A guide to your freedom years.
Your KiwiSaver options with Fisher Funds

Retirement isn’t an ending, it’s the start of an exciting new chapter in your life. Your Freedom Years.

Whether you are already retired or approaching that milestone, the thought of retirement can be daunting for all sorts of reasons, financial and otherwise.

This guide has been designed to help you plan for your retirement, so you can make the right decisions for you. We've helped thousands of Kiwis with their transition into retirement and we're here to help you shape yours. You're not alone in wondering what to do with your retirement, many of our clients are asking themselves the same questions:

- What is retirement going to be like?
- How much income do I need in retirement?
- What if I need to buy a one off big purchase?
- Where will my income come from?
- How long will my nest egg need to last?
- What's the best way to manage my investments in retirement?

Making well-informed and sound financial decisions is critical to enjoying the lifestyle you want in retirement. It's not just about what to do with your KiwiSaver savings now, it's also important to focus on making your money last to fund your retirement in the years ahead.

Once you reach retirement age, it's important to decide what is best for you and your individual circumstances, so have a chat with one of our advisers – we're here to help.

We're here to help.
If you have any queries, please call us on 0508 347 437 or email us at enquiries@fisherfunds.co.nz and we can discuss your options.

So, what are your options when you retire?

The great thing about KiwiSaver is that you have plenty of options and flexibility — so you can choose what best suits you and your plans.

Once you turn 65, you can:

Leave it as is

Keep your money in your KiwiSaver account — and continue to let it work for you.

Dip into it

Set up a regular withdrawal* from your KiwiSaver account to supplement your NZ Super or other retirement income sources.

Take it out

Withdraw* some or all of your KiwiSaver money.

Spread your wings

Fisher Funds also offers non-KiwiSaver managed funds to invest in.

65 isn't a deadline so you don't need to rush any decision. It's important to give some thought to what you'll need once you retire. While leaving your money in your KiwiSaver account can help to make it last through your retirement, keep in mind that KiwiSaver is an investment, meaning your balance can move both up and down.

Our friendly advisers are here to help you make the best use of your KiwiSaver money. Call us today on 0508 347 437.

* Minimum withdrawal amounts and balances apply

We're all on the same journey but everyone has their own story. We're here to help you shape yours.

Thinking longer term

More people are working past retirement age than ever before, which means you may not have an immediate need to call on your KiwiSaver investment. You can even continue to contribute if you wish. In some cases, employers are happy to keep contributing as well, so you can keep growing your nest egg.

Chances are you'll also live much longer than 65. The current life expectancy in New Zealand for 65 year olds is 86 years for men and 88 years for women.* That's more than 20 years you're likely to need to make your money work for you in retirement.

Research from Te Ara Ahunga Ora Retirement Commission** found that 39% of those aged 55-64 hadn't thought much about how they will manage withdrawals from their savings or investments when they retire. Retirement is more expensive than many people appreciate; meaning it's important to structure your retirement savings plan with care.

Even if you are able to withdraw your KiwiSaver money, there are some good reasons to consider continuing to invest in KiwiSaver.

* Source: NZ Stats How long will I live? calculator (medium rates) - www.stats.govt.nz/information-releases/new-zealand-cohort-life-tables-march-2023-update/

** Source: Asset drawdown (decumulation) and paid work profile of Pre- and Post-Retirees, December 2021 https://assets.retirement.govt.nz/public/Uploads/Retirement-Income-Policy-Review/2022-RRIP/TAAO-Retiree-preretiree-report.pdf

Why you should consider keeping your money in your KiwiSaver account

You're a long time retired

People are living longer, increasing the importance of how you structure your investments to fund the retirement lifestyle you deserve.

Diversification

Spreading your risk — KiwiSaver allows you to invest across different asset classes like shares and fixed interest.

Inflation can erode your spending power

The cost of living is not decreasing — while keeping all your money in the bank may be considered less risky, it also leaves your savings at the mercy of inflation which erodes your spending power over time. To make your money last through retirement, it's a good idea to think about investing in some growth assets (like shares) which will usually provide higher returns over the longer term. It's important to keep in mind though, that growth assets come with more risk, so you can expect more ups and downs.

A range of investment options

Your KiwiSaver account gives you a range of investment options to keep your money working for you for longer. If your circumstances change, then so can your investing approach. We can work with you to get the right investment strategy in place — taking into account your goals, investment personality and timeframe — once again, there is no one size that fits all.

Flexibility

You can contribute to your account or make withdrawals depending on your changing circumstances.

