



# VIEWPOINTS

## WINTER 2017

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Welcome to the winter edition of our newsletter.

In this edition we have a short wrap up of some of the 2017 Budget proposals presented by the Government just a few weeks ago.

We take a look at the process our brokers will go through with a first home buyer - so if you're ready to buy, you know what to expect.

Next we take a look at the funding options for business, and the specialised options available to you.

And finally, with June 30 just around the corner, we look at how our Financial Advisers can help prepare your strategies for end of financial year, and put in place measures to maximise benefits for the next 12 months.

We hope you enjoy!

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# First home savers, downsizers and small business – Budget 2017

May saw the release of the Government's 2017 Budget proposals with a slew of changes across a number of areas. Here are a few of the proposals that may affect you.

## **First home super saver scheme**

To help first home buyers get 'into the game', they will be able to save for a deposit by making additional voluntary contributions into their superannuation account from 1 July 2017.

Savers will not have to set up a new account, they can just use their existing super account while contributions will be limited to \$30,000 per person in total and \$15,000 a year. The contributions made will be counted under the relevant contributions caps.

## **Contributions from downsizing the home**

To increase housing stock, the Government is encouraging older Australians, aged 65 or more, to downsize their properties by allowing them to make a non-concessional contribution of up to \$300,000 into their superannuation fund from the proceeds of the sale of their principal home.

## **Small business accelerated depreciation**

The ability for small businesses with an annual turnover of \$10 million or less to claim an immediate deduction for eligible assets costing less than \$20,000 each will be extended for 12 months. This is a great incentive for a small businesses to review any potential upgrades needed for equipment, and to consider acquisitions this financial year.

These changes are only a small slice of what's to come, so why not set up an appointment with one of our experienced Advisers. They can take you through what's proposed by the Government and how you could prepare financial strategies for a comfortable and secure lifestyle now and into the future.

## **Disclaimer**

These changes are proposals only and may or may not be made law. This information is provided to help assist in understanding the 2017 Federal Budget changes. It does not constitute advice and any questions should be directed to your Financial Adviser.



## Know someone ready for their first home? From first conversation to the handover of the keys we're here to help.

Are your children or someone you know ready to take the plunge and buy their first home?

It's exciting, but there's a lot to get your head around. It may seem like a complex process, especially for first-timers, however we're here to make buying your first home as enjoyable and straightforward as it should be. Let's find out more about the process when using one of our experienced brokers.

**Assess your financial circumstances** - Your mortgage broker will take the time to discuss your needs and circumstances with you. They can answer any questions you may have about the process.

**Help get your savings plan in place if needed** - We have an extensive network of Financial Planners, so even if you can't afford the loan you want now, we can put plans in place to assist you getting the home you want sooner. From budgets to debt consolidation, we have the experts at hand to help make your dream home a reality.

**Find a suitable loan for your situation** - We have a huge selection of loan products from over 25 lenders – we work for you! Once your broker has an understanding of your objectives and financial position, they will discuss the various loan products available. It's at this point that your broker can give you an idea of what you can afford, based on your own personal situation.

**Remember:** One of your broker's aims is to reduce the chances of mortgage stress and help ensure you are comfortable with your repayments – even when interest rates, and possibly your repayments, rise.

**Help you get pre-approval** - If you haven't yet found the right home, your broker can organise pre-approval so you can shop for your new home with confidence.

**Apply for incentives** - We'll let you know whether you're eligible for government incentives such as the First Home Owners Grant (FHOG) and help with the paperwork. Each state has different rules and processes to apply for these grants.

**Support you all the way** - From start to finish our brokers will be there with you – guiding you from your first conversation to the handover of the keys to your first home. So if anyone you know is ready to get into the property market, come and see us today!



## What is the lifeblood of your business?

This is an interesting question and you will very likely get a range of different answers influenced by individual circumstances and priorities at any given point in time. Many would argue that working capital is the lifeblood of any business as it has a direct influence on a range of factors including:

- Ability to pay expenses
- Business growth
- Ability to negotiate favourable terms
- Managing seasonal fluctuations
- Coping with one off events

### To coin an old phrase 'Cash Is King'!

Traditional financing arrangements for businesses such as a commercial loan or an overdraft are well understood and continue to be relevant, however they can also be restrictive due to security requirements and terms not matching changing business needs.

### WHAT WE CAN OFFER

Our experienced finance brokers have access to a range of facilities that can be tailored to meet your needs and maximise the availability of working capital in your business.

**Insurance Premium Funding** – Spreads the annual expense of your premiums over 12 months.

**Debtor Finance** – Provides you immediate access to cash rather than waiting up to 90 days to collect your invoices and is often used as an alternative to an overdraft in a growing business.

**Trade Finance** – Finances the purchase of trading stock which is repaid from the subsequent sale. Options are available that do not require additional security.

**Rental** – Provides options to upgrade equipment both mid and at end of term to ensure your business has access to the most up to date technology.

**Software Funding** – Software can be financed in its own right for up to a three year term to reduce the impact of a one off expense.


**Performance Bonds** – An alternative to the traditional fully secured 'Bank Guarantee' a bond can be used to meet contract retention conditions and release cash back to the business.

**Equipment Finance** – Provides certainty with a fixed rate structured in line with the effective life of the asset which is the security for the loan. Don't fall into the trap of using working capital to fund a 'long term asset'.

In addition to these specialised solutions, commercial property loans are also available over terms up to 30 years without the need to complete regular lender reviews or security revaluations.

Curious about what's available for your business?

Contact us today - we've got the options and expertise to secure the tailored finance to suit your needs and cash flow.



# End of financial year is coming. Is it time to get your strategies in place?

With the End of Financial Year just around the corner, now is a great time to make smart decisions about your finances. Taking action before 30 June could open up more opportunities for you.

No matter what your situation, age or income is, seeking financial advice in the lead up to 30 June can go a long way. It could help you:

- boost your retirement savings
- maximise your Government entitlements, and
- minimise your tax liabilities.

**Here are just a couple of important considerations!**

## **BUSINESS OWNERS**

### **The \$20,000 instant asset write-off**

A \$20,000 instant asset write-off for small business purchases of tools, second-hand vehicles and other items is scheduled to end on 30 June 2018.

Now might be a great time to review any potential upgrades needed to your equipment, and to consider bringing acquisitions forward so you can maximise the benefits before this scheme ends.

Applicable to businesses with a turnover of up to \$10m, the purchase of an asset/s costing up to \$20,000 to be used in the business can be claimed as an immediate tax deduction.

## **SUPER FUND MEMBERS**

With June 30 fast approaching there is now limited preparation time for the new superannuation regime which comes into effect on July 1 this year.

Changes being made include reducing the amounts you can pump into superannuation both before and after-tax and annual pre-tax contribution limits are dropping by up to \$10,000 to \$25,000 on 1 July.

Next financial year does see more super flexibility however, so it's important to get the right advice and strategy to suit you.

Regardless of what you would like to achieve, our network of experienced and trusted advisers can help get your finances in shape for the new financial year.

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