

DIVORCE SUPPORT TOOL BOX

First Steps



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THE FIRST STEPS

The First Steps



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A great entrepreneur once told me, “never waste a crisis.” I love the spirit behind those words. In Chinese, crisis means both danger and opportunity. I believe that a crisis does contain both. Our job is to protect you from the dangers and to direct you to the opportunities inherent in your circumstances.

Quick Steps

1. Make a plan to compensate for the increased stress in your life during this time period.
2. Assess immediate dangers and take necessary action.
3. Complete a Conflict Profile and make a Conflict Reduction Plan.
4. Create temporary stability while you prepare and plan for the future.
5. Use the Finance Tool to put things in order for the next steps.
6. Protect children from harm and learn separation and divorce parenting skills.
7. Establish sensible legal representation, and get your paperwork in order.

Note: Divorce Support Australia does not provide legal services, and we can make referrals.

Details of the above steps are provided in this book.

The First Steps



When things fall apart, it is painful and frightening. However, there is an ancient cycle in life, the cycle of birth and death and rebirth. Sometimes things have to die in order for new things to be born. By participating in the changes that you are going through with awareness, and with a willingness to learn about yourself in ways that

you haven't done before, a willingness to grow into parts of yourself that you haven't yet experienced, you can triumph from this dark time in your life. I hold that greater vision for you.

This particular tool from the Divorce Support Tool Box is First Steps. It is designed to build a foundation for what is to come. When life over-

whelms us the best thing to do is look at the very next step and put everything else aside. We can cope with just that one next step. So let us begin there.

This book covers an explanation of the first steps that you need to take, as well as materials to help you take these steps. It also provides information on what to do next.

Everyone has their own unique experience of separation and divorce. For some it is relatively simple for others it is unbearably difficult. Even for those who are fortunate enough to be cooperating well with their ex spouse, this is a difficult and stressful time of life. It makes sense to take extra good care of yourself to compensate for the stress of the situation.



Compensate for the increased stress in your life

When we are experiencing a crisis, or a highly stressful time, we tend to fall into the trap of soldiering on, despite how we are feeling. We can become caught up in the day to day struggles, which are mounting more and more stress upon us, and we don't think about ourselves and our well being. There are problems with this approach. The more stressed we become, the more difficult it is to think clearly. This can be a disaster when you are faced with the many major decisions that are involved with a divorce. And there are limits to how much our systems can cope with. Divorce is not a sprint, it is a marathon. Most people attempt to put the energy of

a sprinter into it, and find that the finish line just does not arrive before we collapse. We can easily experience a downward spiral because the more that is demanded upon us, and the more upset we feel, the less energy we have to look after ourselves. On top of that, if we are feeling depressed we will not be motivated to do anything.



Get the right amount of sleep

Sleep is a very important factor in our well being. It is common for people to have difficulty sleeping when they have a lot on their minds and are going through big changes. You may be experiencing anxiety and this will make it difficult to sleep well. Losing sleep have throw us into a downward spiral. When we are exhausted we are more likely to make mistakes, and we will be more vulnerable to our emotions. There are numerous things you can do to fight off insomnia. Here are only a few:

Exercise

Get counseling (talk through your troubles)

Make evenings a relaxing time (no emails, etc.)

See a naturopath

See a doctor. Sleeping pills can be a necessary aid at certain times in our life.

Get a good team working for you on your divorce and you will have increased peace of mind and fewer problems to keep you awake!



Exercise

Exercise is an effective way to release tension, and it exhausts us in a good way, which can help us sleep better. What is your favourite form of exercise? If you don't have any you enjoy, think about whether there is anything you could try that you haven't done before that you might enjoy. Playing sports or joining a class has the added benefit of bringing a social component into your routine.

Do it now!

Write down your weekly exercise plan:

Interactive The First Steps.

1 write down your weekly exercise plan



Put in as little or as much as you need to. Tailor it for your needs.



Mental Wellness

It is important that you consider the mental wellness of all members of the family carefully during times of increased stress. Become familiar with symptoms of depression and anxiety. Be sure to take action if you or a family member is experiencing suicidal thoughts or behaviour.

