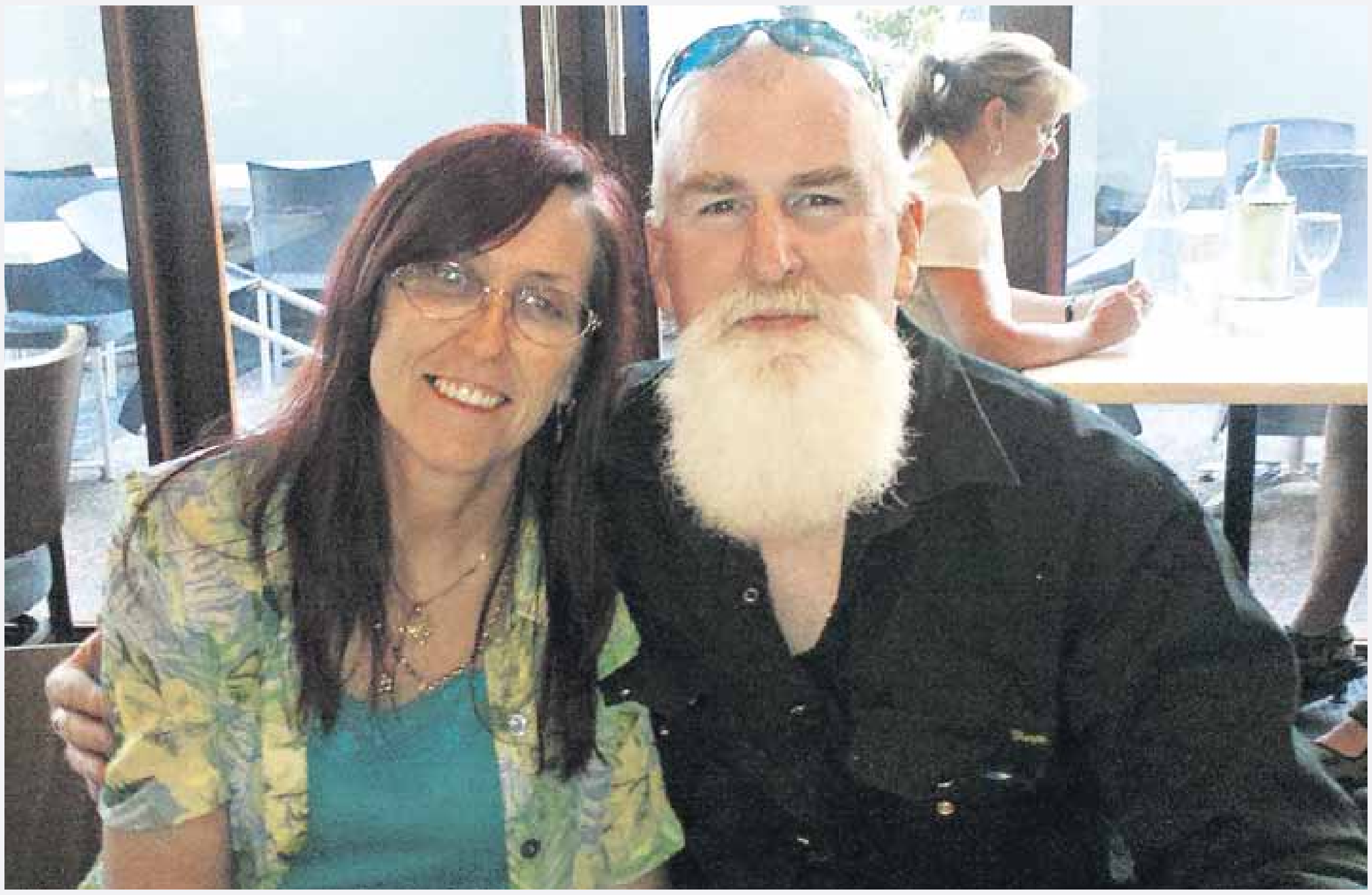
Case study: Paul and Sharon Shelton



Cash-flow positive: Paul and Sharon Shelton

Ben Harvey

Determining their tolerance for risk was an important first step in Paul and Sharon Shelton's retirement plan.

The couple, in their mid-50s, had a typically broad range of concerns about their retirement years when they approached Next G Wealth certified financial planner Hasan Hazra in August 2012.

Mr Shelton is a fly-in, fly-out miner earning a good salary and his wife is busy looking after their three children.

Their concern came down to the common problems of too many personal debts, tight cash flow and no investments outside superannuation.

They want to retire at 65 on the equivalent of $50,000 a year so over the past two years they enacted the plan devised by Mr Hazra.

"A realistic cash flow budget was established and a cash surplus recognised and used prudently," Mr Hazra said.

"The mortgage and other personal loans are now consolidated, with this non-deductible debt scheduled to be paid off within five to seven years."

To protect the family, Mr Shelton took out life insurance and the couple have drawn up wills.

His superannuation was rolled into a wholesale fund and a personalised investment strategy was established.

The investment portfolio has returned 16 per cent since its inception and it is projected the Port Kennedy couple will be able to retire on $1.14 million in 10 years.