Aptitude

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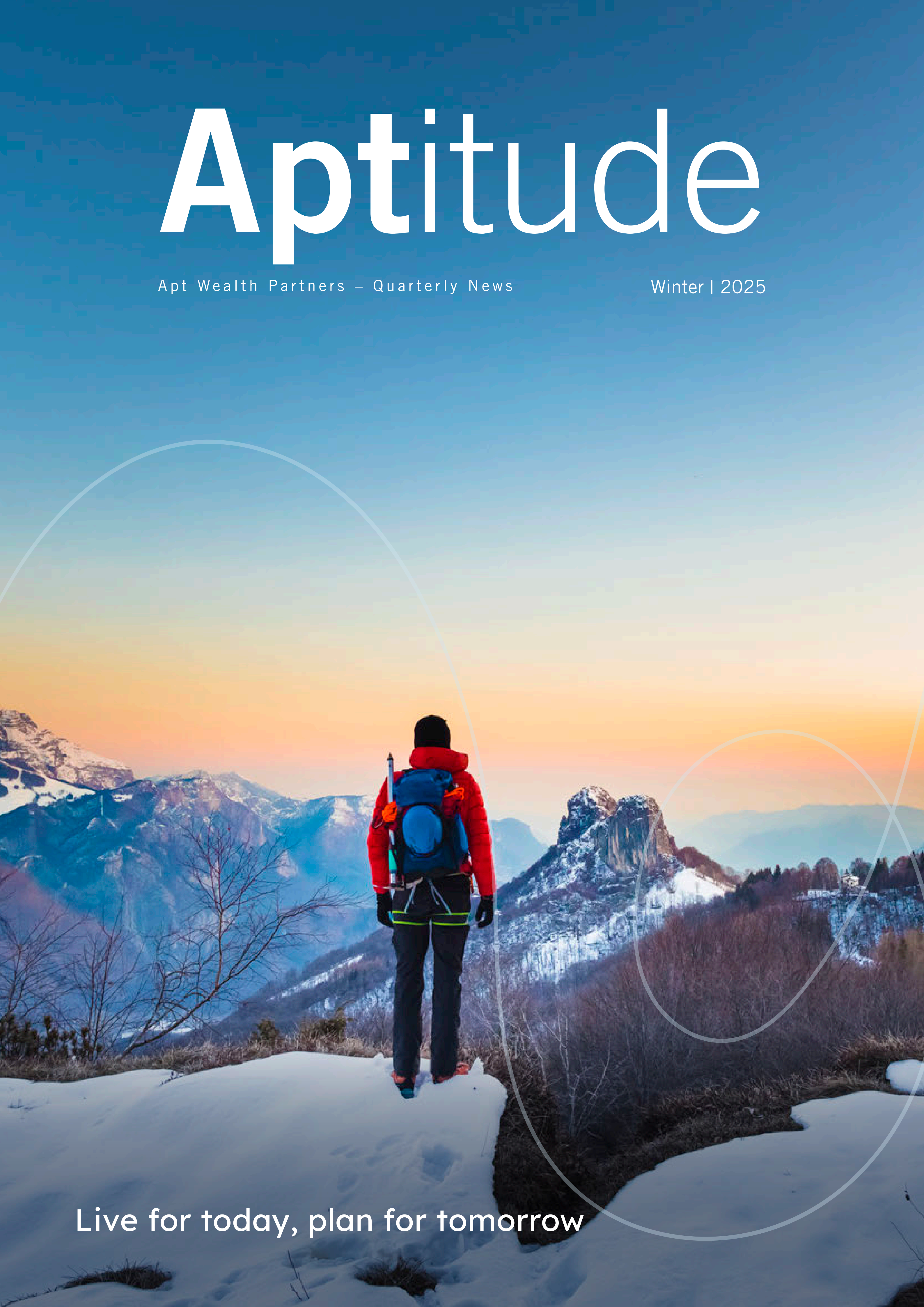

Live for today, plan for tomorrow

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Online safety: Secure today to protect tomorrow

The recent cyberattacks on major Australian superannuation funds, which compromised member accounts and led to the theft of hundreds of thousands of dollars, are a harsh reminder that our digital lives require just as much protection as our physical ones. We talked to Apt Director Mark Bardzinski about how you can keep yourself safe in an increasingly digital world.