There is information and support available through the following organisations:

www.BeyondBlue.org.au

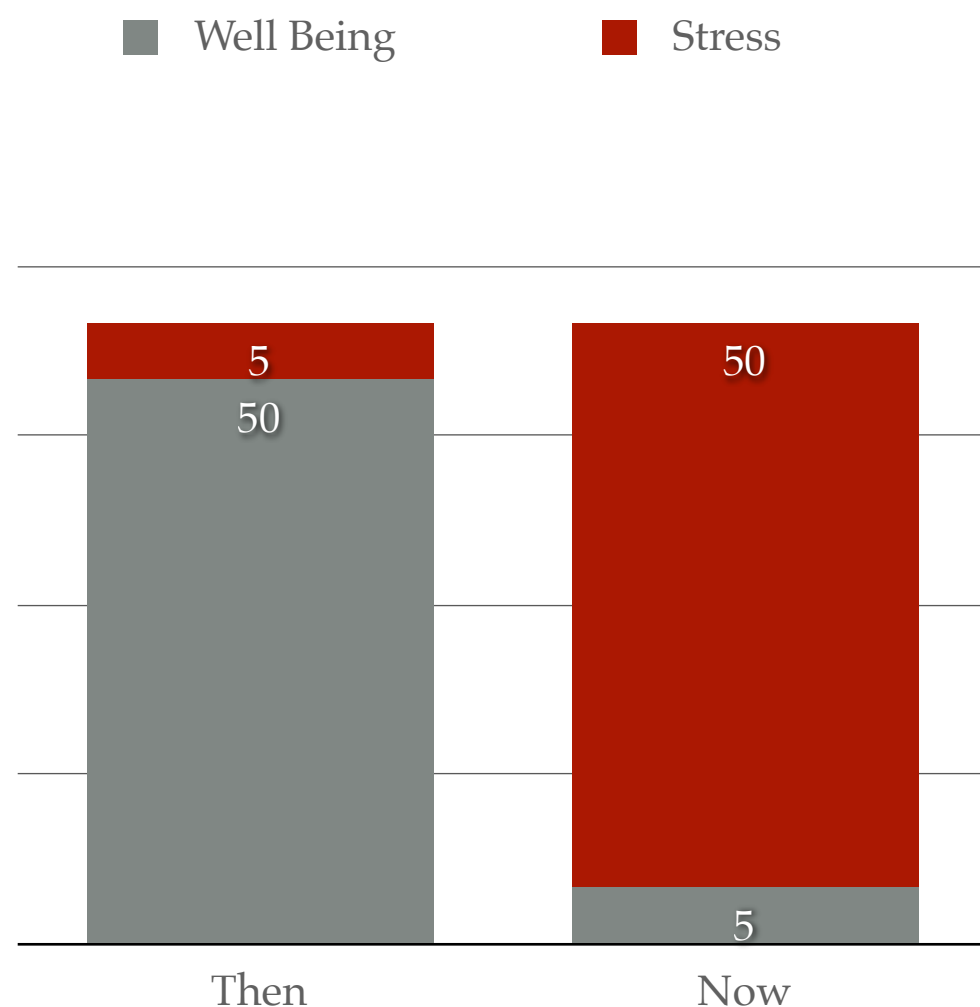
www.Lifeline.org.au



The Wellness Balance Sheet

Imagine that you have a baseline for “normal” in your life. Normal means that you sleep well, eat well, think clearly, get your work done, and generally show up for the people and responsibilities in your life in an effective and satisfactory way.

When major stressors come into play, you are going to fall below that baseline.



On the chart, imagine that your normal baseline is where the well being bar and the stress bar meet in the “Then” column. You need to look at the “Now” column and make sure that you reach the normal baseline. Since you cannot do a whole lot about reducing the amount of stress (although following our guidelines will certainly reduce the stress level), you need to increase the well being bar in order to reach the normal baseline. So, whatever you did “then” to contribute to well being, you now have to increase that ten times in order to get to the normal baseline.

Imagine you get a call from your ex, or from your lawyer. It is about more conflict. You are furious. You can’t believe what he/she has done now. You are usually a calm person, but now he/she is threatening to take your house or freeze your bank account or stop you from taking the children over Christmas to see their new baby cousin. You are seeing red. You cannot keep your voice down on the phone. This feels like the worst day of your life. Just like last Wednesday felt, come to think of it. And maybe next Monday will be kind of the same.....

The point is, divorce is a marathon, not a sprint, and you cannot run on this kind of adrenalin for long. And, while you are feeling this way you will probably be like a bull in a china shop, destroying everything in your path. Or you might just curl up under your duvet and disappear for an indefinite period of time.

There is life after divorce. Let’s keep depression, anxiety, high blood pressure, alcoholism and any other terrible side affect at bay so that you can be at your best to build the new life that your really want and need.

