



## What financial records do I need to keep?

**Ever feel like you're drowning in a sea of paper? Tame the paperwork today and reap the rewards tomorrow.**

Life can be complicated enough without all the administrative paperwork that often accompanies it. This is particularly true when it comes to your personal finances.

If stacks of old bank statements, utility bills, receipts, insurance and superannuation documents mean you can't see the trees for the paper, de-clutter, simplify your finances and improve your quality of life today.

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## What financial records do I need to keep? continued

### Why simplify?

There are many good reasons to pare back on your financial record-keeping, including:

- Living in smaller dwellings means we have less space to store documents
- Saves time by making it easier to find what you need
- Helps your loved ones find relevant documents easily should something happen to you
- In the event of a home emergency, you can quickly find important documents you may want to take
- Makes your life easier at tax time.

### What you need to keep

When it comes to identifying the documents you need to keep, considering your legal obligations is a good place to start.

The first of these is your annual tax return. In order to complete your tax return, you'll need documentary evidence of:

- all payments you've received, such as wages, interest, dividends and rental income
- any expenses related to income received, such as work-related expenses or rental repairs
- the sale or purchase of assets, such as property or shares
- donations, contributions or gifts

to charities

- private health insurance cover
- medical expenses, both your own and those of any dependents.<sup>i</sup>

You need to keep these documents for five years after you lodge your tax return in case you're asked to substantiate your claims,<sup>ii</sup> and it's also a good idea to keep your notice of tax assessments for five years. However, if you run a small business, the document requirements and timeframes differ<sup>iii</sup> – find out more at the Australian Tax Office (ATO).

The second category of documents are those related to property such as:

- property deeds
- home loan documents
- renovation approvals
- warranties relating to work undertaken.

Other documents to keep include:<sup>iv</sup>

- wills
- tax file numbers
- powers of attorney
- birth certificates
- death certificates
- marriage certificates
- immunisation records
- passports
- current insurance policies, such as your life, home and contents, and motor insurance
- your most recent

- superannuation statement
- any personal loan documents
- vehicle registration
- vehicle service history
- business registrations
- qualifications documents.

### What you can throw away

There are some documents you can toss, and as a rule, once a document has been replaced by a newer version, it's safe to dispose of the older copy.

There's also no need to hang onto credit card receipts once you've reconciled them against your bank statements, unless they're needed for warranties.

Credit card and bank statements should be retained for a year, while other household paperwork, such as utility bills, can be thrown away once paid, unless you need a copy for rental applications or you want to keep them to compare your usage over time.

The exception to these rules is if the documents are required for tax purposes.

<sup>i</sup><https://www.finder.com.au/tax-returns/recordkeeping>

<sup>ii</sup><https://www.ato.gov.au/Individuals/Income-anddeductions/In-detail/Keeping-your-tax-records/>

<sup>iii</sup><https://www.ato.gov.au/General/Other-languages/In-detail/Information-in-other-languages/Recordkeeping-for-small-businesses/>

<sup>iv</sup><http://www.lifehacker.com.au/2013/01/ask-lh-whatdocuments-should-i-shred-and-what-should-i-keep/>



# Give your career a health check

## Health... check. Finances... check. Career... check?

Are you happy at work? Do you jump out of bed excited about tackling your next project? Or are you counting down the days until your holidays or retirement?

If you answered 'yes' to the last question, it might be time to give your career a health check. We all know the benefits of having regular medical check-ups but, just like your body, your career needs a regular review to make sure you're on track to meet your goals.

### Do a career health check

The average time Aussies spend in a job is about 3 years and 4 months (as at June 2014)<sup>i</sup> so if you've been in your job for more than three years, now might be a good time to give your career a quick health check.

But before you hit the search button on your favourite recruitment site, take time to work out what you really want to do – then you'll have more chance of finding, or working towards, the job that will make you happy.

