



The Catalyst Advantage

Written by Jason Cheetham

As a Catalyst Client for Life its likely you've not had to ponder the service differences Catalyst offers, compared to those received should you chose to deal directly with a lender.



As brokers we are both independent and informed enough to know the strengths and weaknesses of each lender. Who is good for construction finance? Who is more lenient towards first home buyers? Who can give you good service over the phone or at a branch? Obviously if you ask any bank the same questions they will say they are good at *everything*, but in truth none of them are.

Our job is to know our clients. From the moment of our initial interview with you, we determine your circumstances and outline the best options based on your personal situation. Through our ongoing relationship with you this knowledge continues to strengthen, further cementing our ability to service your financial requirements.

The same cannot be said for banks. Walk into a bank branch and they will likely try to sell you a product rather than a solution with reasoning. Not so with Catalyst. By law we must show that we have suggested certain banks or products for good reason

otherwise we are at risk of losing our broker's licence.

In most cases, brokers are paid a trail commission for managing your loan and in return they should provide ongoing service to warrant this. Annual reviews of your loans, news and information on new products or changes to existing products, discussions when your fixed rate matures or interest only period expires are all part of the service that a good broker should offer. On the other hand, banks rarely want to know about you once they have you as a paying client - you end up being just another statistic to report to their shareholders.

Some banks do offer the services of a Personal Banker or Bank Manager but turnover is high and these people are given so many clients to handle they cannot properly provide an acceptable level of service.

If you want to switch your loan from one property to another call us first so we

can suggest the best course of action for you. Similarly, speak to us *before* you sell a property so you can find out if there are any implications that you haven't thought about. Discharging a loan? It might be financially beneficial to leave the facility open with nothing owing.

If you have an investment property loan, the initial interest only period is usually 5 years before it reverts to principal & interest repayments (P&I). If you're still paying off a non-tax deductible home loan along an investment loan, you don't want to be paying P&I repayments on your investment loan.

You might need an offset account for tax reasons. Purchasing a house? It may be beneficial for you to keep cash in a term deposit as security on a property in lieu of placing a physical cash deposit on the purchase. It is *OUR JOB* to know these things. Should you require specific advice on tax, investments, etc we can direct you to an industry professional for guidance with these matters.

These are just some of the instances where talking to your broker first can save you time, money and heartache. Don't find out too late that, a quick obligation and cost free call to Catalyst could have saved you!

We pride ourselves in knowing our clients... its our job to do so. The same cannot be said if you are a client of a bank.



Spring Clean Your Life!

Written by Marnie Dalziell



Ahhhh Springtime. Time for a bit of a spruce up. Why not apply the same cleansing principles to your household finances?

HOME

Spit Polish Shopping Bills

Rising costs means reducing your grocery bill is just good math. Tips to reduce costs:

1. Menu plan and stick to a shopping list.
2. Shop weekly and purchase in season or on special.
3. Consider online shopping. It saves the temptation of buying items you don't need and online shopping is cost competitive.

Smarten up Purchases

Be wary of 'interest free' options offered for large purchases. These usually incur set up costs, fees of around \$10 p/m and massive interest rates at the end of the interest free period - which stores hope you'll come to with a hefty debt still owing.

If you do purchase interest free, always calculate how much you need to pay off each month (inc fees and charges) so you're not left with a debt at the end of the interest free period. And remember to pay it!

Smooth Over Your Utility Bills

Many utilities offer "bill smoothing", which spreads your annual charges over 12 installments, or periodic direct debit payments. These options are easy on your

wallet and eliminate the risk of overdue penalties.

De-Clutter Your Life

A year of paperwork accumulation can leave our homes looking like a recycling plant: bills, statements, investment reports, insurances, etc. Overwhelmed? A few simple tricks will see you under control in no time:

- File important documents (birth certificates, investment details, super, statements) in a cabinet or expandable file.
- Don't lose track of valuable tax deductions. Set up a folder and store your deductions / transaction ready for 30 June.
- Cull old papers you no longer need.

One Man's Trash...