Here is a list of some things you can do or increase in your day to day life to help keep your wellness balance sheet where it needs to be.

Be silly- laugh with your children, watch a comedy, joke with friends;

Have a heart to heart talk with a friend or family member.

Do fun things with children; yours or someone else's.

Do fun things with adults; plan a fun activity. If you have no one to have fun with, join a group or a class.

Take a bath. Light candles, use aromatherapy, play music.

Walk on the beach, run on the beach, swim in the ocean.

Play sports. If you don't already, try something new.

Cook something healthy and delicious for dinner.

Eat a good breakfast.

Cut down on coffee, and alcohol, and sugar.

Read a novel.

Play a game.

Redecorate your bedroom.

Call an old friend you haven't seen in ages.

Make a new friend. Just a support group or a class.

Freshen up your life- throw out everything you no longer need, re-organise your closet.

Get a beauty treatment. Life always seems better when we feel better about ourselves.

Schedule a day of doing nothing. Stay in your pajamas all day.

Create strong daily and weekly routines. Structure provide stability and this is good for our nervous systems.

Don't obsess about your problems. Put only a certain amount of time into taking care of business and then redirect your attention elsewhere.

Pay attention to your children, live in the moment with them. Re-discover the wonder of the world around you.

Play fetch with a dog.

Run as fast as you can.

Ride a roller coaster, or any thing else that makes it ok to scream loudly.

Go dancing, or turn the music up and dance in your lounge room.

If all of this is too hard, you are probably depressed. Get help. The further you dig the whole the easier it is too fall into it.

Remember, with a good team, you can start enjoying life again sooner with more resources to make it the best next chapter it can possibly be.



Assess the immediate dangers and address them.

There are a number of things that could require immediate attention.

Do it now!

If you or anyone in your family is in physical danger get help now. If you are concerned about family violence, contact the police, a domestic violence crisis centre, or Lifeline.

Forms of Family Violence:

Intimidation- includes destroying things, hostile behaviour, harassment and more

Verbal abuse- includes put downs, ridicule, sarcasm and more

Physical abuse- includes recklessness that puts a person in danger, injuries do not have to occur to make an act physical abuse. Choking can indicate grave danger. Take all abuse seriously.

Emotional abuse- this can include undermining one's confidence or threatening them, and more.

Social abuse- isolating the victim from other people and support systems.

Economic abuse- cutting the victim off from money or an adequate living standard.

This is not an exhaustive list.

For your information

Children who are exposed to family violence are in danger of adverse affects on their development. Exposure does not have to be by witnessing it to put them in danger. Even hearing about it or being aware of it can pose risk to their well being.

Suicide- If you or another member of your family are suicidal or may be suicidal, go to the Lifeline website and get the help that you need. www.Lifeline.org.au/GetHelp

Legal Proceedings- If your ex has commenced legal proceedings, you need to seek legal representation, if you do not already have this in place. You can contact Divorce Support Australia for referrals and advice on choosing a family lawyer.



Create a conflict profile and determine how low you can set your conflict GPS

The lower the conflict profile, the smoother your divorce will be, the less money you will lose, and the less danger you will be in.

The Low Conflict Divorce Profile:

You are in early stages of divorce. You have not yet gotten swamped into a legal battle. You still have the potential to come up with solutions that both parties can agree to.

If you are in the low conflict divorce profile, you want to be able to stay there. Don't be over estimate your capacity to do so. A lot of people believe that they will stay in the low conflict profile but soon find themselves being consumed by the quicksand of a conflictual divorce.

There are some factors that may make you set the GPS for higher conflict even if you still are in the early stages. You might be expecting your ex to attack with legal action or some kind of highly aggressive action such as grabbing all the money, or disappearing with the children. You might feel that offense is the only defense in the face of his/her personality. Proceed with caution and get a good team before taking action.

Q. Is it possible to set the GPS to Low Conflict even if we are already medium to high conflict?

A. It is possible to achieve this. It will take skilled professionals who understand what is at stake and believe in the importance of low conflict for you and your family.

If you do not already have a lawyer: If you are not in immediate danger, work with a divorce coach first, to get clarity on your conflict profile and what your goals are. You want to choose a lawyer with the knowledge of what you are specifically wanting to achieve. You also want to begin the relationship with your lawyer in a business like manner. It is not a good idea to attend your initial interview in a highly emotional state. Your divorce coach can attend to the emotions, not your lawyer. They are used to it, and could well be compassionate, but it is much better if they are left to do their job without the added complexity of emotional outbursts.

