



**PROSPERA**  
FINANCIAL FREEDOM SYSTEM



**MATRIX**  
PLANNING SOLUTIONS  
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***Prospera:***

***A passport to your financial future***



## Do you spend more time planning a holiday than planning your finances?

We all know we should spend more time on our finances. Yet most Australians do not know what their likely income or assets will be in retirement. We are often too busy working and enjoying life to give these matters due thought – we spend more time planning a trip than planning our finances! Yet your financial future is really the trip of a lifetime.

Whatever your financial situation, a well structured financial plan can make all the difference. Only about 22% of Australians engage a financial adviser\*. Often they believe that a financial adviser “only helps people who already have money”.

Matrix advisers are different. We help people make the most of their current situation – time, income and assets. We help people improve the efficiencies of their finances, usually without sacrificing lifestyle, to achieve their goals more quickly.

We also accommodate your spending goals, such as home renovations, motor vehicles or holidays, and show you how to fund these things effectively. By helping clients manage their money, expenses and investments, we help them gain confidence through an achievable financial plan.

Matrix advisers can do this because they have access to the Prospera Financial Freedom System software. Prospera gives you the information you need to take control of your finances.



**Step 1:** Where are you now? What will your finances look like if you do nothing other than what you are currently doing? ***Our initial analysis will show you where you are on your financial journey.***

**Step 2:** Where could you go with the right strategy? We will show you the improvements you might make to improve your outcomes. ***And, we will take into account your lifestyle spending, short term goals like holidays and long term goals such as repaying your mortgage and income in retirement.***


**Step 3:** What path do you want to take? After all, it's your money. ***What changes are you prepared to make to maximize the probability of reaching your goals?***

**Step 4:** How will you stay on track? No plan can succeed unless you stick to it. Talk to your Matrix adviser about our ongoing monitoring service that lets you see your progress to plan on a monthly basis, with a ***'personal accountability check'***.

# Why is the Prospera approach different?

By using the Prospera software, your adviser is able to develop a strategy to achieve your goals and then provide ongoing support. This allows them to monitor your actual spending against what you said you would spend, ensuring you stay on the right track to reach your lifestyle and retirement goals.

In the example below you can see how the Prospera system will give you peace of mind to sleep at night.



The Johnstons are a couple in their mid 30's who are planning for their retirement at age 65 (with a desired annual income in retirement of \$55,000). They also would like to have annual holidays (\$5,000) and upgrade the family car every 5 years (\$20,000). They are on track to pay their home loan off in 23 years (currently owing \$275,317). They also have a current combined Superannuation total of \$112,000.

With the assistance of their adviser, the Johnstons have directed their surplus income into their home loan and used some of the equity they have in their home to borrow \$25,000.

They then plan to invest the \$25,000 into a managed fund with an additional investing amount of \$250 per month from 2011. This will then allow them to pay out their home loan in just 16 years time. By acting on the recommendations of their adviser, the Johnstons will now retire with an additional \$364,996 in assets, and they achieve their financial and lifestyle goals along the way

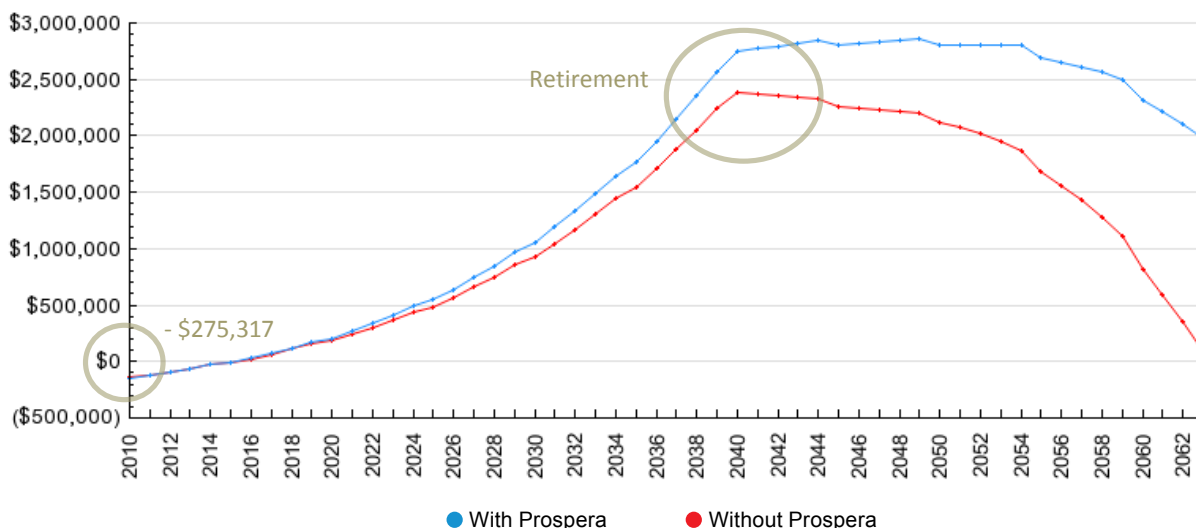
The two tables below show you how the Johnstons total wealth is improved with the assistance of their adviser using the Prospera Software:

