

Cube  
Advice

# Newsletter

-MAY 2015

# LOVE

# &

# MONEY

Long term relationships extend far beyond flowers and romance. A relationship will only survive when both partners are able to discuss their finances and have an honest and open relationship about money.



### WHAT ARE YOUR FINANCIAL PRIORITIES?

Don't make the mistake of assuming that you have the same financial priorities as your partner. People have different views about what is important to them financially:

What are your views on spending money on a wedding? Does one of you feel that the money is better spent on a deposit for a home while for the other partner a big wedding has been a lifelong dream?

If you are planning on having children have you discussed your partner's view on working parents and raising children? If one of you plans on being a stay-at-home parent have you discussed how the finances will work?

Do you know what each other's life goals are? Do you want to retire early and travel the world, or plan on starting your own business one day?

Priorities can change over time so it is important to take the time to discuss your goals and expectations at least once a year or when considering a significant financial milestone together, such as buying a property. Make sure that you both understand the implications on your financial plan both together and as a couple.

### APPETITE FOR DEBT

What do you and your partner regard as an acceptable level of debt? One partner may be happy to make the minimum repayment on debt, while the other may believe in living debt free. This can cause significant friction in a relationship

especially if one partner continuously spends on their credit card!

You also need to understand what debts your partner may already have especially if you marry in community of property where both partners are liable for any debt incurred. Also find out if either of you signed surety which may have been forgotten about, but which could one day wreak havoc with your personal finances.

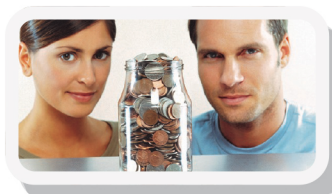
### BUDGETING AS A COUPLE

It is important that you create a joint household budget as well as your own personal budget. For the household budget you need to discuss which expenses each person is responsible for and how you divide your joint expenses.

For example do you share costs pro rata to income or do you each contribute a set amount towards joint expenses? This discussion is very important especially if one partner earns significantly more than the other.

Make sure that your budget includes your joint and individual savings. Both of you should be using your tax deductible allowance for contributions to a retirement annuity, as the taxman allows this deduction per person.

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Improve your  
Relationship.

**Celebrate your differences. If one of you is a saver and the other a spender, create a budget that allows for both. If your partner is a bargain-hunter, put him in charge of the spending part of the budget, while you invest the savings.**

Do not hesitate to contact us if you require any additional information or any clarity on your current portfolio :

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