It is also important to be coached first because once a lawyer is involved you could be catapulted into an escalating conflict. This might not be your lawyer's fault; it could happen when the other side reacts to your lawyer's actions.

In a low conflict divorce, there are likely to be some agreements that take effort. This is where mediation comes in. How you handle the difficult decisions will determine the course of this divorce. If handled well, you will keep your GPS firmly programmed for low conflict. If things get mishandled, the GPS may quickly take you along a route of escalating conflict.

What to do if you already fall outside the parameters of a low conflict profile?

Many people do find themselves in medium to high conflict divorce. There are many reasons for this. Although you may not be

able to achieve low conflict, there are many things you can do to protect yourself, to avoid escalating the conflict further and to reduce both the financial and emotional costs of this divorce. If you are in this category, make sure you have a team you can count on.



Create temporary stability

This whole process is going to take a while. If you are in the early stages, you need time to prepare, to learn, and to form your team.

While this is taking place, you need to establish temporary stability for all family members.

This is important because if anyone is feeling desperate, they will take desperate measures. Desperate measures can catapult you into a high conflict divorce and create emotional instability for your family.

Regardless of how angry you may be feeling towards your ex partner, or how little you might care right now about them, do not overlook their need for temporary solutions that will keep him/her reasonably comfortable and secure.

In the early stages, rely on temporary solutions rather than long term ones. It is important that you take plenty of time to rest, recover and integrate all the changes. If you plunge too quickly into long term solutions without enough preparation, you will find yourself becomes overwhelmed and not thinking clearly.



If you can find it in yourself to be reassuring to your ex, showing concern for their needs and perspectives, you are much more likely to get through this without a protracted, expensive and upsetting battle on your hands.



How much are you being driven by your emotions and how much are you being driven by reason?

When considering these temporary solutions, it is a good opportunity to see how much you are driven by your emotions. If you are hell bent on making your ex as miserable as possible, you are being driven by emotions. This is not in your best interests.

If emotions are driving you more than reason, this is a very clear signal that you need to prioritise some emotional healing. Anger, resentment, fear, jealousy, etc. are all dynamic forces that thrive on drama and can keep you mesmerised under their spell. Resist!

You are only going to undermine yourself, and quite possibly your children, if you keep this up.



Now that you are no longer in this marriage, the relationship you have with your ex is no longer an emotional relationship. Anything emotional you need to work out- take it *elsewhere*. You need to shift gears, and be businesslike. You have a job to do: getting a divorce.

This does not mean you bury your emotions. It means you find the appropriate outlets for them. If both of you are having difficulty disengaging, you may need to ask, *is the marriage really over?*



Protect Children From Harm

Children are most vulnerable during divorce when there are high levels of conflict. This is why it is essential that you explore your conflict profile and evaluate the possibility for minimising conflict and protecting yourself from escalating conflict.

Children need stability. Their lives are changing in ways that they cannot control. It is up to you to provide a sense of stability and order for them. They need to be able to live their lives with a sense of normality. Only you can make this possible.

The best thing you can do for your children is to be calm, loving and attentive. If you are very upset and absorbed by distress, this will be hard on your children. Let them be a motivation for you to embrace the steps in this book, to focus on your well being, to reduce conflict and to create temporary stability.

Do not expose your children to upset and drama. Do not have conversations in front of your children that could upset them. Definitely do not argue in front of them. If you have to argue, do it when they are not there. If you find that you or your ex flies off the handle in front of them, this has to be stopped. Schedule time when they are not there to have these interactions, or put an end altogether to these interactions. If the two of you cannot control yourself when you interact find another type of arrangement for

pick ups and drop offs so that your children are not exposed to conflict.

Under no circumstances should you speak badly to the children about their other parent. This is very hurtful to children and it will put them into a position of feeling obligated to take sides. Children have the right to love and be loved by both of their parents.

Do it now!

Learn the skills of parenting during divorce and co-parenting.



The Divorce Support Tool Box: Parenting & Co-Parenting Tool

(available from
www.DivorceSupportAustralia.com.au)

Separation and divorce demand us as parents to acquire new skills. This is a crucial life stage in your children's lives no matter what age they are. You are probably already overwhelmed with how much you need to do and learn. However the Parenting and Co-Parenting Skills will make your life easier, not more difficult, and will in fact help **you** to get through this time in **your** life, as well as help your children.



