



getting your family finances in order – tips for blended families

When your family is changing, money can often be the unspoken pink elephant in the corner. If you don't want money to erode your relationship or cloud your new ones, you'll communicate honestly and openly with each other.

Each person (young and old and in between) brings their own unique needs and challenges to a new family.

Below are some financial considerations you should be aware of and overleaf is an action plan you can follow to help you get your family finances in order.

family finances

- ~ Do you have common financial goals? If so what are they?
- ~ Attitudes to money? Each of you may have come to the new partnership with long established ways of dealing with money. Are these styles compatible and do you need to change anything to ensure you are both happy?
- ~ Do you have joint accounts, separate finances or a combination and is this arrangement working for you?
- ~ If you want to merge your finances do you have a plan detailing how you are going to do this?
- ~ Are child support arrangements adequate?
- ~ If you are paying more child support than required have you discussed this openly with your partner to ensure it's not a source of hidden tension?
- ~ How will you use money for child support (some experts recommend giving a portion of the money to teenagers for clothes and recreation expenses)?
- ~ Who receives any tax exemptions for children and any applicable family allowance benefits?
- ~ If you have children in two separate households (ie some living with you and some with the other parent) how are you going to handle money arrangements like pocket money?
- ~ Have you agreed with the other parent/s about how the health fund fees, medical expenses (particularly large unexpected expenses), school and higher education fees will be paid?
- ~ What's your debt situation? If you have current debt from your previous relationship how will you pay it off?
- ~ Have you looked at the conditions on all your employee benefits to see if step children are covered?

estate planning

- ~ Have you updated all financial and legal documents such as wills and power of attorneys to reflect your current family circumstances?
- ~ Who are your beneficiaries – will, life insurance policies, super? Do you need to review them?
- ~ Do you have binding beneficiaries in your superannuation fund?
- ~ What happens when one of you dies? Who will inherit the assets? Do you want all assets to go to the surviving spouse or ensure arrangements are also made for your children? What about step children?
- ~ If the family home is in one partner's name only do you need to take steps to ensure the other partner can remain in the home for their lifetime?
- ~ Do you need to look at setting up a trust such as a testamentary trust which will carry out your wishes in the time frame that suits you?
- ~ What are the tax implications on your beneficiaries?
- ~ How will adult children will be treated in your will?



your action plan

action	yes	no	by when
Review your estate plan ~ update your will ~ make sure it reflects your new arrangements	<input type="radio"/>	<input type="radio"/>	
Update your beneficiaries, next of kin etc ~ super ~ insurance	<input type="radio"/>	<input type="radio"/>	
Review your retirement savings/plans to make sure they are aligned	<input type="radio"/>	<input type="radio"/>	
Review your insurances ~ make sure there are no gaps and everyone is covered	<input type="radio"/>	<input type="radio"/>	
Debt management Review your debts – can these be more efficient?	<input type="radio"/>	<input type="radio"/>	
Examine the way you pay tax ~ you may save tax if you structure things differently	<input type="radio"/>	<input type="radio"/>	
Look at your combined investment portfolio ~ are there duplications/concentration in certain assets ~ high risk?	<input type="radio"/>	<input type="radio"/>	
Discuss the pros and cons of combining your every day finances	<input type="radio"/>	<input type="radio"/>	
Set up an emergency fund	<input type="radio"/>	<input type="radio"/>	

With the right planning and advice – you can manage your changing family circumstances and improve your financial position.

We can help you by taking away some of the money stress and organise things for you.

Ask your adviser how, or visit relationshipsaustralia.gov.au for more information.