Discovered a pile of unwanted items while spring cleaning? Why not sell them on EBAY, via free listing papers like Quokka or at a Swap Meet. Along with creating more space you'll create more cash flow!

Cleanse Your Communications

Do you have a mobile and a home phone? The majority of us rarely use our home phone these days. Consider doing away with it completely, or ask your phone carrier about their 'budget' options offering lower line rental but higher call costs.

Another way to save money and streamline your accounts is to bundle your communication services (land line, fax, internet, mobile) under one carrier. This can equate to sizable savings.

SUPERANNUATION

Make Your Super Sparkle

In today's economic climate it is essential your super is working for you as best it can. A quick chat to your Financial Adviser or fund manager could give your investment a boost.

The average Australian accumulates numerous super accounts over their lifetime. Consolidating your super means fewer "administration" fees which chew into your savings, less paperwork and its easier to track your investments. To 'reconnect' with your super go to www.unclaimedsuper.com.au.

SAVINGS

Savings Looking Worn?

Creating a savings goal is a proven method of getting back into the black. Set aside a portion of your salary each pay (at least 15%) and you'll be on your way to your savings goal or debt reduction, without a noticeable impact on your hip pocket.

Consider creating an automatic direct debit into a high interest savings account on a periodic cycle. A direct debit is great as its a 'set and forget' process and doesn't allow you to 'miss' the money or risk the temptation to spend rather than save.

MORTGAGE

Dust Off Your Mortgage

Your mortgage and financial position should be reviewed annually to keep it in tip top shape. A quick chat to your Broker before embarking on a new financial strategy or after life changes (i.e. selling or buying a home, investing, losing a job, having a family) will ensure your finance remains a benefit to you.

With today's reduced interest rates, its wise to continue making repayments at the same level as when interest rates were higher. This will allow you to create a safety net of surplus funds.

Always check your statements to make sure your repayments are correct. Banks are notorious for wrongly charging clients and these 'errors' can add up to hundreds of dollars.

BANKING

Online Saves Time (and Money)

If the last time you stepped into a bank branch John Farnham was performing his first "come

Spring Clean Article continued...

back" tour, you might consider switching to online transaction and savings accounts. Not only is online banking the fastest way to bank, most lenders offer online transactions accounts with lower fees and online savings accounts with far higher interest.

Cull Bank Fees

Ouch! Bank fees can sting! Coupled with the recent introduction of ATM fees (averaging \$2 - \$3) it can be tough on your cash flow.

To reduce unnecessary charges try using your own bank's ATM for cash withdrawals or take money out when you buy your groceries from the supermarket, they don't charge you to do so.

Try to bank / transact using the most cost effective way you can. Current fees / charges are shown on your bank's website.

INSURANCE

Neaten Up General Insurance

Do you have adequate cover? With the increased costs of building materials it's wise to check your coverage. Savings can

be made by placing your policies with one insurer. Alternatively consider employing the expertise of an Insurance Broker. It's their job to source the best insurance option for you and their knowledge can save you twofold – financially and time-wise.

Detox Your Health Insurance

If you only took out health cover to avoid the Medicare Levy Surcharge recent changes to surcharge thresholds may mean you no longer require insurance. Of course its best to weight up the benefits of health insurance before cancelling your policy. Due to the number of Australians opting out of health insurance since the changes, many health funds are offering enticing deals to get you to sign up. Its worth looking around!

CREDIT CARDS

Cleanse Your Credit!

We all know we shouldn't spend what we can't afford, yet putting it into practice can be tricky.

Consider having just one card chosen to best suits your needs (i.e. long interest free period, rewards program, low interest rates) or obtain a new card with an interest free period on balance transfers and move your existing debt over. Many banks offer low 'honeymoon' rates to lure you in but be careful! You're doing this to save money. Not create more debt!

Be mindful that store cards usually charge more than bank cards. Weigh up whether the 'rewards' on offer are worth the higher fees.

Pay the balance on the due date. Hubby and I put all our living expenses on our Visa and pay on the due date. This is an excellent way of determining your monthly expenses and gives you a picture of where you can cut back. (I spent *how much* on shoes????)