The Parenting and Co-parenting Tool may not be enough. You may need personalised attention to navigate through your family's circumstances. Your Divorce Coach can provide all the help you need.



Assess impact of your past on the present

Divorce usually involves some unresolved personal issues. Although the marriage has ended, these unresolved issues will usually continue to affect your life, and particularly will affect the process of the divorce, often in very unwanted ways.

The way that a marriage breaks down will have a significant influence on the divorce, and possibly the years that follow, particularly if children are involved.

This is why I always tell my marriage coaching clients that the work we do will be useful even if a decision is reached to divorce. If you separate when one person is strongly opposed to the separation, or when there is little understanding of why the marriage is not working, there are likely to be ongoing problems.

As well as the nature of the separation in impacting your present and possibly your future, the nature of your marriage will also play a part. Many marriages end because of something inherently unhealthy within the relationship. When this is the case, there is a need to recover from that relationship, to heal that which exposed you to this type of relationship, and to grow in your understanding of yourself.

Walking away from a marriage does not in and of itself free you from the underlying causes of the problems.

For Your Information

The problems that existed within your marriage will often be magnified in your divorce.

When a marriage ends, we are eager to put our problems behind us. Unfortunately, it is likely that during the divorce these problems will become magnified. This is because the dynamics still exist and now the landscape is more distressing.

We will often be unaware of our own habitual and unconscious ways of reacting to our ex partner. For example, a person may feel that they would do anything to be free. They say, "I don't care about the house, I just want to be free." They react to the struggle by giving up substantial assets that are rightfully theirs.

Although it is understandable that some things "matter more than money", when people behave this way they might be perpetuating an unhealthy pattern of behaviour.

When I work with my clients I always help them to gain understanding of why things have not worked out in the past and how to overcome negative patterns of behaviour so that they are able to take control of their lives.



If you have been in a relationship with someone who has been controlling, you may feel strongly that now is the time to stop being controlled. This may make you more adversarial than you normally would be. Although it is important to take more control in your life, you may be better off waiting for after settlement to take this kind of stand. Fighting a full blown battle with a controller can be very costly.



Establish sensible legal representation

It is important to be informed, and obtaining legal advice is very sensible. However, obtaining legal advice is quite different to hiring legal representation. If your partner has not done so, if you do it could trigger a battle. For this reason, proceed cautiously.

You certainly do want legal representation if you are in any danger of your ex doing something to cause you harm. You will want to know what your goals are before agreeing to representation.

You want to investigate whether your lawyer feels favourably towards mediation and low conflict divorce. You also need to be aware of whether your ex is agreeable to this and whether their lawyer, if they have one, is.

You can be proactive and communicate to your ex that your intention is to resolve as many issues as possible in mediation and that you are prepared to consider their needs and opinions.

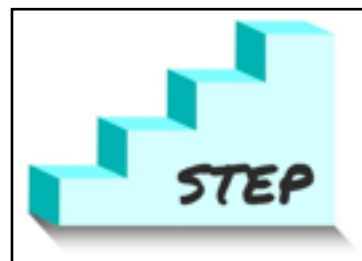
If your partner already has a lawyer and has scheduled a hearing, you need to have legal representation and you should be confident with that representation. There are some people who represent themselves, but it is not usually considered a sensible option.

If you are being bullied or controlled, you may need to take the offensive legally. Before making this decision, make sure you have a plan, and the support team you need to be able to get through this

ordeal properly. Remember your three pillars, legal, financial and personal.

Sometimes clients make their lawyer's job more difficult by getting themselves into trouble. They write emails, texts, or Facebook posts that can be used against them at court. They behave in ways that can be used against them at court. Undoing mistakes is an expensive business. It is best to have a strong team from the beginning who can keep you on track. Your divorce coach is the one that can monitor your day to day activities and protect you from inadvertently walking into a minefield.

It is also important to have your financial matters in order. A lawyer can help you get the best deal, but you want to have financial advice from an accredited financial advisor. Take the information you receive from your lawyer and take it to your financial advisor. Get all your facts and figures in order and obtain detailed financial advice.



Look after your financial health

When it comes to the finances, the first two issues that you will face in your divorce are:-

1. Assets and
2. Income.

The assets are all the investments and non-investments (family home) you have. These are often:-

- Your family home
- Rental properties
- Commercial properties
- Superannuation funds/SMSF
- Shares
- Managed Funds
- Business assets
- Cash
- Term Deposits
- Vehicles
- House contents
- And so on

You also need to recognise debts attached to these.