Revisit your passwords

Mark's first piece of advice is a simple but important one: use complex, hard-to-guess passwords and don't reuse them on multiple sites. And while it might sound obvious, a survey by YouGov for Telstra highlighted some telling statistics in the space.

"The YouGov for Telstra survey[1] found that 78% of Australians use the same password on more than one site, and an alarming 20% use their pet's name as a password," Mark explains.

"The superannuation attacks were a case of 'credential stuffing'. This is when scammers steal credential information from one site and then use the information to try to get into other accounts. It only works when the targets have used the same passwords."

[1]YouGov for Telstra Survey, 2023, https://www.telstra.com.au/exchange/almost-half-of-australians-use-a-weak-password--here-s-what-that

Consider your social media privacy

Mark also cautions against participating in seemingly innocuous social media 'games' that may actually be harvesting personal information – the kind you use for security questions and passwords.

"These sorts of things pop up on social media framed as games, asking for pet names, parent's names, maiden names, where you grew up, etc. We have so much information about us online today, and this is just adding to the jigsaw that scammers can use to access your accounts."

While on the topic of social media, Mark warns that our profiles are sharing a wealth of information.

"Take a Facebook account, for example. You may be connected to family with your maiden name. You might be in an alumni group for your high school. You might post pictures of your pets with their names. Your birth date may be visible. You might post about your children's birthdays. All of this is seemingly harmless, but actually, you are also providing a lot of information that could be used to guess passwords or answer security questions."

Mark highlights that it doesn't mean you have to stop sharing all of these things with loved ones, but it's good hygiene to revisit your security settings and privacy and make judicious decisions.

"Most platforms offer options to lock your profile and keep anything you share within your network. And if you have anyone you don't know in person on your pages, it may be worth reconsidering the connection," he says

Enable multifactor authentication

Multifactor authentication, whereby you receive an additional code on your phone or email when using your password, may feel like an unnecessary step. But it could save you significant financial loss and personal loss.

"It may be a little annoying when you are asked to enter an additional code to access your own accounts, but it also prevents unauthorised access. Multifactor authentication (or MFA) should be switched on for all your accounts. That way, you'll get a notification if someone attempts to gain access and can take any necessary steps such as changing passwords and notifying your financial institution," Mark explains.

Protect your devices

On the topic of authentication, Mark acknowledges that this means your mobile phone is potentially a gateway to your accounts.

"If you lose your mobile phone, it can be a gateway, so ensure you have a PIN or, where available, biometric (fingerprint, face, etc.) security on your phone. Many apps will allow you to add an extra layer of security to open the app itself, and that can be a good idea for your banking, government accounts, email inboxes or any other apps that hold significant personal data."

He adds that for some phones, data can be locked or wiped if it is stolen, but there may be steps you need to take before it happens that will enable it in the event of theft or loss.

"Make sure you know what provisions are in place if your phone is lost or stolen. You may need to enable certain settings today. It might seem like overkill, but it can be a lifesaver if you lose your device."

He also says it's critical to update your phone, tablet or computer when prompted to do so.

"These updates often contain code to patch up any potential security risks that the company has identified. It's critical that you do them at your earliest convenience, or you may be leaving yourself vulnerable."

Mark adds that it is important to have cyber security software on your devices and to keep this regularly updated, too. "Cybersecurity companies update their software regularly to protect you from emerging threats. Make sure you have adequate protection to keep you safe online," he says.

And when it comes to staying safe online, Mark recommends avoiding public wi-fi networks.

"Public wi-fi networks that don't require a password or credentials are vulnerable to attack, allowing scammers to see what you are doing online, so they are best avoided, even if the organisation offering you access is one you trust."

