



## Year in review from Nicola Chaffe

For many, Venture included, 2020 will go down as the most challenging we have faced. However, with time to reflect, from these challenges came moments that would never have occurred if it weren't for the restrictions COVID-19 created.

Our year started with one of the original financial advisers at Venture, Danny Caulfield, deciding he would like to start his next life chapter in 2021 by retiring from the industry. As financial advisers we are programmed to be excited for people to be in a position to make such a decision, but to say we are going to miss him is an understatement.

I know Danny hates a fuss but I cannot miss this opportunity to say **thank you**. The influence he has had on my career was profound and I know from conversations, the impact he has had on so many of his client's lives was immeasurable.

Then COVID hit.

The Venture team would like to thank every one of our amazing clients for their patience with us as we established a 'new normal' in working arrangements.

As hard as this period was for many, including external government bodies, a new found clarity arose. As members of the financial planning industry we have been pumelled by media negativity and constantly changing legislation over the last few years, but COVID-19 finally changed the narrative back to what we always knew – *what matters is the client*.

There are still many changes occurring, however, there is now hope that legislative consideration will be around the end outcome and impact.

As we look towards 11.59pm on 31 December, we hope that you and your families can look towards 2021 with optimism and a new found sense of what is truly important.

The team here at Venture look forward to our discussions next year on what "truly important" means for you.

Best wishes to everyone over the festive season and thank you for the privilege of working with you over the last 12 months.

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## Staff update

Despite almost a year of lockdown, we welcomed new team members to Venture with Jake van Dalen and Hamish McLean-Perry both obtaining their Authorised Representative status. In addition, Kayla Rayner joined the support team taking on the trainee administration assistant role while completing her Certificate 4 in Business through CVGT. We are thrilled with the diversity, wealth of knowledge, experience and enthusiasm these staff members bring to our Venture team.

On the baby front, the Venture family grew in the last 12 months with Ryan and wife Emma having their first child, Mason, in November last year, as well as Hamish and his wife Emma welcoming a new baby boy, Atticus, to their growing family.



## Christmas hours

Wishing you a happy, healthy and safe Christmas and New Year. Our office will be closed from midday Wednesday 23 December and will re-open Monday 11 January 2021.

We thank you for your support this year and look forward to working with you again in 2021.

## The value of being insured

All of us can relate to news of the impact that sickness, disability or death can have whether it be in our personal circumstance or one that we hear about second hand. The event itself can be traumatic, but often the subsequent financial impact creates further stress and anxiety.

At Venture Financial Advisers, we are passionate about educating and assisting clients to ensure that should a life changing event occur, they are in a position of being able to do what is most important.

We take the time to educate on what covers are available, and the differences in quality of policies whether it be for Death, Total and Permanent Disability, Trauma, or Income Protection. We will step you through our method to determine adequate cover levels, as over insurance is costly and under insurance can be devastating. Most importantly, should there be a requirement to make a claim, we are there to support you through the process and be your advocate for optimal outcomes.

Don't be like so many who think the cover they have as a default in their superannuation fund is adequate, as you do not want Centrelink to be the only option for yourself and your family.



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## Tax-effective ways to boost your super

With the Reserve Bank reducing interest rates to record lows and not anticipating a rise until 2024, it's more important than ever to ensure your retirement savings are working as hard as possible.

One way to do that is by taking advantage of superannuation, which offers valuable opportunities to tax-effectively build your retirement savings.

### Reducing your tax bill

By diverting some of your pre-tax salary into superannuation via a salary sacrifice arrangement rather than taking it as take home pay, your money will be taxed at 15%, not your marginal tax rate.

Investments made through superannuation also enjoy a concessional tax rate of only 15% on any investment earnings. This compares with tax at your marginal rate, which could be as high as 47% (including the Medicare Levy), on investment earnings outside superannuation.

### Claim a tax deduction

You are also able to make personal superannuation contributions on which you claim a tax deduction.

Previously only available to the self-employed, this strategy is now available to everyone. It allows you to claim a tax deduction in your annual tax return for eligible voluntary contributions into your superannuation account made during the financial year from your after-tax earnings.

Providing you stay under the annual concessional contribution limit (currently \$25,000 a year), this can be a useful way to cut the amount of income you pay tax on.

### Play catch-up with your contributions

If you have less than \$500,000 in your superannuation account, you may consider making carry-forward concessional contributions. If you haven't fully used your annual concessional contributions caps since 1 July 2018, you may have some unused cap amounts that you could use to make a larger contribution this financial year.

