YOVICH & CO

WEALTH MANAGEMENT

Retirement Planning Is More Than Just KiwiSaver

A guide to building a retirement plan that goes beyond your KiwiSaver balance — from Northland’s family-owned wealth advisers.

Retirement Planning Is More Than Just KiwiSaver

When people think about retirement planning, KiwiSaver is often the first thing that comes to mind. It is a valuable part of many New Zealanders' retirement savings, but it is only one part of a much bigger picture.

A well-structured retirement plan looks beyond KiwiSaver and considers how your money can support you across different stages of life. It takes into account your income needs, lifestyle goals, investment timeframes, access to funds, tax considerations, risk profile, and the legacy you may wish to leave behind.

Why KiwiSaver Is Only One Piece of the Puzzle

KiwiSaver can be a great foundation for retirement savings. It encourages regular contributions, provides access to investment markets, and may include employer and government contributions depending on your situation.

However, KiwiSaver is generally designed with retirement in mind. This means it may not provide the flexibility you need for goals that arise before retirement, or for changing circumstances along the way.

For example, you may want to:

- Access funds before age 65 for a planned lifestyle change
- Build wealth outside KiwiSaver for greater flexibility
- Support children or grandchildren with education, a first home, or other opportunities
- Reduce debt before retirement
- Create an income stream before fully retiring
- Transition gradually from full time work to part time work
- Leave a financial legacy for family or charitable causes

These goals often require a broader plan than KiwiSaver alone can provide.

Planning for Medium Term and Long Term Goals

Good retirement planning does not only focus on what happens at age 65. It also considers the years leading up to retirement and the decades that may follow.

Your medium-term goals might include paying down your mortgage, helping family, building an emergency fund, renovating your home, or creating investment income before retirement.

Your long-term goals might include maintaining your lifestyle, funding healthcare needs, managing inflation, preserving capital, and ensuring your money lasts throughout retirement.

Each goal may require a different investment approach. Money you may need in the next few years is usually managed differently from money that can remain invested for 10, 20, or 30 years. A retirement plan should balance growth, income, risk, and access to funds in a way that suits your personal circumstances.

The Importance of Flexibility

Life rarely follows a straight line. Your retirement plan should be able to adapt as your circumstances change.

You may retire earlier or later than expected. Investment markets may rise and fall. Your income needs may change. Family circumstances may shift. Health needs may become more important. You may decide to travel, downsize, continue working, or support the next generation.

Holding investments outside KiwiSaver can provide greater flexibility. These may include managed funds, term deposits, shares, bonds, investment property, or other suitable investment options. The right mix will depend on your goals, timeframe, risk tolerance, and need for access.

A flexible plan gives you more choice. It can help you make confident decisions without relying on one savings vehicle or one retirement date.

Retirement Income Matters Too

Saving for retirement is important, but so is knowing how you will use that money once you retire.

A strong retirement plan considers how your savings and investments may be turned into income. This may include KiwiSaver withdrawals, NZ Super, investment income, cash reserves, rental income, or other assets.

The goal is to create a plan that supports your lifestyle while managing the risk of running out of money too soon. This includes thinking about how much you can spend, how your investments should be structured, and how your needs may change over time.

Thinking About Legacy

Retirement planning is also about what you want your money to achieve beyond your own lifetime.

For some people, the priority is to enjoy retirement and spend what they have worked hard to build. For others, it is important to leave something behind for children, grandchildren, a partner, or a charity.

Legacy planning may involve considering how your assets are owned, whether your estate planning is up to date, and how your investment strategy aligns with what you want to pass on.

A retirement plan should reflect your values, not just your numbers.

Bringing It All Together

Retirement planning is about creating a financial pathway that supports both your present and your future. KiwiSaver may be an important part of that plan, but it should not be the only consideration.

A complete retirement plan looks at:

- Your KiwiSaver strategy
- Your other investments
- Your medium term and long-term goals
- Your need for flexibility
- Your future income needs
- Your attitude to risk
- Your debt position
- Your family and legacy goals
- Your wider financial situation

By taking a broader approach, you can build a retirement strategy that is more flexible, more personal, and better aligned with the life you want to live.

Let’s look at the bigger picture together.

At Yovich & Co, we can help you create a retirement plan that works for your goals, your timeframe, and your future.

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