One of the easiest ways to establish a picture for yourself and the professional team (lawyer, divorce specialist financial adviser, accountant, mortgage broker you will work with going forward) make a table with a column showing the asset, whose name or structure is it in (i.e. Trust, Your Name, Spouse's Name, Joint Names), what the value is, what the debt is, and then take one amount from the other to show the net balance.

Example:-

		Ownership	Value	Owing	Net Value
Properties	Apple House	Jack	\$ 975,000	\$ -	\$ 975,000
	Orange House	Jill	\$ 430,000	\$ 159,470	\$ 270,530
	Unit	Joint	\$ 395,000	\$ 79,860	\$ 315,140
Cars	Vehicle One	Jack	\$ 35,500	\$ -	\$ 35,500
	Vehicle Two	Jill	\$ 25,000	\$ -	\$ 25,000
Superannuation	Superannuation ABC	Jack	\$ 410,393	\$ -	\$ 410,393
	Superannuation XYZ	Jill	\$ 100,210	\$ -	\$ 100,210
Shares & Managed Funds	XYZ - Managed Funds	Jack and Jill Family Trust	\$ 180,430	\$ 50,000	\$ 130,430
	Shares	Jill	\$ 75,000	\$ -	\$ 75,000
			\$ 2,626,533	\$ 289,330	\$ 2,337,203

This will give you a picture of the overall asset pool.

The next step is to determine what the split might be. Would it be 50/50 or greater or less in one spouse/partner's favour or the other?

There is generally a four step process to determine how this is determined:-

1. Define the assets in the pool which you have done above
2. Determine what contributions have been made both parties financially and non-financially (i.e. staying at home to look after children is viewed to be just as valuable as working and earning a salary so don't get the wool pulled over your eyes there).
3. What are the future needs of both parties—is someone disabled, what specific needs should be considered? Are there children involved?

4. Would a court consider the settlement just and equitable?

If everything came in at the start evenly, contributions have been even, and each party is capable of being sustainable on their own going forward it is often 50/50. However, this is rarely the case as the longevity of the marriage is considered, there are often children involved and there are often other issues to consider. This is where a consultation with the specialist financial adviser and an initial consultation with a lawyer is helpful. This will remove the mist and start to give you clear direction on what the outcome might look like on a percentage basis.

Once there is a guide the next question is what should you plan to take? What should you plan to keep? What should you plan to trade to the other side? This is where the specialist financial adviser needs to go through a process with you to find out who you are and where are you heading. What assets suit now and the future? How do these assets provide for you? Do you need them to provide you with income sustainability? Are you happy for assets to be locked up? Would you like to rent or buy? How does this work with schools? Would you prefer to travel? There is a real get to know you process to walk through before you make a decision.



Avoid mistakes. One of the best ways to preserve your wealth and to feel in control is to avoid mistakes. You can find some case studies on

www.DivorceSupportAustralia/articles

Some things to consider in below case studies from a divorce specialist financial adviser www.onyourowntwofeet.com.au:-

Case Study

Divorce property settlement must cater for your long term financial needs.

Liz (not her real name) came to see me when she was preparing for her divorce property settlement. Liz was wise enough to seek financial advice BEFORE committing to a settlement via her lawyer. She had a firm idea of what she wanted in her settlement and she believed that she was getting a good deal.

In essence what they both wanted was a reasonable settlement and therefore an amicable divorce.

Liz decided to discuss their ideas with me before she proceeded to finalise her settlement with her husband. She was very lucky that she did. There was so much Liz had not understood about her financial settlement – needless to say she would have been disadvantaged by her initial concept of fair settlement.

When I went through her proposal and addressed the joint property, rental properties, shares, managed funds and other assets of the soon-to-be divorced couple I found a discrepancy in excess of \$200,000.

Liz had worked out her settlement as many do: offsetting her superannuation; the investment assets for the family home; his car for her car and so on, a relatively typical split I see most of the time.

The first issue was that the balances were not weighed correctly to begin with and were heavily in favour of her husband.

The second issue was that she did not consider the value of the assets she retained in the context of her needs and what she could afford in the future. The assets Liz intended to retain may not have worked for her going forward, based on her income and expenses. She would then have risked having to sell some of them, attracting capital gains tax. Liz would have ended up with far less NET of her initial position than her husband. She would have been far, far worse off – in fact hundreds of thousands of dollars worse off.

In the marriage, Capital Gains Tax was a joint responsibility, not just his or her responsibility. But if Liz proceeded with her initial proposal the responsibility for payment of Capital Gains Tax would have been solely on her shoulders.