	Without Prospera	With Prospera
Current Home Loan	\$275,317	\$275,317
Pay Off Home Loan	23yrs	16yrs
Interest Repayments (non deductible)	\$329,504	\$219,363
Additional Income Earned	Nil	\$163,597
Potential Tax Savings*	Nil	\$ 67,820
<b>Results</b>		
Investment Assets	\$629,196	\$993,972
Superannuation Assets	\$1,756,564	\$1,756,564
<b>Total**</b>	<b>\$2,385,760</b>	<b>\$2,750,536</b>
Annual Retirement Income	\$48,070	\$55,975
Desired Income	\$55,000	\$55,000

\* This is the tax savings during the clients working life up to age 65.

\*\*This is the net value of investment and superannuation assets less all debt. The value of the family home is in addition to this amount.

## Comparison: Where would you rather be?



The following assumptions were used to model the above graph for the Johnstons' - Growth 5.8%, Income 3.0%, Franking Credits 60%, Interest Rate 7.84% (in both current and proposed), Margin Loan Rate 9.49%, Tax Rates 09/10 rates, Inflation 3.0%, AWOTE 3.5%.



## Benefits of using the Prospera System:

1. You get a clear picture of your current finances and a comparison of your current plan with a proposed plan.
2. We show you the impact of various possible strategies so you can choose the best for you.
3. We factor in your lifestyle needs and goals and show you what is affordable, and when.
4. You remain in control of your spending, but we hold you accountable for your plan.
5. We help you improve your net position (looking at assets, liabilities, income and expenses), as well as advising you on investments.
6. We incorporate debt reduction for your home mortgage as an integral part of our advice.
7. We only recommend taking as much investment risk as is needed to achieve your goals.
8. We break your plan into simple, measurable steps for you to follow on a monthly basis.
9. We monitor your progress and act as a financial coach to ensure the success of your plan.
10. Your Prospera plan is offered on a fee for service basis.

### What do clients say about their Prospera plans?

**Alison and Mario** - “Just like so many other people, we wanted to get ourselves into a strong financial position where we owned our own home, were able to go on holidays, able to easily pay for our children’s education and generally enjoy life without having to worry about money. Of course, we wanted to do this without sacrificing too much in our day to day living! I look back at it now, and wish we had done something much sooner. “

**Andrea and Stephen** - “We were both so busy in our everyday lives that we hadn’t made the time to sit down and thoroughly plan where we wanted to be and how we were going to get there (despite the fact that one of us works in the finance industry!). Our Adviser ...sat us down and we went through and discussed our complete financial situation. It wasn’t just short term needs they looked at but everything from now until retirement, which for us is at least 30 plus years away. So there was a lot of forward thinking that we were forced to do and it was things like education costs that together we had never talked about and as we were ready to start a family it was an eye opener to look at the funds we needed to put aside each year.

They then assessed our situation and time frames, and came back with a detailed plan which took into account advice on the type of mortgage we needed, personal insurances and investments; it also incorporates our everyday expenditure, holidays, children’s education and other things like new car purchases etc, but is flexible enough to allow for the unexpected. And this is all structured to pay back our home loan as soon as possible so we can use that money for other investments (and holidays!).”

**Alison** - “Over the past 11 years there have been several changes in my work and personal life which have needed to be reflected in my financial planning. I have found their structures and plans extremely easy to stick to, and their regular reports mean that it is very simple to chart how you are going.”

***Talk to your adviser today to see how a Prospera plan can improve your financial situation.***

Disclaimer: This flyer contains general information only. As individual circumstances and needs can vary, the information in this flyer should not be used as a substitute for personalised professional advice. Whilst every effort has been made to ensure the information is correct, its accuracy and completeness cannot be guaranteed, thus Matrix Planning Solutions Limited cannot be held responsible for any loss suffered by any party due to their reliance on the information or arising from any error or omission.