Monitor your accounts regularly

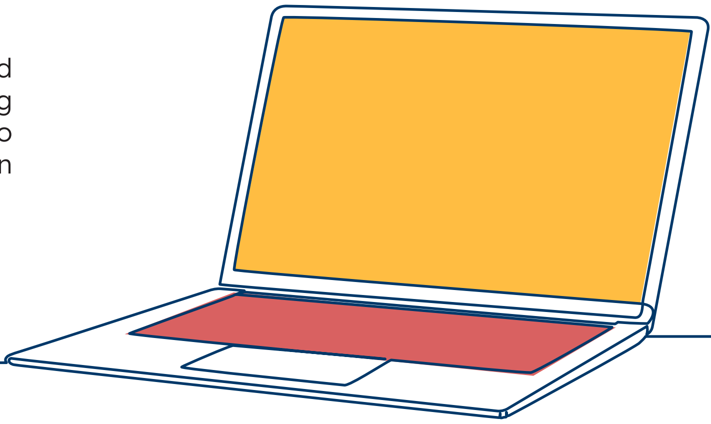
Most of us regularly look at our main bank accounts, enabling us to recognise unauthorised transactions quickly. However, accounts like your superannuation may not get as much regular attention.

"Make sure you know what should be in your accounts, and you make use of any warning or alert systems your institutions offer.

"Much like multifactor authentication, it can be annoying to get a barrage of notifications on your phone when you are making legitimate transactions. But it will alert you in real time if someone else has accessed your cards or accounts," Mark explains.

Stay safe on email and phone calls

Mark highlights that 'phishing' emails are on the rise across the globe and that some scammers go to great lengths to make their emails look legitimate, even purporting to be from your bank.



“These emails can be a direct request for your information, which is then harvested and used to access your accounts. Once a link is clicked or an attachment opens, they may download malware without you ever noticing a thing. This malicious software can enable the scammer to see what you are doing on the computer, potentially giving them access to all your usernames and passwords,” he says.

So, how can you avoid getting caught out? Mark says it’s about taking the time to consider whether a request is genuine and, if you aren’t sure, checking before you act.

“Never click on an attachment or a link that you don’t trust or is from a sender you don’t recognise. And if it pertains to your banking, finances or personal data, stop and ask yourself if this looks legitimate. If you have any doubts at all, call the provider on the customer service line listed on your card or on the website. Never use the contact details on the email, even if they look legitimate.

“If the request is genuine, the provider or institution will be happy to verify that and take you through what is required. If it is not, you’ve potentially saved yourself a lot of emotional turmoil and financial loss.”

He adds that the same goes for phone calls.

“Your bank will never ask for your online login details. If you receive a call from your bank, a good rule of thumb is to tell the caller you will call back on the mainline number. If it is genuine, the caller will be happy for you to do so.

“Often, these scammers use urgency or threats to get you to act. They may say, for example, that your accounts will be locked or you will incur a financial penalty if you don’t act right now. These are emotional tactics to get you to respond before you have time to think. Always stop and double-check.”

Keep communications secure

“When discussing financial matters with Apt or anyone else, use secure channels. Avoid emailing sensitive information like account numbers or passwords. We use encrypted platforms to protect your details – make sure any third parties you deal with do too,” says Mark.

“Cyber threats may be evolving, but so are the tools to defend against them. With a few mindful practices, you can dramatically reduce your risk,” he concludes.

If you’re worried you may have compromised your data or your accounts, speak to your financial institution immediately. If you have more general questions on the safety of your accounts online, discuss them with a trusted family member, friend or your Apt adviser.

Committed to securing your data

Apt is committed to keeping your information and data secure. We continue to invest in tools that protect your privacy and financial wellbeing.

We ensure that your data is protected by:

- advanced encryption methods to safeguard your personal information
- having our systems protected by multi-factor authentication to prevent unauthorised access
- conducting regular security audits and vulnerability assessments to identify and address potential threats
- undergoing continuous training on the latest cybersecurity practices.

Navigating the aged care maze: What the new Aged Care Act means for Australians

In a significant overhaul aimed at redefining aged care in Australia, the *Aged Care Act 2024* introduced sweeping reforms on 1 November 2025. This landmark legislation promises a future where aged care systems are more responsive to individuals' needs, prioritising quality and accessibility. But what does this mean for individuals and their families? Apt Senior Financial Adviser Lisa Haley sheds light on the implications and opportunities.