The third issue was that Liz had no strategy for using her shares of the joint assets to achieve her long term goals. We were able to advise her on strategic management of her assets, adding value through minimising taxes and reducing costs so that her money will stretch further for longer.

If, like Liz, you find yourself in a difficult situation, seek financial advice from experts

Case Study

Working out what is in your best interest is not always easy.

The break-up of a relationship is usually a very confusing time. It can involve a lot of uncertainty about what to do next and how it will affect your future.

Property settlement is always high on many soon-to-be-divorced people's agenda. What to take and what to leave behind?

Many people have an attachment to the family home and take this over all other assets.

In my experience this is not always a good option for these reasons:

- Often the single person's income is not sufficient to justify this asset and a large home is a drain on their reduced finances.
- With all the money going into the home there is little left over for extras such as family holidays and small luxuries.
- If it is the woman, she may become highly dependent on the ex-husband for child support to enable them to meet the outstanding mortgage repayments or general bills, school fees etc.
- Some women cannot see the value in their ex-husband's superannuation and because their own balance is very low they end up with very little when it is retirement time.
- Once the children have left home often all the woman has is the house which they have to sell to fund their future as there are no other investments.
- Some people are fearful of trust structures, shares and property management so they avoid those which can be to their detriment.
- Some settlements are linked to a salary from their husband's company.

- Some women have no experience in managing their finances.
- Whilst other women are in control but still need to rebuild for their future and need to make wise choices with the now and the long term in view.
- By carefully analysing your financial situation I am able to give you a much clearer picture of which financial course is the best option. Together we can clarify what is in your best interest and work out a way forward.
- As the settlement document is produced for your lawyer and in conjunction with your professional team, most settle out of court very quickly which saves time and money plus gives you the additional bonus of no more stress and fighting. There's no price for peace!
- If you and your ex still cannot agree and you have to go before the courts – you will have all the paperwork, professionally organised, which will save time and money.

Case Study

Get pre-settlement advice before you decide to divorce

It takes a lot of courage to leave a marriage no matter how bad it is. The future is unknown and to many of my clients a little scary.

“Will I be happy? Will I find a good relationship? How will I manage financially?”

The catch is that most of my clients come to me when it is all over bar the shouting. The husband / wife has been informed that the marriage is over, they're packed up and heading for their lawyer. Emotions are high and amid this chaos decisions need to be made and carried out. You need to be clear that they are the right ones.

Going to a lawyer with no preliminary work organized or no clear idea of what you want or need can be a costly experience.

My role with clients is to carefully analyse the situation and produce a clearer picture of not only the financial but the personal situation.

Together we clarify what is in your best interest, what you want in terms of possessions and how you can maintain a good at lifestyle.

The settlement document is produced for your lawyer and in conjunction with your professional team, most cases settle out of court.

So I advise my clients to organise themselves before they tell their husband / wife they're leaving.

Note:

This case study focused only on the financial aspects of separation/ divorce. To look more indepth into the question of whether to end a marriage, see the video at the end of this ibook.

Janet, (not her real name) came to see me recently. She was 45 years old and said she had tried to leave her husband once before and returned as she didn't think she could manage financially. This time she meant it but needed to be organised so she came to see me before she told him.

She was in a delicate position as she was financially dependent on her husband who earned a good income and because of health restrictions she believed that she could not earn a living herself. Whatever Janet received from the settlement would have to last for a long time.

We talked about options including seeking employment and I suggested she look for a part-time job.

In conclusion Janet was able to take control of the situation, tell her husband she was leaving and present to her lawyer the settlement document. I was able to help her with a contact for her to create a CV and she was able to identify a suitable job. She is now standing *On Her Own Two Feet* and looking forward to a much happier future.

Janet sent me this note:

"Thanks for Joan's contact details and for the comprehensive financial plan. You have given me plenty to think about. It's been very practical and has helped me focus my energy and thoughts in a positive way so thank you again for your time and efforts."



Start gathering the information and then find a specialist financial adviser to get you through the next stage of defining what assets are right for you. Avoiding mistakes by choosing the wrong assets will add enormous value to you down the track. Every dollar counts going forward.

Insurances:

We've talked about assets but you should also make a note of any insurances such as life insurance, total and permanent disablement, income protection, child cover trauma, trauma for each other. It is important these don't get cancelled. A strategy around retaining, increasing, decreasing, who will pay for these going forward need to form part of your settlement strategy regarding ongoing payment because if you are dependent on the other person going forward to provide child support, if they leave the planet or can't work, how will you cover the gap?