With the right advice, tax-effective superannuation strategies offer an easy way to rebuild your retirement savings and achieve your overall wealth creation goals. Call us today to start discussing your superannuation on 03 5434 7600.



# Changes to income protection insurance

## Why you need cover now

Some of the most significant changes are coming to personal income insurance to date. These are extremely relevant for new policies and increased levels of cover.

### What is income protection insurance?

Income protection insurance provides a short-term or long-term replacement income if you are unable to work due to illness or injury.



### Why do I need to be covered before 30 June 2021?

After 30 June 2021 your cover will be assessed every five years with potential to be changed depending on your circumstances. Your policy must be in place before 30 June 2021, so you only have a couple of months to start the ball rolling.

The changes include:

#### 1. Five year policy reviews

This means: Every five years the insurer can revise the terms and conditions of a policy and re-assess your income and occupation position. If you changed occupation to something 'riskier' or were earning less (or perhaps not working at all at the time) and the policy was reviewed at this five year interval, you could find the cost of the cover increasing or the insurer no longer offering you the same level of cover.

Of particular concern, at the five year interval, the insurer may also decide to change the terms and conditions you need to satisfy to make a claim, making it much harder to claim successfully.

#### 2. Additional disability criteria for long-term claims

This means: Currently, there is one 'tier' of definitions you must meet to claim on an income protection policy and remain on claim if you are unable to perform your normal job. The changes mean new policies will have an additional 'tier' to meet to remain on claim for a longer time frame. This means people could be forced into finding work before they are ready, if they do not meet the prescribed disability criteria.

### How much does it cost?

Staying insured is affordable. Income protection insurance can be paid through your superannuation therefore you don't notice it out of your weekly wage. Alternatively you can pay it personally then it's tax deductible.

You can also have your premium (fees) based off the age when you sign up, not the age when you use it. The sooner you do it, the cheaper it will be.

### How can Venture help?

We will review and recommend the best policy for you, as not all policies are equal.

Our advisers and support team strive to make the application process as seamless as possible. This is our goal as we believe adequate cover is essential having worked with countless individuals at claim time who would not have been able to pay for the services and support they needed without their insurance.

### A proactive approach is the best approach

If you have not organised income protection cover for yourself already, or you are unsure if you have a quality policy, we strongly recommend you take action before these changes are introduced.

Call us for a chat to see what you are already covered for, or what you might be missing.



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Visit [facebook.com/venturebendigo](https://facebook.com/venturebendigo) or search in Facebook "Venture Financial Advisers".

# 'Tis the season for wise spending decisions

The traditional festive holiday season is likely to be a little different this year, but one thing is likely to remain the same – the temptation to spend and the post-Christmas budget hangover.

Last year Australians spent about \$1,000 each for Christmas on presents, decorations, travel and charity donations. For 28% of us, this expenditure meant using credit cards or buy now pay later.

While many will use credit again this festive season, the current economic circumstances may make us think twice about our spending. It's not just what you spend, but how you spend that could make all the difference.

So, if you plan to use credit to help manage your Christmas spending, what are the options? See our blog for how to manage. [www.venturebendigo.com.au/news](http://www.venturebendigo.com.au/news)



## First home buyer with government support: just how good can it get?!



At the moment there are a range of support packages available to first home buyers and we pulled off the 'quadfecta' for a recent client of ours.

The first home buyers had a combination of savings and gifted cash to compile together 5% of the land and build price, plus a clean and consistent rental history. The bank recognised this and were able to secure a land and build worth \$440,000 with their deposit of \$23,300 (or just over 5%). From this their repayments were \$400 a week, which actually ended up cheaper than the rent they were paying at the time for \$410 a week!

Endeavor guided applicants in pursuing all available grants for first home buyers and builders and were successful in all applications, pulling off almost \$60,000 in savings for the pair!

The grants the pair were eligible for included:

| Grant  | Grant amount    |
|--|-----------------|
| Cash saved as a result of First Home Buyer stamp duty concession | \$4,370         |
| Cash as a result of 'First Home Owners Grant'                    | \$20,000        |
| Cash as a result of 'Home Builder Grant'                         | \$25,000        |
| Cash saved as a result of 'New Home Guarantee'                   | \$10,000        |
| <b>Total benefit as first home buyers</b>                        | <b>\$59,370</b> |

These outstanding results are a regular day at the office for our team. If you or a family member are looking to join the property market we highly recommend you speak to Llew or Adam at Endeavor Finance to get the Endeavor Finance difference.

Call 03 5434 7690 or email [endeavor@endeavorfinance.com.au](mailto:endeavor@endeavorfinance.com.au)

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