

Revamp your wardrobe

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"Try and look back through your clothes and see if there are any stand-out, up-to-date items that can still be worn.

"Maybe you might find a great blazer that you have never worn before that can be teamed up with a pair of jeans and a scarf, it might be a look that you have never thought of before," Isobel said.

"Being able to turn a business look into a casual look is another great tip to know.

"Taking one item, say a tailored jacket, and wearing it to work, then teaming it with a pair of jeans for a played down, casual look works well. It means you have one item but two great looks."

Taking a look at accessories such as bags, shoes and makeup for women and ties, cufflinks and scarves for men can also be a great option to change and update an outfit without spending a fortune.

"People might not realise but even the slightest change of a lipstick shade can completely change an outfit," Isobel said.

"Accessories are a great way to update and reinvent a look. If you have a great handbag or pair of shoes, in a neutral colour, you will be able to wear them three or four days a week and all you will need to do is pop on a different shirt to alter the outfit."

If a retail fix is the only solution Isobel said shopping at the right store will help people save money in the long term.

"People should buy quality items. Shopping for the best they can afford is important," Isobel said.

Favouring department and specialist stores, because they often offer a more extensive range, Isobel also did not disregard other fashion retailers.

"Department stores are good because they have a variety of different brands, but in the end it all comes down to people's body lines, style and preference," she said.

"Shopping for neutral colours, such as navy, black, white or charcoal, that almost always suits every shape and size, and won't out date is also an important thing to remember," Isobel said.

Izziana Image Consultants can be found on the web:

www.izzianaimage.com.au

Isobel and Anna Martin will also be conducting colour and style consultations in Wagga on Saturday, July 25 and Sunday July 26.

For more information contact Isobel on 0400 397 500 or via email at izziana@izzianaimage.com.au



According to fashion and style consultant Isobel Martin, having a functional, organised wardrobe will not only give you time and peace of mind but will also save you wasting hundreds of dollars on fashion items each year.

Advice

Izziana Image Consultants, a Sydney-based company established and managed by former Wagga sisters Isobel and Anna Martin, suggest the following fashion tips to help beat the current financial crisis:

1. Only buy clothes that are in your best colours and styles. They will look great on you all the time and are easy to match with your other colours giving you more wear.
2. Only buy a clothing item or accessory if it goes with at least three or four other garments in your wardrobe. Mix and match to create more outfits.
3. If you have suit jackets for work try wearing them with jeans to create a chic casual look. Save the money you would have spent on a casual jacket for something else.
4. When shopping, ask yourself how often you will wear the item. No matter how cheap a clothing item may be, if you never wear it, it is still a waste of your money.
5. Before you go shopping think about your current wardrobe. Decide what you need to buy, what your budget is and then stick to it.
6. Only buy a clothing piece if you absolutely love it or absolutely need it. You will always wear your favourite pieces.
7. Make sure the clothing item fits you. Allow for a bit of movement. If your weight fluctuates you will still get wear out of it over several seasons.
8. A new lipstick in your colour is a great way to update your look without spending a fortune.
9. Prints and patterns are easily remembered making it difficult to wear them regularly. They also date much more quickly. Select solid neutral colours if you need to get regular wear out of your clothes over several seasons.
10. Accessories are an easy and cheap way to update your wardrobe without spending a fortune. Select your best colours and style and get lots of wear out of them.
11. Sales can be a great way to shop if you know what you are looking for but be aware of those cheap items that you never wear. Even a purchase of \$20 is a waste of money if you don't wear it.
12. If you don't think you waste money on your clothes, take a look at your existing wardrobe and calculate roughly the amount of money you have spent on items that you don't wear. Some probably still have tags on them. This is an interesting exercise to do as it highlights how much money you have spent that you could have potentially saved.
13. Stuck for ideas on what to do with the clothes that you no longer wear? Try selling your clothes on eBay, this is a great way of getting a return from some of your purchases. Another option is organising a clothes swap party with your friends. Tell all of your friends to bring along what they no longer wear and then swap them. This way you get something in return. Alternatively you could have a wardrobe sale and sell your clothes locally. Your unwanted items may be exactly what someone else needs.

Retirees living longer but can they afford it?

RESEARCH by superannuation consultant Watson Wyatt Australia says most of us are likely to live a lot longer than official longevity data suggests.

Most retirees are in a relationship and so, the key measure of longevity risk is the span of time between retirement and when the last partner of the couple dies.

A couple's retirement savings are intended to be available to draw upon for as long as either of them remains alive.

Consider a couple of self-funded retirees, each 65 years old.

Nick Callil, a Watson Wyatt Australia principal, consulting actuary and the author of the paper *Investment And Spending In Retirement The Longevity Risk Impact*, says the chances that one of them will live to age 90 is 73 per cent.

And there is a 50 per cent chance that at least one of them will survive until age 95.

Callil reckons it is probably



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prudent when managing retirement savings for today's 65-year-old to factor in a life span of 87 for males and 90 years for women.

That is longer than Australian population life tables show.

They show today's 65-year-old males and females are expected to live until ages 84 and 87 respectively.

The reasons for the differences with the official longevity data is that Watson Wyatt is only considering the longevity of couples with reasonable super savings of about \$500,000, and takes into account longevity improvements.

Watson Wyatt makes the assumption that the higher socio-economic status of those with higher retirement savings means fewer preventable deaths and longer life spans.

Younger people will be living even longer.

Longevity data in Australia shows life expectancy at age 65 has been increasing by about one year every six years over the past 25 years.

And Watson Wyatt has factored these longevity improvements into its work.

One way retirement income can be guaranteed is by buying a lifetime annuity where the capital is used to buy a pension that pays a fixed amount, indexed for inflation, for life.

But annuities have proved unpopular because retirees do not like the fact that if they die early, their money is wasted as the pension capital is retained by the issuer of the annuity.

They prefer to retain control

of a lifetime's worth of savings, access a lump sum and want an inheritance to pass on to their children.

Most retirees will have a good part of their life savings in a market-linked pension and will be picking up at least an age pension and the pensioner concessions.

But investing in market-based assets entails taking on, and managing, risk.

Callil says the biggest risk for retirees is outliving their retirement savings, not the investment risk of down markets.

So what is that risk? Callil ran the numbers on a 65-year-old couple with \$500,000 in retirement savings and 70 per cent invested in growth assets, such as shares and property.

The modelling assumes the couple draws down an annual indexed income of \$44,150, which includes the age pension.

That is just below the \$50,000 a year that the Westpac-ASFA

Retirement Standard says is required by a home-owning couple for a comfortable retirement.

The research finds the couple has a 30 per cent risk of outliving their assets.

An allocation of 30 per cent to growth assets, instead of 70 per cent to growth assets, increases the risk of running out of money to 44 per cent.

Though a more conservative asset allocation increases the risk of the couple outliving their savings, the investment returns are more stable year-to-year.

Depending on their risk tolerance, Callil says it is better for most retirees to maintain a meaningful exposure to growth investments during their draw-down period.

It not only reduces the risk of running out of savings but also increases the prospect of leaving behind a meaningful inheritance.

He says the comfort level for the retiree is important.