You will also need to ensure all the other assets are protected i.e. home, contents, cars, landlord insurance, business insurance, because if something happens to those assets and there is no insurance, there is nothing left. When it's gone, it's gone.

Note:

There are often personal insurances inside a superannuation fund.

Income:

The other major issue we talked about is income. Income is paramount to your financial security going forward. It doesn't matter how many assets you walk away with unless you can stay on your own two feet from an income perspective. If you start going backwards and reduce your asset base before long it will be gone. Once it's gone, it's gone. You need to be very wise, very disciplined and establish a strong income stream that can provide for your now and the future.

Options for income are:-

1. Working full time
2. Working part time and additional support from:-
 - a. Centrelink
 - b. Child Support
 - c. Spousal Maintenance
3. Drawing from investments
4. Surviving on income from investments
5. Centrelink
6. Various combinations above

Obviously the more you have in your control the better i.e. if you are dependant on child support and your spouse/partner loses their job or does something sneaky how will you survive? The other issue is that some of the above, child support and spousal maintenance won't be forever. There is a time when they will cut off and it is all back to you. You need to consider how the assets work with your need for income going forward.

Note:

Taking property that is negatively geared will put more pressure on your finances.

There is also the issue of losing jobs yourself, so ensure you have an emergency fund to get you through the period until the new job comes along.

The offset of income is expenses. Make a list of:-

- your bills,
- your commitments (sport, gym),
- your fun money,
- groceries,
- petrol,
- your holiday plans,
- school fees,
- medical commitments,
- shoes, clothing,
- rent/mortgage
- anything else you need to commit to on an ongoing or adhoc basis so that you can see what you need.

It is often a scary revelation what your fixed expenses are before you can even think about discretionary spend.

When thinking of income, consider the costs of your children's daily living. How much child support is needed? Will their education be negotiated separately or part of the daily budget?

Income and assets are the two main financial issues to consider in divorce. Knowing what you are committed to for fixed expenses, discretionary and where that might come from, it is time to work with your divorce specialist financial adviser to work out how the

assets and the income work together. This should conclude in a clearer picture of which assets in what amounts would be right for you. What is the right option for you for a property settlement regarding assets and income?

Once you know what you want/need from a financial perspective it is time to go to the lawyer and mediator to negotiate for you.

A property settlement can take some time to finalise, although likely to be quicker if you have an exact idea of what you want and why and consider what the other party needs. Until the property settlement, where are you going to draw your income from?

Movie The First Steps.1 Marriage Coach Video: Reconciliation



In conclusion

The first steps you take are very important because they will influence all future steps and decisions.

At this stage for many of you, the end of the marriage is a long gone reality. However, there are couples in various stages of separation who have a lingering question mark about the breakup. The video on the facing page discusses the importance of considering marriage reconciliation for those people.

Movie The First Steps.2 In Conclusion





Naomi Douglas

Naomi is co-founder of Divorce Support Australia. She is a Divorce Coach, Marriage Coach and Family Mediator (FDRP).

Naomi has a background in counseling and personal development therapies gained well over twenty years.

Naomi also has a diploma in Early Childhood Education and has worked with both children and parents with her passion for providing children with the best

pathways to healthy and happy lives.

She has developed a coaching method for both divorce and marriage reconciliation which is based on leading edge knowledge in personal development. Her clients are able to make rapid and profound changes that allow them to live better lives. She also provides this same dedication and commitment to the clients who come to her for mediation and parenting plans.

"Naomi gets what being a divorce coach is all about." Stephen Page, Family Lawyer

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Coaching can be arranged from all time zones/countries by Skype/Phone

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Helen Baker

Helen has a heart particularly for those who are newly single or planning to be so soon to help them to re-establish their foundations, provide financial advice and walk alongside them through their journey so they can get back on their own two feet.

As a qualified financial adviser she wants all of her clients to experience safe, trusted, genuine financial advice. Helen's background includes living in the UK for 8 years where she worked for Robbie Williams' management team and the associated businesses. She was also the project manager of a global acquisition for Reckitt and Colman and then became their European Project Manager and worked globally with various countries including USA. She has also spent time restructuring businesses, guiding new inventors to commercialise their products and applied her finance knowledge to many companies in relation to their software. Helen has a Bachelor of Commerce, a Masters in Innovation and Change Management and an Advanced Diploma in Financial Planning.