Cost-effectiveness

The size and scale of KiwiSaver makes it cost effective, compared to some other forms of investment.

Tax-effectiveness

Because most KiwiSaver schemes are portfolio investment entities they may offer tax advantages over some other forms of investment.

Service

Our team of KiwiSaver and investing experts make it easy for you to manage your account.

Communication

You'll receive regular market updates and expert insights from our team to help keep you informed about your investments.

Here’s how KiwiSaver gives you flexibility

Save it for a rainy day

You may have other investments and KiwiSaver is a “drop in the ocean” by comparison. It’s easy to keep it where it is. You still have the option to make withdrawals at any time if you wish.

Jack is 66, has been retired for five years and is already drawing an income from other investments. Jack has no immediate need for the $50,000 in his KiwiSaver account and likes the idea of this pot of money being invested somewhere other than the bank. He knows he’ll be able to call on his investment, by either setting up a regular withdrawal or withdrawing a one-off lump sum.

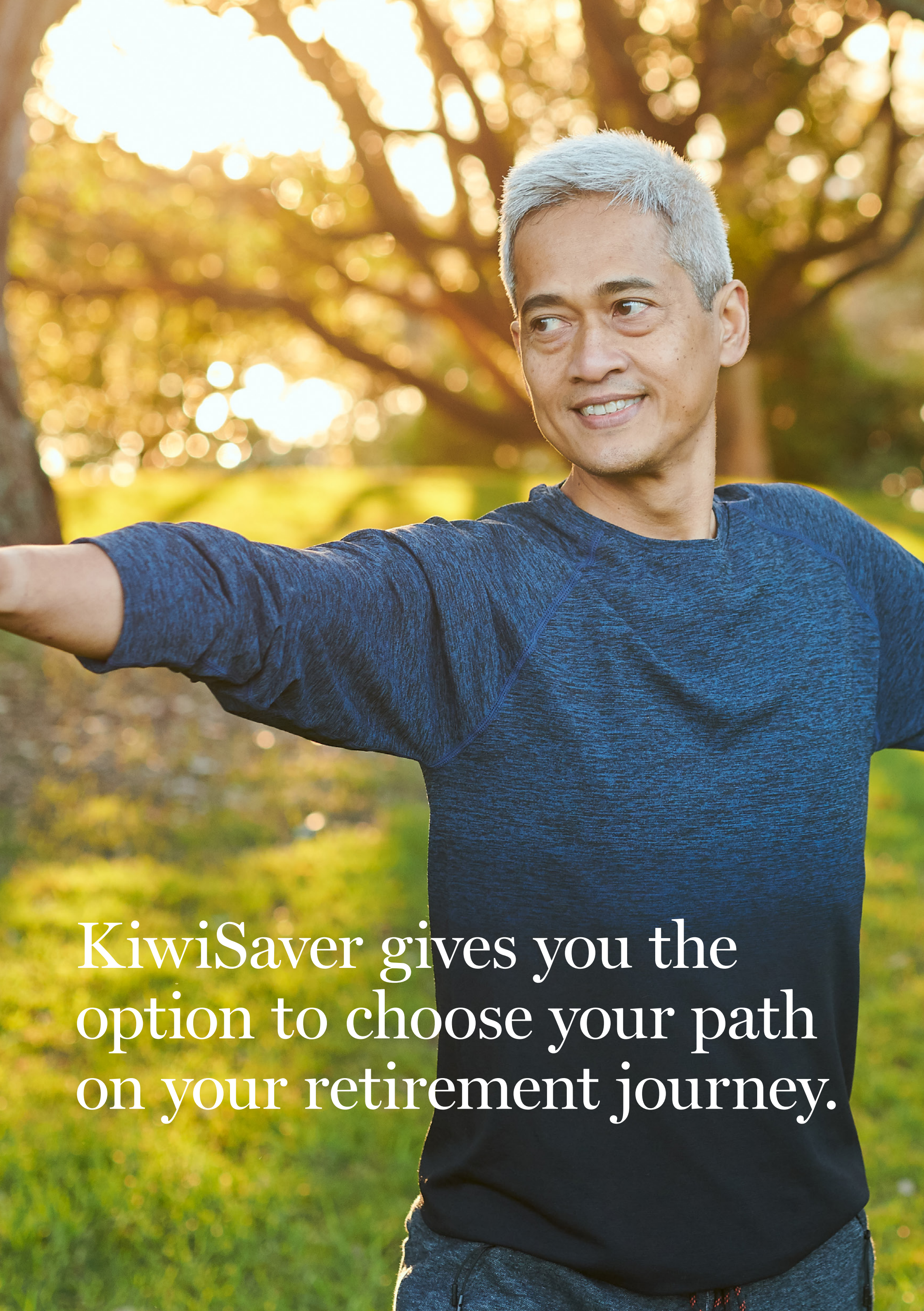
Dip into it

You can easily set up regular withdrawals from your KiwiSaver account that supplement your NZ Super payments.

