

Newsletter Summer 2016/17

1 Station Road Cheltenham 3192, Tel: 03 9585 7585

www.ultimatefinancialplanners.com.au



Welcome to the Ultimate Financial Planners Summer newsletter . As mankind was given the gift of a saviour in Christ, and a promise of bright hope in the form of a child, so the giving of gifts to each other has become our tradition. At Christmas, we think of others, and by bringing cheer to others; we ourselves are made happy. It's a wonderful time of the year.

2016 has been an eventful year . Two significant financial events which affect all Australians are, the government changes to superannuation and the adjustments to the Age Pension assets test. There are consequences to these actions, which may include:



1. As further limits on superannuation contributions create smaller retirement fund balances, making future retirees more heavily Centrelink dependent; future tax payers will be earmarked to pick up the bill.

2. Change to the asset test will eliminate or reduce Age pension entitlements still further. This may force many retirees to replace lost income by using their savings, thereby, exhausting their retirement funds sooner than is current and exacerbating future Centrelink dependency; as mentioned in example 1 above.

Dictated to by short term expediency and vanity, many politicians seem unable to incorporate consequential thinking into their decision making processes. We wrote to every Australian senator with regard to these matters. We made our point, and received an acknowledgement from all senators bar one, who presumably; was too busy shaming other people.....SHAME! Derryn, SHAME!



'I can't afford a tip, but you're welcome to any of the leftovers.'

This '**Hint for Successful Investing**' has been arrived at by learning from past mistakes:

Gunns timber company , once held 250,000 hectares of land containing \$500 million dollars' worth of trees. In September 2012, Gunns entered into voluntary



administration after posting a \$904 million loss . Ultimately, this vast land bank counted for little when a rising AUD dra-

matically reduced woodchip sales to Japan, the company's debt load became unsustainable. Gunns became an asset-rich and cash-flow-poor company. Because it was unable to sell off assets quickly enough to pay current liabilities during stressful market conditions, it was unable to control its own destiny.

Lesson: One cannot eat assets — cash flow is king

Cover for the whole family



You work hard to care for your family and secure their future, so you understand the need for life insurance. But which life cover is right for you and your family?

If you have young children, have you considered the following?

- Who will support them financially should something happen to you? Who will pay for their education? And if they fall ill, can you afford to stop work-

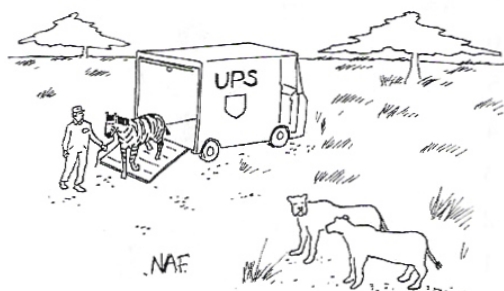
ing to care for them? To help ensure that you have the right cover, please **call us** to make an appointment to discuss your family's protection needs today, 03 9585 7585

INVESTMENTS - Retirement funding - Wealth Creation Solutions

With limits now placed on superannuation benefits, people may wish to look towards accumulating funds outside of their superannuation. Property, shares, bonds, etc., can all be utilised; but where and how can these be utilised efficiently? The job of a financial planner is to assist their client individually, to develop and manage wealth building strategies and portfolios. Here are some ideas:

1. Direct Property investments - geared to obtain tax consequences
2. Self Funding Instalment Warrants - These are securities geared with a non-recourse funding arrangement

To see how the benefits of these strategies can assist you personally, please call us 03 9585 7585

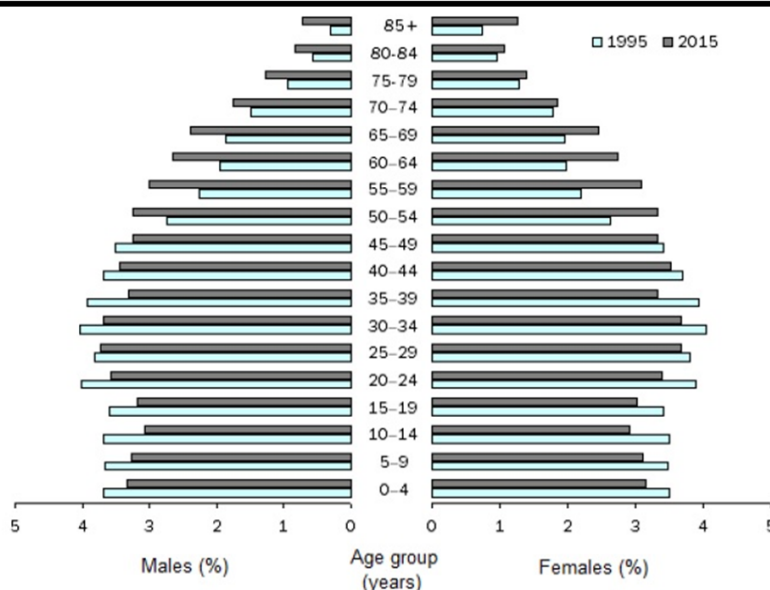


'No point in hunting when you can order online.'

Source: ABS

The Government has responded to an unprecedented demand for aged care brought about by the growing elderly population in the form of the **Living Longer Living Better reforms**.

Our Aging Population



Aim of the Living Longer Living Better reforms

Legislated on 28 June 2013, the *Living Longer Living Better* reforms aim to build a better, fairer, more sustainable and nationally consistent aged care system over a 10-year period.

The Government realising that people want to stay in their own homes as long as they can, have introduced a range of home care packages covering things that are very basic — like domestic assistance — up to potentially high-level care.”

According to the Australian Institute of Health and Welfare, 2.4% of the Australian population aged 65 and over, or 83,481 people, received home care at some point over 2013/14.



Independent Professionals Network—Ultimate Financial Planners is a founding member of the IPN. This is a referral service providing clients of UFP with access to best practice independent professional service providers for financial planning, legal services, mortgage finance, tax accountancy, aged care and real estate services. For referral help in any of these areas, please call our office, 03 9585 7585, or visit our website: www.independentprofessionalsnetwork.com.au

We are grateful to each of our clients for their support and for the privilege of handling their business

If you have any concerns regarding a financial or insurance matter your call will always be welcome,

03 9585 7585



Independently owned, and operated to act in our clients' best interest.