Why did the Act change?

Whether you are navigating it for yourself or a loved one, Australia's aged care system can feel like a maze. The new Aged Care Act was triggered by a sector-wide review that identified crucial flaws.

"With Australia's population rapidly ageing, the new Aged Care Act is designed to handle long-standing challenges and create a more sustainable sector. It is designed to balance the need for quality care while recognising the commercial realities for providers delivering a more people-focused model," Lisa explains.

The new Act is designed to help seniors stay connected with their community, provide clarity to all stakeholders, ensure services delivered are compatible with the State of Rights and the Code of Conduct for Aged Care, and strengthen the quality of aged care in Australia.

But as Lisa highlights, it may also create some additional challenges when it comes to planning your finances.

What changed and what does it mean for me?

Under the Act, the sector is transitioning from a provider-based model to one centred on the needs and wellbeing of individuals. For many Australians, this shift means changes in how services and funding are accessed, aiming to improve the overall standard of care.

“This reform is designed to increase oversight, transparency and accountability, ensuring the consistent delivery of high-quality care to our seniors,” Lisa notes.

However, she adds that the individual nature of care means that it can be more complex to navigate – and potentially more expensive.

“With an ageing population, the financial sustainability of aged care is paramount. The reforms introduced by the new Aged Care Act are intended as a step towards a more viable future, though they also mean around 50% of Australians will face increased costs for aged care services,” Lisa explains.

“It’s a rebalancing of the funding model which moves some of the burden from the taxpayer to the family. And the amount you will pay for home care, for example, is a more complex calculation, so it can be harder to determine your out-of-pocket costs upfront, which, in turn, makes them more challenging to plan for.”

Adjustments to home care packages

For home care, the new Act introduces more nuanced package levels and financial contributions aligned with personal circumstances and care intensity, known as Support at Home.

“The revision to home care packages under the new Act is designed to provide a more finely tuned approach to meet individuals’ needs and allow more people to access care, but it does make it harder to determine what your out-of-pocket costs will be, particularly for non-clinical care services,” says Lisa.

Traditionally, Lisa explains, you were locked into specific services and a service provider. Now, you pay at the end of the month for only the services you use.

“While this sounds like a good way to cut wastage in theory, it may also make it harder for providers of non-clinical care, such as cleaning and driving, to adequately resource services as it will be more challenging to plan ahead. That may, in turn, impact availability for those who need the services, particularly with many services already at capacity,” she says.

Lisa says that those who were already signed up to a Home Care Package before the Act came into effect on 12 September 2024 will still be able to access funding under the old scheme.

“For those who were already receiving or signed up to receive a home care package, there will be less impact as they can continue to receive funding under the old Act and package rates. They can choose the old or new fee system, and can continue to benefit from old rules like carrying forward unused past budget amounts, which will be limited for new packages”

Changes to residential care

In residential care, Lisa highlights that the key change impacts the refundable accommodation deposit (RAD).

“Under the new model, a portion of the RAD is now able to be retained by the residential care provider. The provider can now withhold 2% per year up to five years, a maximum of 10% of your deposit to cover the costs of care. The government lifted the amount of RAD a facility can charge without applying for special approval from $550,000 to $750,000 on 1 January 2025, given it had not changed in years (while property prices and other costs rose), but this does not necessarily mean facilities will charge this amount.

“Each facility sets the RAD for each of the different types of room in their building depending on geographic location, quality of room, ensuite or shared bathroom and many other factors. RADs can still range broadly from $200,000 to over $1 million, so you need to look at a range of facilities, rooms and prices to find the right fit for you.”

For residential care home residents and their families, this means budgeting for a 10% loss of the previously fully refundable deposit.

However, Lisa highlights that the retained funds should ensure providers can increase the quality of care – something we all want for ourselves and our loved ones.

“One of the reasons for introducing this retainable amount was to support the increasing costs of care and ensure provision of better care, and if this comes to pass, that’s something we can all support,” she says.

Preparing for the changes

With the Act recently implemented, Lisa stresses the importance of proactive planning.