John and Barbara are both 67 and retired. They have a mortgage-free home and some other small bank deposits but primarily live off their NZ Super payments. Together their KiwiSaver accounts total nearly $100,000. They have decided to set-up a regular monthly withdrawal of $300 from each of their accounts to boost their income.

KiwiSaver isn't my sole retirement fund.

— **Debbie**
Fisher Funds KiwiSaver client



KiwiSaver gives you the option to choose your path on your retirement journey.

Retirement is about doing more of what I love and letting my KiwiSaver continue to grow.

— David
Fisher Funds KiwiSaver client

Keep building up your nest egg

You may still be working or intend to work for a few more years yet. KiwiSaver makes it easy for you to continue to grow your investment while you're still earning, meaning more financial freedom for later on when you retire.

Beverley and David are turning 65 shortly and both lead active lifestyles. David still works full-time while Beverley is spending more time with their grandchildren and at her golf club. David's employer is going to keep contributing to his KiwiSaver account so it makes sense for David to keep his payments up too.

Beverley plans to withdraw $3,000 from her KiwiSaver account to buy a custom-fit set of golf clubs as a treat to herself and leave the rest invested as David's income currently covers their cost of living.

While your money is invested in KiwiSaver, it has the potential to grow over time.

What is the process for making a withdrawal?

Complete a Retirement Withdrawal Form

You will need to complete a Retirement Withdrawal Form.

Note that a statutory declaration will be required which needs to be witnessed by a Justice of the Peace, solicitor, notary public or other person authorised to take a statutory declaration.

Provide supporting documents

You will have to provide proof of your bank account with your application. We'll also need to verify your identity and residential address.

This might seem like a lot to do but it's to protect both of us. After your initial withdrawal, any subsequent withdrawals are easier for you to make.

Will NZ Super sustain you in retirement?

A married couple who both qualify for NZ Super will each receive $803 fortnightly or collectively about $41,800 per year.

A single person, living alone who qualifies for NZ Super will receive $1,043 fortnightly or about $27,100 per year.

Source: www.workandincome.govt.nz as at 31 July 2024 after deducting tax-code "M".

Can I keep contributing even when I'm eligible to access my savings?

Frequently asked questions

How long does it take to make a withdrawal?

A withdrawal of all your KiwiSaver money will take around 2–3 weeks, as we need to make a final government contribution claim. Partial withdrawals not requiring a withdrawal of any government contributions should usually take only about a week.

Can I keep contributing to my KiwiSaver account even when I'm eligible to access my savings?

Yes, you can. If you are still working, your employer will continue to send your employee contributions to Inland Revenue to process and pass onto us. If you're not working, payments can continue to be made by regular direct debit or automatic payment, or as one-off lump sums via your internet banking.

Will I still be entitled to receive employer contributions once I turn 65?

Your employer is not legally required to continue making employer contributions once you are entitled to withdraw your KiwiSaver account, although some will. We recommend you speak with your employer about this.

When am I eligible to withdraw savings transferred from an Australian Super provider?

Once your Australian Super funds are transferred you can access them as long as you satisfy the Australian definition of retirement. Email us at enquiries@fisherfunds.co.nz or call 0508 347 437 to learn more.

Am I still eligible for the government contribution once I'm 65?

In the year that you turn 65, you may still be eligible for a partial government contribution to your KiwiSaver account — the government contribution is calculated from the preceding 1 July to your 65th birthday. Following this you'll no longer be eligible.

Retirement planning made easy with Fisher Funds — let's talk!

Personalised financial advice

We have friendly and knowledgeable advisers to provide you with personalised advice to ensure you can reach your ambitions when retirement rolls around.

Flexible investment options

We have a range of flexible investment options across both KiwiSaver and Managed Funds to help tailor an investment approach to help you reach your retirement ambitions.

Simplicity & convenience

Log in to your online account or our mobile app to check your balance, deposit funds, or change your investment strategy. Plus, you'll receive regular market updates from our team to help you make informed decisions regarding your retirement.


ALOHA

Contact: Private Bag 93502,
Takapuna, Auckland 0740
0508 347 437
enquiries@fisherfunds.co.nz

FF1409 – 11/24