



# Financial Focus

Winter 2022

Welcome to the latest edition of Financial Focus.

## The power of positive thinking

“A negative thinker sees a difficulty in every opportunity. A positive thinker sees an opportunity in every difficulty.”

- Anon

Have you ever had a day, or even a moment, where it felt like everything had just fallen into place and you were completely content? Or have you managed to talk yourself up to get through something challenging or difficult?

These instances are usually the kind of results that come from thinking positively. In recent years there has been a shift towards the study of positive thinking and the power it can have on a situation and how we handle it. The findings are overwhelmingly showing that positive thinking can have huge benefits in all aspects of our lives.

Positive thoughts are closely linked with emotions such as joy, love and contentment. They allow us to deal with unpleasant or negative situations in a more productive manner because we are better able to focus on the bigger picture. Positive thinking is also known as optimism, and expands our awareness to better accommodate inspired, resourceful ideas and thoughts. This has a big impact on our self-esteem (the regard we hold ourselves in) and self-confidence (our belief in our own ability to navigate a situation).

As well as the effects on self-esteem, positive thinking has been linked to significant improvements in physical health when compared to constant negative thinking. These health benefits include, but are not limited to:

- Decreased rate of depression and stress
- Better cardiovascular health, and a decreased risk of heart disease
- Lower blood pressure
- Improved psychological health
- Increased life span

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Positive thinking allows us to widen our view of things and see the bigger picture. In contrast, negative thoughts keep us focussed inwards on ourselves, and the immediate problem. By thinking positively, we are more inclined to be considerate towards others because our viewpoint isn't narrowed. This is likely to improve our relationships with those around us, as we can invest more of ourselves into others, rather than using up energy on negative thought. By working on positive thinking, we can build more productive, positive relationships with our friends and family.

On the opposite side to positive thinking is negative or pessimistic thinking. This includes thoughts based on the emotions of anger, fear, jealousy, or stress. The brain's automatic response when faced with these emotions is to narrow our field of view and focus all our thoughts on one thing, making it difficult to stop thinking about the negative and see the bigger picture. This can lead to increased stress or anxiety, and in prolonged, severe cases can exacerbate the symptoms of depression. Making an effort to promote positive thinking can really help with identifying and decreasing negative thoughts.



## Power the positive

These methods can really help to boost positive thinking and make it a lasting habit:

- **Surround yourself with positive people.** It makes it much easier to think positively when you are surrounded by people who reinforce those emotions!
- **Practice positive self-talk.** If your inner monologue is mainly positive, it creates an environment within yourself for positive emotion and thought.
- **Identify the areas that need work.** Have a think about where the negative thoughts creep in the most, and make more effort with positive self-talk in these situations.
- **Lead a healthy lifestyle.** If you feel good, you are more likely to have good thoughts and a better outlook.
- **Make time for things you enjoy.** Your passions give you good feelings, so making time for them means more time spent harbouring positive thoughts.

Source: Benestar. Explore more health and wellbeing resources by visiting [www.benestar.com](http://www.benestar.com)

## Your Super – who to nominate as your beneficiary?

Nominating your super beneficiary is something you have most likely been asked to do if you have a superannuation fund.

But, super fund trustees can only pay your super death benefit to eligible dependants\* or to your legal personal representative (LPR) who is generally the executor of your Will. If you haven't elected a valid beneficiary the super fund trustee generally decides who your super goes to.

There are important things you should be aware of regarding super dependants.

### Who can you nominate as a super dependant?

#### Spouse

A spouse includes a legally married spouse or de facto spouse, both same sex and opposite sex.

A spouse can be a person you're legally married to but estranged or separated from. So, if you haven't formally ended a marriage, your husband or wife is still considered your dependant under superannuation law. And, while you can't be legally married to two people, it is still possible to have two spouses – a legally married spouse and a de facto spouse.

#### Child

A child includes an adopted child or a step-child. Even though a step-child is included in the definition of a child, if you end the relationship with the natural parent or the natural parent dies, the child is no longer considered your step-child.

However, they may still be considered a financial dependant or in an interdependency relationship with you and could therefore continue to be a beneficiary of your super.

#### Financial dependant

Generally, a person is financially dependent on you if they relied on you for necessary financial support just before you pass away. A person may be wholly or partially financially dependent on you.

### Interdependency relationship

Two people have an interdependency relationship if they live together and have a close personal relationship. One or each of them must also provide financial support to the other and at least one of each of them needs to provide domestic and personal care to the other.

Two people may still have an interdependency relationship if they do not live together but have a close personal relationship. For example, if they're separated due to disability or illness or due to a temporary absence, such as overseas employment.

### Who is not a dependant?

Generally, your parents, siblings or friends who don't live with you and who are not financially dependent on you or in an interdependency relationship with you, are not dependants.

If you do not have a dependant you should direct your super to your Legal Personal Representative (LPR) and prepare a Will which outlines your wishes.

### Legal personal representative

An LPR is the person responsible for ensuring that various tasks are carried out on your behalf when you die. If you nominate your LPR as the beneficiary of your superannuation, you are nominating the executor of your Will or if you die without a Will, the administrator of your estate. Your Will should outline the proportions and the people you wish your estate, including your super, to go to.

\* In this article a dependant refers to a 'SIS dependant' which is an eligible person under the Superannuation Industry (Supervision) Act 1993 that a member may nominate as a beneficiary.

Source: Australian Executor Trustees



If you'd like to review your nominated beneficiary or would like more information on your options, please contact me.

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