“For those considering aged care options, either for themselves or family members, now is the time to start preparing. Understanding these changes and how they impact your future plans is crucial.”

Lisa advises potential home care recipients to familiarise themselves with the new package levels and financial co-contributions. For those exploring residential care, understanding the nuances of fee structures under the new Act is key.

“The Apt team is here to guide you through these changes. Together, we can develop a strategy that aligns with your needs and financial situation, ensuring a smooth transition to the new aged care landscape,” she concludes.

Managing the rising cost of living in retirement

As cost of living and inflation continue to rise, many Australians are feeling the pinch. But for retirees or those nearing retirement, money worries may be heightened. Here, we talk to Apt Director Andrew Dunbar about how you can plan for and manage increasing costs in retirement.

Before diving into what can be done to manage costs, Andrew says it's important to note that your retirement plans should have already factored in rising living costs, inflationary cycles and even unexpected events.

"If you've done your retirement planning with an expert adviser, you shouldn't notice any material changes to your lifestyle because solid retirement planning should be designed to help you weather changing economic conditions," he explains.

However, he notes that the rising cost of living and high inflation can feel like a perfect storm, particularly for those without a plan in place.

"Feeling stressed about money can affect every area of your retirement and stop you from enjoying this important life milestone. While planning is always the best strategy, there are a few things you can do now to ease the burden."

Structure your super to weather storms

"If you're an Apt client already, you've likely worked through your optimal super structure with your adviser. It is a critical puzzle piece, particularly as we navigate a changing global landscape."

Andrew says that the best structure for you depends on your circumstances and goals, and seeking personalised advice is critical before making any moves.

However, he highlights some general areas to consider.

“Firstly, know where your super is invested. What types of investment and what companies, ensuring it’s diversified enough to navigate any global uncertainty. It’s your money and likely your key retirement income stream, so you should understand the details.

“Secondly, ensure it is invested correctly for your risk profile and circumstances. Many retirees opt for a conservative approach as they require stability in their income stream, but it’s crucial to ensure this aligns with your goals.

“Thirdly, and perhaps most importantly, is to ensure you have the right structure to weather financial storms. Retaining a portion in cash that you can move back into investments when the market drops can be a great strategy to capitalise on market downturns. However, it is critical to ensure you do not move funds back to cash at a low point in the market, and the setup is best done with expert advice.”

Review your living costs

According to Australian Seniors’ recent *Cost of Living Longer Report,* nearly 4 in 5 retirees are making everyday cutbacks to manage growing financial challenges.[1]

The report highlights that utilities and groceries are the two most significant sources of financial strain, and Andrew says it can be worth taking a detailed look at your expenses in these areas.

“Whether you are facing increasing money worries right now or not, no one wants to pay more than they should for gas or electricity. Reviewing your utility bills each year and comparing what different providers can offer is important for everyone. If you’re happy with your current provider, you can always call and ask them to match an offer you’ve seen in the market, and if they won’t match, switch. If you don’t ask, you don’t get.”

When it comes to groceries, Andrew advises taking a detailed look at where your money is going.

“I’m certainly not suggesting you cut every little luxury from your regular shop, but you might find you are spending in some areas that don’t actually add a lot of value to your life or could be amended slightly to save you money at the checkout.”

[1]Australian Seniors and MYMAVINS, *Cost of Living Longer Report*, September 2024

Looking to compare your energy costs and find a better deal?

NSW, QLD, SA, Tas and ACT residents can compare costs at the Australian Government’s Energy Comparison site at **energymadeeasy.gov.au**.

VIC residents can visit the Victorian Government’s Independent Energy Comparison site at **compare.energy.vic.gov.au**.

Make use of your government entitlements

Andrew says many Australians are missing out on rebates, subsidies and entitlements that could make a notable difference to living costs.

“Many people don’t realise they are eligible for support. And after decades of paying tax, it’s important to make use of all of these entitlements in your retirement.”

He points to the Commonwealth Seniors Heath Card (CSHC) as a key example, with over 1 million Australians potentially missing out on the benefits[2].

“Eligibility requirements for the Commonwealth Seniors Health Card have changed in recent years, making many more retirees eligible. If you haven’t looked at your eligibility for a while, it’s worth taking another look.