### Tips for a career health check:

#### 1. Take your pulse.

- List your top three work achievements over the last year. If you're struggling to

come up with any, think about where you want to be in five or ten years' time. Will your current job get you there?

#### 2. Check your vital signs.

- List the top five reasons (in priority order) you're in your current job. If you're ranking your bonus and long service leave higher than your job satisfaction, then things might be a little out of balance. It might be time to ask yourself whether you're at the right place in your career.

#### 3. Take your own medicine.

- Think about how you could improve your career prospects:
- Refresh your personal brand – update your LinkedIn profile, write a blog or upload articles which are relevant to your career.
- Update your resume with your recent achievements. Make sure they match the type of work you're looking for.
- Do you need to study, get some training or update your skills?
- Attend professional development events, workshops, seminars and conferences.
- Join professional associations to meet like-minded people in

your industry.

- Collaborate in online forums where you can show your expertise on a subject.

### Should you stay or should you go?

It's one of the hardest questions to answer. Can you achieve your career goals where you are or do you need to look for a fresh start somewhere else?

If you've built up a solid reputation at your current employer, consider applying for a different role at the same company to give you a new challenge.

Perhaps you want more life/work balance? If so, you could consider working part-time, as a consultant or doing freelance jobs.

But if you still feel as though you're just going through the motions, it could be time to get on the front foot and take action.

A career health check could help to keep you on track, reignite your spark and help you get (and keep) the job you've always wanted.

<sup>i</sup> <http://mccrindle.com.au/the-mccrindle-blog/job-mobility-in-australia>





# Make technology work for you

## Automate the boring things

Set up direct debits so your bills are paid on time without having to remember all the due dates.

And if your credit card is weighing you down, set up a regular payment and pay the full amount each month if you can to avoid more interest. Or at least pay the minimum monthly amount before the due date rolls around. You'll have peace of mind that you're avoiding any late payment fees and will enjoy seeing the amount you owe consistently reduce.

## Choose online communications

Update your preferences to receive email instead of mail. You'll get your communications faster, help the environment and possibly your hip pocket—it's common to charge for paper communications these days. And it's a good idea to make sure your details are up to date, so your providers don't lose track of you.

## Manage your money on the move

These days most financial providers have ways to help you manage your finances on the move. This could include things like helping you create a budget or sending you alerts when bills are due, giving you access to your accounts and transactions. It's quick and easy, simply download their apps.

## Get a big picture view of your wealth

Most of us have accounts and services with multiple providers so it's hard to know at any point in time your overall financial position.

Take advantage of online aggregator services that allow you to see all your accounts and transactions in the one secure place, no matter which institution they are with. There are many different apps and tools that can help you with this, including the Money Manager in My AMP.

## Create a budget, track your spend

There are apps and online tools to help you set a budget so you can stay on track to reach a goal, and track your spending so you can see where your money goes. Some can help you limit your spend according to how much you've budgeted for different things.

You can often access these services in aggregator tools as mentioned above.

## Track your investments

If, like many Australians, you have money invested in shares, you can track their value online, either with the ASX or an online trading site. You can set up watch-lists for your preferred shares. There are also investing apps

that round up your spare change and invests it for you in a managed fund.

## Organise your money into categories

Try putting your money into three categories – money to cover your bills and expenses, money to add to your savings and then whatever you have left over is your spending money. AMP Bank's award-winning Bett3r account does this for you.

## Get your virtual office sorted

It's a great idea to set up a good online filing system, and make sure you back it up to a hard drive or on the cloud. And add reminders and alerts on emails you need to act on. There are lots of virtual home office filing ideas online.

## Keep a record

Search your app store for apps that can scan and record your receipts. That way you don't need to keep hard copies – these can often fade anyway and you'll save on space. Check out the ATO app for help to track your receipts for tax purposes.

Technology is always getting better with new ideas and apps launching all the time. So, keep your eyes peeled. And go for the technology from financial institutions you know and trust, so you'll know it's secure.