Reducing your credit cards will save on annual card fees and interest, help to control your finances and de-clutter your bill pile!

Remember, if you don't need an item right away consider lay-by as an alternate to whipping out your card.

Calories For A Good Cause!



On Monday 17th August Catalyst staff threw away their diet plans in support of RSPCA's Cupcake Day, an annual nation-wide fundraising event to assist with the funding of animal welfare.

Marnie put on her apron and spent the entire day before baking like a woman possessed so she could

supply the hungry masses with trays of delicious cupcakes for purchase on the day. All the proceeds (just over \$100) will help the RSPCA continue their excellent work. What a great excuse to eat cupcakes!

Catalyst staff encourage all their clients to organise similar days for their favourite charity. And remember... calories for charity don't count!

Our new Director...

The Rigby's have added to their clan with the arrival of little Charlie Matthew Rigby, born to Cass and Matt on July 20 at a night owl time of 11:39pm.



He's a strong little man, weighing in at 3.9kg and measuring 52.5cm.

And with Matt being the avid horse race enthusiast he is, we're sure he is already selecting racing colours for the little guy!

We wish the entire family: Matt; Cass; Gracie; Charlie and Merlot (their dog) years of happiness and joy.

Marnie's Mouth-watering Picnic Rolls

Picnic time is here! Grab your picnic rug, your friends or family and head to the great outdoors to embrace the beautiful weather!

This super quick recipe is a real favourite of mine and it is so simple to prepare – allowing you more time to master your kangra cricket or frizbee skills!

INGREDIENTS

- 6 rosetta rolls
- 1/4 cup basil pesto
- Rocket leaves
- 2 slices roasted red capsicum
- 3 slices roasted yellow capsicum
- 1 kumara, sliced, chargrilled
- 1 zucchini, sliced, chargrilled
- Jar marinated chargrilled eggplant, drained,
- 6 bocconcini, sliced or soft goats cheese



METHOD

Remove tops from rolls. Set aside. Hollow out the centres.

Coat the insides of rolls and inside of the tops with pesto. Layer with the vegetables and cheese. Replace lids and tie with string to hold in place.

Enclose in plastic wrap and chill for 24 hours with a weighted plate on top. Pack into plastic containers to travel.

Winter Riddle Winner

Samantha Mowatt kept her grey matter ticking along nicely this winter, winning our Winter Riddle about Bozo the Clown and his three wheeler trike. For those who were stumped, the correct answer to how many equal kms each of the 5 wheels travelled was 60kms. Well done Samantha!

Catalyst Footy Tipping Winner



It was yet another not so fancy footy season for WA footy fans.

Our Tipping Competition proved a welcome distraction each week as we watched the WA footy teams slip further from the top 8.

At the close of the season the battle lines were drawn but in the end Andrew Gibb held onto his top possie by the thinnest of margins. In fact his margin won him the game!

Both Andrew and our second place winner Paul Connor came home with 127 points apiece. Andrew's 19 margin points were his saving grace. Talk about scraping through by the skin of your teeth Andrew...way to end the season mate!

For his "most consistent on ground" efforts he wins 4 nights at Hamelin Bay to unwind and regroup for next year's comp.

Thanks to all who participated in this year's tipping festivities. Congratulations to those of you who picked up prizes over the season and for all who didn't well, I'm giving you all gold stars for doing your darndest.

So Umpire Marnie is hanging up her footy boots for 09 and wishing everyone a good off season.

Spring Riddle

This one is for those who love a good logic puzzle. The first correct answer emailed to marnie@catalystfinance.com.au will win a \$50 shopping voucher for their efforts. Good luck!

A farmer challenges an engineer, a physicist, and a mathematician to fence off the largest amount of area using the least amount of fence.

The engineer made his fence in a circle and said it was the most efficient.

The physicist made a long line and said that the length was infinite. Then he said that fencing half of the Earth was the best.

The mathematician laughed at the others and with his design, beat the others. What did he do?

Remember if any of your details have changed or will be changing shortly please contact us so we can amend our database. If you no longer wish to receive our newsletters please contact Marnie and she will remove you from our mailing list.

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client for life

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