



Mid-year 2019 - Client Newsletter

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Another year of growth, for all of us.....

In this newsletter:

- **Impacts on our way of doing business emanating from the Royal Commission into the Banks & Financial Services sectors**
- **Federal Election win for the Coalition and its consequences.**
- **Emphasizing our Brand, new email addresses from 1 July**
- **Our people**
- **Service with a smile, what we do for you**
- **Are you selling your home and downsizing? Tax-effective opportunity now available to 65+ age group**
- **Re-finance or new mortgage applications, we can help**
- **Aged Care work expands**
- **Mid-year client Seminar – reserve the date 6 August 2019, 3 pm and also 7pm, venue TBA.**
- **Lonsec Economic & Market report attached.**

Impacts on the way we must conduct our business that flow from the Hayne Royal Commission are varied and many. For the moment we would like to focus on the main impact that might very soon need to be embraced in our dealings with you.

Currently new clients of NFS since 1 July 2013 are asked to re-appoint their advisor every second year. The proposed requirement (not yet legislated) is that we will need to be **re-appointed by every client every year** in

advance to act as their advisor. At that time, we must provide an estimate of the costs that will be incurred as a result of that service.

Prior to the calling of the Federal Election both major parties had agreed that, if elected, they would enact this proposal. The intended start date was to be 1 July but that now looks doubtful as the parliament may not be able to even sit before that date to pass any legislation.

Unfortunately, the proposal ignores the fact that the advice we give, in 99% of cases, is of a genuinely long-term nature. We at NFS are in the business of helping people make plans and to realize those plans and more often than not the timeframe ignores fixed dates on a calendar. But we must comply.

In order that we can meet the proposed requirements we have been working on a system that identifies the costs involved in each of the major activities we conduct on behalf of our clients. Our current pricing method in which we provide all necessary services for a single 'Advisor Service Fee', expressed as a % of your funds under our advice, will not fully meet the required disclosure of costs of service.

We will review our position based on what does eventuate from the parliamentary proceedings and advise you of any changes in the way we must conduct our business.

The return of the Morrison government has brought a sigh of relief to many groups in the community including retirees on Account Based Pensions, property investors, anyone facing a capital gain from the sale of any asset acquired after September 1985, and many others.

The make-up of the Senate will be interesting to evaluate as with a working majority in the 'House' the government will still need to court acceptance of its program by other independent Senators to get legislation through. Some

superannuation legislation shelved with the calling of the election might be re-presented in the new environment.

As of 1 July, we will be switching all our email addresses from 'tfsa' to 'nixonfs'. The change is to bring more recognition to our operations as being the primary source of your support. TFSA will continue to be our licensed dealer group.

The headline photo shows a new face, Christine Ampulski, who joined us recently. Christine has merged her advice business into NFS and she has come with it! Back in the early 2000's Christine worked with us as a para-planner before leaving to grow her own business. Our wheels have turned full circle and we welcome her and the clients she has brought with her to the NFS fold.

Not shown in the photo is another new adviser to our team, Christopher Hyde. Chris is working in our para-planning section for the time being as he accrues essential on-the-job skills before he ventures out into a role of giving direct advice.

There is another person, nearly appointed, going through the final stages of Compliance and Ethics checks before being accepted by TFSA. The process is very thorough as you would expect. More on this person soon we hope.

Service with a smile has always been the order of the day in our business and we plan to keep it that way. Recently we found a sheet that summarizes the range of services that an adviser provides their clients. We have homogenized it to suit what we do, as against what others might do in other regimes, and it is **attached** for you to ponder.

Are you selling your home? As of 1 July 2018 an opportunity now exists for people over age 65 to boost their superannuation accounts by contributing up to \$300,000 from the sale of their home as they downsize to a 'new home'. The benefit does not apply to the sale of investment properties.

The 'new home' does not have to be a new construction, merely a replacement which allows for the liberation of money for investment. If it is injected into a person's superannuation/pension plan it goes in tax-free and is not constrained by any factor relating to age or employment.

For full details give us a call, preferably before you make the sale!

Our Mortgage Finance service is steadily gaining traction. Through the services of our referral partner, an experienced broker, we have helped people to acquire finance for the purchase of new homes and investment properties in the past year. Brokers can shop around to

get a borrower a deal to suit their needs, not just an off-the-shelf regular deal offered by your local banker. Call us and find out for yourself.

Our Aged Care Entry Financial Advice service is growing fast and we have plans to continue to expand this work. In July and again in September we will be exhibitors at major Aged Care related conferences/expos in Victoria.

This section of our business is growing rapidly, and we **appreciate your referrals** of people that you know who are facing the need to admit a loved-one into permanent aged care.

What we do is take away the **financial fears** and make things much more comfortable for people who have enough emotional baggage to carry as it is! We help people enter permanent aged care with the least disruption to the financial security of the people left behind. Urban myths cloud the information that crowds this space, you hear people say **'they'll have to sell their house to pay for their room'** and we say **nonsense!**

Our service is included in our ongoing service package for existing clients for yourself or your partner and available on a fee for service basis to extended family and friends that you might like to refer on to us. You need to make sure that we get a call before any financial decisions are made though, sometimes it is very hard to totally undo the mistakes that ill-informed people make in haste.

We look forward to the new financial year.

Bob, Joel, Christine and your support team at



**Phone enquiries and help:
5428 0123 - Gisborne
9744 2400 - Sunbury**

General advice warning: The advice provided is general advice only and in preparing it we did not take into account your investment objectives, financial situation or particular needs. Before making an investment decision on the basis of this advice you should consider how appropriate the advice is to your particular investment needs and objectives. You should also consider the relevant Product Disclosure Statement before making any decision relating to a financial product.