



So, you've made the decision to **start a family?**

What a delightful time it is! You'll be filled with mixed emotions – from joy and excitement right through to fear and anxiety.

Two questions that go hand in hand when it comes to planning a family are; How will you afford a baby? And, what about your career?

Below are our tips on how you can prepare for a family that will help you ease the impact of this decision:

The cost of children

Your monthly budget will of course need to be adjusted to take into account the cost of a baby. Some studies show the cost of a baby's first year of life is \$10,000 – this is for extra furniture, car seat, clothing, etc.

If you don't currently have a budget, then do one now! Knowing where your money is going is just as important as knowing where it's coming from!

See our article about budgeting and cash flow management for more tips on this.


Protecting the family

Having adequate levels of life insurance is always important but even more so when you have children.

At such a happy time in your life it isn't nice to talk about unforeseen events like death or disablement but being prepared for these events will give you peace of mind. After all, you do want your family to be covered should something happen.

Having an estate plan

There is never a better time to put a will in place than when you are starting a family. It can be a lengthy process to prepare a Will, it certainly takes time, patience and a lot of care. You need to think long term and carefully consider who will have guardianship of your children, but ultimately you will be satisfied knowing that you have put your wishes for the future of your family down on paper.



“The key to taking some of the stress out of this stage of life is to have a plan.”

Health insurance

When you are having a baby, you will need to look over the options available through your private health insurance.

It is important to work out whether you will be utilising a public or private hospital for the birth and weigh up the costs of each to find what you are comfortable with. Each health insurance provider has varying levels of cover so be sure to run the numbers!

Returning to work

The cost of childcare is a thorn in the side of every parent, it is difficult enough just trying to decide when to return to work and in what capacity.

All that aside here is a checklist of things you need to do to prepare either way.

- ☑ Check your maternity leave entitlements at your place of work to see how long you get and what level of pay you are entitled too.
- ☑ Research your childcare options and what will work best for your family dynamics as well as what is financially viable. There is more than one option available these days – family daycare, nanny, long daycare and kinder programs.
- ☑ Work out what options are available to you for if and when you are ready to return to work. Do you have the option to work part time? Perhaps even work from home? Or if you have to work full time can you work partly in the office, from home or even in a location closer to home.

All these points can have a major financial impact for you and your family. Taking the time to research your options before you go on maternity or paternity leave will help when it is time to decide about returning to work.

Setting money aside for your children's future

As parents we all feel a sense of duty to be able to help our children financially, especially when they are older. This is a wonderful sentiment and doing what you can is great. But even more important is being open and honest and speaking with your children about the value of money, savings and spending in an age appropriate way. Teaching our children good habits and disciplines with money will be for more valuable to them in the long run.

Starting a family is an exciting time with plenty of sleepless nights. But don't let the worry of planning, drafting a will, organising insurance or returning to work keep you up at night as well.

Use the time you have now to secure you and your family's financial future.

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