“These cards can reduce health costs significantly and potentially save you up to $3,000 each year[3] in medical expenses.”

Andrew adds that alongside the CSHC and the Age Pension, seniors and retirees can access a range of supports, from utilities to transport.

“Rebates, subsidies and supports for seniors usually vary state by state, but it is worth searching what’s on offer from your state government or talking to your Apt adviser.”

Look at alternative income strategies

If you have not yet retired but are worried about how you will finance it in the face of rising living costs, Andrew suggests looking at a transition to retirement (TTR) strategy.

“A TTR strategy involves reducing the amount you work over time, rather than stepping straight into retirement. Not only can it be a great financial strategy, it can help ease the emotional transition to retirement and let you settle into a new lifestyle.”

He adds that historically, a TTR strategy involved reducing the hours you are working at your current job, but today, the landscape is changing.

“We are seeing more and more Australians using a transition to retirement strategy to move into another role, follow a passion or even work flexibly as a contractor. It doesn’t have to be about staying right where you are for longer if that idea doesn’t suit you.”

Consider whether downsizing could work for you

Andrew says downsizing can be a great financial and lifestyle decision for many retirees.

“Downsizing, whereby you sell your home to move to a smaller property, can save you significantly across bills and maintenance costs. And in today’s property market, there’s a good chance it will also realise a capital gain. And you may consider using the Downsizing Measure to put some of these funds into your superannuation.”

“But more than that, it can be a fantastic lifestyle move. It can allow you to become part of a community that better suits your changing needs, meet new people and give you more time to do what you love as you won’t have to spend it on home maintenance.”

He cautions that downsizing can come with a period of emotional transition, but when done right, it usually leads to a happier retirement.

“If you’re selling a long-held or family home, a place where memories have been made over decades, it can take time to let go. So, if you are downsizing, give yourself grace and time to adjust to your new lifestyle.”

In conclusion, Andrew says that planning ahead for retirement with expert advice is always the best way to protect you from uncertainty in the economic landscape.

If you are worried about your finances, contact your Apt adviser. We can show you how your retirement plan will help you weather changing conditions.

[2]yahoo!finance, $60,000 Centrelink savings that 1 million retirees are missing out on, 13 February 2025
[3]ibid

Tax-effective strategies to manage superannuation in FY 2025/26

As we enter the 2025/26 financial year, superannuation remains one of the most powerful and tax-effective ways to build long-term wealth in Australia. The start of a new tax year is a great time to review your strategy and ensure you're making the most of the opportunities available.

Whether you're just starting to think about retirement or already transitioning into it, the right superannuation strategies can make a significant difference. Here, we talk to Apt's Compliance Manager Tammy Tan on the strategies to consider in the year ahead.

Before diving into super strategies, Tammy acknowledges that current cost-of-living pressures may make some reticent to make additional contributions. But she says it's wise to put a plan in place now and work towards it.

"It must be a cash flow decision. If you have surplus but are unsure whether your costs will rise late in the year, consider holding it in a high-interest savings account and moving it to super when you know your tax position.

"You don't have to commit the funds today, but it's important to understand your anticipated tax bracket and have a strategy now to put yourself in the best possible position come 30 June 2026."

Maximise concessional contributions

The carry-forward rule allows you to use unused portions of your concessional contributions cap for up to five previous years, provided your total super balance is under $500,000 on 30 June of the previous financial year.

In tax year 2024/25, the concessional cap increased from $27,500 to $30,000. If you've not been reaching your cap, you should consider making use of the carry-forward rule, advises Tammy. She adds that it can be particularly helpful if you have had a career break.

"If you've had a break from work, irregular income or simply weren't in a financial position to contribute earlier, this strategy allows you to catch up. It's also ideal for those expecting a one-off high-income year (e.g. from a bonus, asset sale or redundancy) who want to reduce their tax liability. If you haven't been making or receiving super contributions, it could equal up to $137,500 (i.e. utilising the unused caps accumulated since financial year 2020/21), taxed at 15%, lower than most people's marginal tax rate," she explains.

