



PARRISH FINANCIAL HAS SOME EXCITING NEWS!

Parrish Financial will no longer be providing advice under Financial Wisdom's Australian Financial Services License (AFSL).

Parrish Financial will be transferring their Authorised Representative status to Parrish Advisory Pty Ltd AFSL 494108 ABN 51 616 430 623 (Parrish Advisory).

SO, WHY THE CHANGE?

The landscape of financial services has changed drastically over the last year; and with this in mind, we felt it was the right time to make changes to our business structure. We have decided that obtaining our own AFSL is the best way forward for our business.

For us, it's a case of the same team, we're just under a different umbrella. Our own umbrella.

WHAT DOES THIS MEAN FOR YOU?

This change will have no effect on the investments or insurance policies you currently have in place.

You will be doing business with the same people you have come to know over the years. Your relationship with us is built on trust and respect and this will only grow stronger as we continue to offer you the same high levels of service you've come to expect.

WELCOME ABOARD, KERRY FARQUHARSON

Parrish Financial has a new team member! Kerry Farquharson joined the advisory team in January of this year and brings with her a wealth of insurance knowledge and experience. Kerry commenced working in the financial services industry 14 years ago, with the past decade spent at NAB, Kerry decided a change of scenery was in order. We are very excited to have her join our team.

A business protection specialist since 2009, Kerry helps clients understand their often-complex business situation and needs, helping business owners to mitigate risk with personal insurance. Kerry specializes in preparing tailored business protection plans, with strategies to fund buy/sells, protect key people as well as preserve the

business assets. Whilst Kerry specialises in Business Protection, she is a strong advocate for insurance overall, and is keen to help everyday people (not just business owners) in getting their personal risk protection cover in order. If you think Kerry can help you, or someone you know, go ahead and give her a call or pass on her details – she is eager to help!

On a personal note, Kerry enjoys a good Netflix binge but can also be found on the netball court trying to catch a ball without stepping. Kerry and her husband, Lachlan, have 3 beautiful children, Rocco (8), Luca (6), Valentina (3). If the names didn't give it away, Kerry has a strong Italian heritage and is fluent in the language.



TRISH UPDATE

Trish has settled nicely into Brisbane and is enjoying spending more time with her family (she will soon celebrate her Dad's 90th birthday!) As many of you already know, the communication lines with Trish are very much open and she continues to be involved in the everyday workflow of the business.

FAREWELL, MATT HANCOCK

Congratulations to Matt Hancock who has secured a role with the Office of the Director of Public Prosecutions as a Legal Support Officer. Matt's last day with us was Friday 24 May 2019. Matt will finish his degree by the year end and is expecting to be admitted as a Solicitor in June 2020. He is extremely excited to embark on his new journey and hopes to work his way toward becoming a Prosecutor. We wish him all the very best for his future and will miss his vibrant and youthful antics around the office.

Matt Hancock cross fit:

Thriving in all aspects of his life, Matt has competed in two major Crossfit events this year, on the Gold Coast and Woolloongong (coming in at 24th place out of 76 at Woolloongong) - a great achievement! He continues to work towards one day qualifying to compete at the World's Fittest Man event held in the USA. We wish him the very best in all of his endeavours.



BUDGET UPDATE

The budget was unsurprising this year; geared mostly toward 'election-friendly' announcements focusing predominantly on tax, super, social security and aged care. While the Prime Minister would like the planned tax cuts to become law as soon as possible, (so that it applies for tax returns lodged this FY); his efforts to do so may be blocked by a bureaucratic timeline beyond his control (i.e. He needs to wait for the election writs to be returned before Parliament, which may not be until late June, so the clock is ticking). Watch this space.



Don't miss the End of Financial Year deadline:

The final day for EOFY year transactions is 3pm, Wednesday 25th June to ensure sufficient time for processing.

Over the coming weeks, our priority is to focus on EOFY strategies. Post 30 June, we will resume our usual review process. If you would like to review your financial plan, please give us a call or send an email to arrange your next appointment with us!

COMMON EOFY STRATEGIES

It's almost the end of financial year again! Here are three of our favourite ways to boost your super, leading up to 30 June, taking advantage of some great government incentives:

- 1. Personal deductible contributions** into super: Since 1 July 2017, all eligible Australians under the age of 75 can claim tax deductions for personal super contributions, subject to the annual concessional contribution cap of \$25,000. Why not give your super balance a boost and at the same time, reduce your personal tax liability? Speak to us today so we can assess whether this is a viable strategy for you!
- 2. Top up your spouse's super and access a tax offset:** Last year, the income threshold for the spouse superannuation tax offset increased from \$10,800 to \$37,000, phasing out at \$40,000 (previously \$13,800). This increase continues to apply this financial year, so it's worth considering if this saving strategy applies to you. If you have a non-working or low-income spouse under age 70 (from age 65 they must meet a 'work test') you could claim a tax offset on up to \$3,000 of contributions to their super account. Your tax offset will be 18 per cent of contributions you make on their behalf, up to a maximum of \$540 if you contribute \$3,000.
- 3. Co-contributions:** Does receiving up to \$500 tax-free directly into your super fund sound too good to be true? It's not. As in years past, the Australian government will continue to make a co-contribution to the super account of lower income Aussies as long as they contribute to super. If your annual income is below \$37,697; and you've made an after-tax contribution into super; you may be eligible for the Government co-contribution payment of up to \$500!



Give us
a call
today,

so we can
discuss how
to maximise
your EOFY
strategies!

