorney and Trust to ensure they will continue to meet your wishes for the next few decades.

## 5. Finances

- If you haven't looked at your personal financial plan for awhile, its time to dust it off to ensure you can still meet your desired goals
- Spend time developing a complete and honest stock-take of your current financial position including all assets and any liabilities
- Establish a retirement budget. Some costs will decline such as some insurances. Some expenditure items may increase such as travel
- Are your assets invested in a way to provide you with the income you need?
- Establish whether you have sufficient resources to meet your desired lifestyle in retirement.
- Retirement is usually a time for greater conservatism so take a new look at your risk profile and change existing investment to align with it

Everyone's list and priorities will be a unique set of circumstances and wishes. What will be the same for each person is the need to re-evaluate everything to ensure you can enjoy a worry free retirement.