"If you have the financial capacity, consider topping up your super with personal contributions and claim a tax deduction. Maximising your concessional contributions not only helps you grow your retirement savings but can also significantly reduce your taxable income."

Take advantage of the non-concessional cap (NCC)

The NCC stays at $120,000 for 2025/26, with the bring-forward rule allowing up to $360,000 over three years for eligible individuals under age 75. These are contributions made from after-tax income and are not taxed within the fund as tax has already been paid.

Tammy highlights that this strategy can be particularly useful if you've recently received a windfall, such as an inheritance or a property sale, and want to move more funds into the tax-friendly super environment.

"If you're under 75 years old, you may be eligible to bring forward up to three years' worth of NCCs, provided your total super balance is under $1.76 million as of 30 June 2025. It can be a useful tool when you have received a windfall, sold an asset or been the beneficiary of an inheritance. It can also be useful as you're approaching retirement to boost super before you hit contribution limits," she says.

Spouse contributions and super splitting

If your partner earns a low or no income, making a spouse contribution may entitle you to a tax offset of up to $540. Alternatively, you can split up to 85% of your concessional contributions with your spouse to help equalise balances and manage transfer balance cap issues later.

"This is especially important for couples where one spouse is approaching the $2 million transfer balance cap and the other is well below it," Tammy says.

Retiring soon? Consider a transition to retirement (TTR) strategy

For those aged 60 and over, a TTR strategy allows you to reduce your working hours while supplementing your income through a tax-effective pension.

"Even if you're not planning to retire soon, a well-managed TTR strategy with salary sacrifice or personal deductible contribution can lower your overall tax bill while preserving your lifestyle and easing the emotional transition to retirement," Tammy explains.

Downsizer contributions – still going strong

If you're aged 55 or over, you can contribute up to $300,000 from the sale of your family home into super without impacting your non-concessional cap.

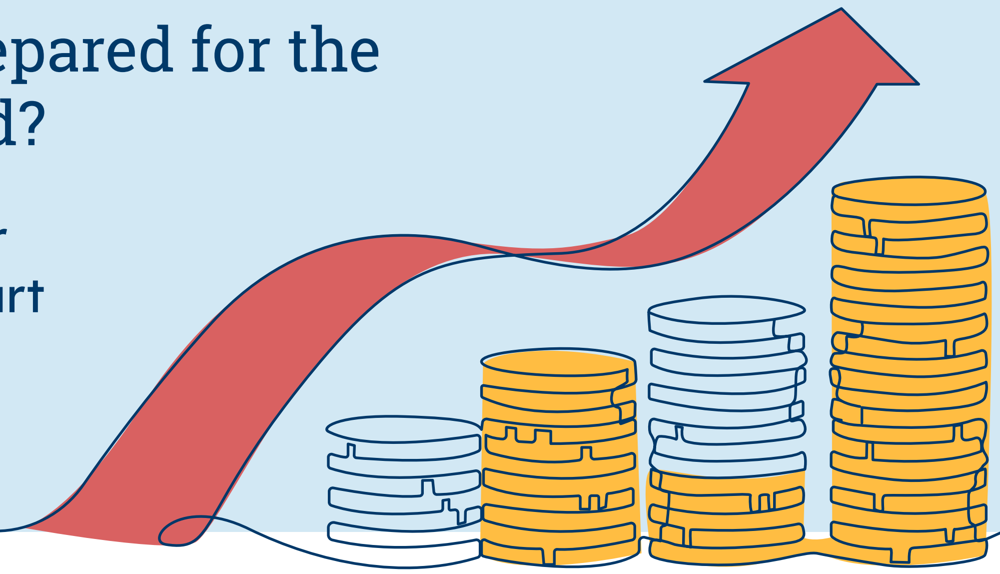
"This strategy is excellent for those looking to boost their super late in life," Tammy highlights.

Put yourself in the best possible position

"As always, it's essential to tailor your approach to your specific circumstances, goals and tax position. Working with your Apt adviser can ensure you're making the most of your super – not just for tax time, but for a more secure retirement," Tammy concludes.

Want to be prepared for the tax year ahead?

Reach out to your Apt adviser to start planning today.



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