07 4054 7778



WHAT ELSE COULD YOU CONSIDER AT EOFY???

- Salary sacrifice:** If lump sum contributions don't suit your cash flow arrangements, perhaps you might consider establishing a regular arrangement (through your payroll).
- Maximise your super contribution caps:** Non-concessional (post-tax) \$100,000 (or \$300,000 using the bring-forward provision, if under 65). Concessional (pre-tax) \$25,000.
- Pre-pay loan interest costs:** Whether you have an investment or margin loan, if you have the available cash flow, you may wish to consider pre-paying your loan interest to increase your available deductions in the current FY.
- Gather your investment and work-related expenses:** Your expenses related to producing assessable investment or work income may be tax deductible (receipts for items such as uniforms, accounting, advice fees (not for super); repair costs should be collected throughout the year and copies provided to your Accountant).
- Plan how you'll use your tax refund:** If you're expecting a refund this year, how will you use it? Perhaps you might contribute it into super, investment or a savings account? Or, you might like to reduce some debt or spend it on items such as a much-needed holiday, car upgrade or house renovations? As many of you already do, please don't hesitate to talk to us at your next review (or give us a call).

Other strategies

- Retiree Downsizer Measure:** Don't forget about this gem! For anyone aged 65+, there is an opportunity for you to get extra funds into super when downsizing your family home. Up to \$300,000 of the sale proceeds from your main residence (that's \$600,000 for couples). There is no need to meet a work test. If this is of interest to you, give us a call so that we can assess your eligibility!

INDUSTRY NEWS

Royal Commission outcome

The Royal Commission revealed many failings within the Financial Services sector. Justice Kenneth Hayne in his final report, delivered in February of this year, unveiled 76 recommendations which will challenge key aspects of banking, superannuation, financial advice and the rural lending industries. He said: "The financial services industry is too important to the economy of the nation to allow what has happened in the past to continue or to happen again." We hope that the recommendations from the RC are implemented in a sensible manner, and after consideration to all stakeholders, especially, the impact on consumers

(i.e. our clients). History has shown that often the pendulum swings too far in terms of red-tape and there is the risk that quality financial advice becomes unattainable as a result of increased compliance that doesn't necessarily prevent the bad eggs in the industry.

Amalgamation of the industry

There has begun an amalgamation of insurers within the industry as well as many large financial institutions and banks are withdrawing from Wealth Management (Financial Planning). We will provide further detail and some of the likely effects in our next newsletter.

FEDERAL ELECTION 2019:

The election results are in and Scott Morrison AKA ScoMo has claimed a surprise victory, securing a further 3 years for a Liberal government. So, what does this mean for you?

- Franking credit refunds will remain. (Labour had proposed doing away with this).
- Tax cuts will come into play for many households (Labour had also planned tax cuts but different to Coalition promises).
- A new \$500m First Home Loan Deposit Scheme to help first homebuyers get a foot in the door (Labour had matched this promise).
- The Morrison government has made major pledges to mental health funding, and matched Labour's pledge to lift the Medicare rebate freeze by July 1.
- Climate change was a major talking point and quite divisive for the Coalition; with the party non-committal on making major changes over the next three years.



Our thoughts: Financial markets tended to react positively to the re-election of the incumbent government. On the night of the election, during the returning PM's address, he proclaimed "How good is Australia". There is a lot of work to be done in restoring the confidence of the public in the financial services sector and we are hopeful that he and his team will be able to get on with implementing these changes so that consumers will have faith in a stronger Australia and be able to say "how good is the Financial Services sector in Australia".

MARKET UPDATE

Markets have manifested a rocky path in recent times and are expected to continue as the US and China continue their trade-war antics. We take this opportunity to remind you that we apply a

long-term approach to investing. As always, if you would like to discuss any concerns with market conditions, or how your portfolio is placed, please speak to us, that's what we're here for.

A GENEROUS DONATION TO THE FNQ HOSPITAL FOUNDATION

Dawn Evans, accompanied by Matthew, recently made a generous donation to cancer services via the Far North Queensland Hospital Foundation. Here is the media release excerpt.

Dawn Evans and Financial Advisor Matthew Parrish of Parrish Financial have together donated \$5000 to the Foundation, in honour of Dawn's recently passed away husband Graham.

"Mr and Mrs Evans were both very grateful for the dedicated care they received from the Liz Plummer Cancer Care Centre, and in appreciation Dawn wished to make a donation," Mr Parrish said.

Mr Parrish, a long-time supporter of the Foundation, said the staff at Parrish Financial

see firsthand some of the challenges clients face during their battles with cancer and having a local facility like this where locals are caring for locals makes all the difference.

Foundation fundraising and marketing manager Glenys Duncombe said donations like this were always very gratefully received.

"This sort of donation means we can provide extra equipment that is over-and-above what the Government might provide, that will make a difference to patient care," Ms Duncombe said.

"It's actually a wonderful way that local people can make a lasting tribute in their loved one's honour," she said.



Pictured: Matthew Parrish, Dawn Evans, Jennifer Faulkner (acting Nurse Unit Manager, Cancer Services)



CAREER EXPO

Kerry represented the Parrish Financial team in May, by manning the Financial Planning Association (FPA) Booth. The expo featured an abundance of local businesses lending their support to the youth of Cairns in helping them pave a professional path for their futures.



Contact us to arrange an appointment!

Phone: 07 4054 7778 or email contact@parrishfinancial.com.au