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GENERAL INSURANCE PERSONAL INSURANCE FINANCE BROKERS

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End of Financial Year 2011

Charities proudly supported by IPS:

- Camp Quality
- St John of God Comprehensive Cancer Centre
- 6PR WA Special Needs Children's Christmas Party
- Leukemia Foundation
- Pink Ribbon Day / Breakfast
- WA Charity Direct
- Princess Margaret Hospital Cancer Support Foundation of WA
- Oliver Foundation

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- Perth Soccer Club (Inc.)
- Balcatta Soccer Club
- Daniel Ricciardo Racing
- Monte Motorsport
- Priolo Motorsport
- Maria SS. Annunziata (INC).
- Trinity Aquinas Amateur Football Club
- Balcatta Cricket Club

The end of the Financial year is nearly with us, and we have all been affected by our two speed economy. This has brought opportunities in business and led to many positives for us, living in WA.

This issue of the IPS newsletter, brings information about some changes to superannuation co-contributions, tax rates and concessions delivered in the recent May Federal Budget. We strongly advise you, to call the office, if you are unsure about your obligations or opportunities.

The strength of the Australian dollar is remaining at a all time high and this has led to many clients upgrading their home entertainment systems and planning more overseas trips. Call IPS Insurance Brokers to make sure you

are adequately covered both at home and abroad.

We also have included the latest tips and advice from Crime Stoppers to better protect your property and yourselves. Some of the points made in the article are common sense, we all live hectic lives, but sometimes we just need to take a moment, to reassess our situation.

The IPS Group has developed a one stop shop covering Insurance, Protection and Finance Services. In our Finance section on page 3, we detail how a family client has benefitted from our holistic view of clients needs and our ability to utilise the experience of our staff in saving and relieving the stress over major financial commitments, as well as managing your needs.

As the financial year 2011 draws to a close and there is limited time for tax deductions such as superannuation, lump sums, prepaid interest etc., planning for 2012 should commence in July 2011. Don't get caught out!

The IPS Group is here to help and advise and on behalf of myself and the team at IPS, we look forward to assisting you with any financial needs over the coming year.

Frank Cusmano

"Obstacles cannot bend me, every obstacle yields to effort"

Leonardo da Vinci

Ricciardo rules in Monaco

Daniel Ricciardo dominated proceedings in round seven of the Formula Renault 3.5 Series, having topped every session around the glamorous Principality of Monaco.

The 21 year-old Perth boy was quickest in free practice, stormed to pole position on Saturday and took a flag to flag victory, to take his second consecutive Monaco victory. Racing in front of

the F1 teams, Daniel added to the celebrations of his Red Bull colleagues, who took victory in the Monaco Formula 1 Grand Prix.

Daniel put himself in the best possible position, to have a second race win in Monaco; taking pole position in Saturday's qualifying session. The Red Bull Junior left it until the final minutes, to show his hand, storming to his second consecutive

Monaco pole. "I just kept my head down and kept focussed."

"It's been a perfect weekend for me. To have the opportunity in the F1 car on Thursday was amazing. To finish the weekend off with a win is just incredible. It will be a weekend that's stays with me for a long time!" Frank and the IPS team wish Daniel all the best for the rest of the 2011 season.

Check out our website for information on all the products and services we offer: www.ips.net.au

2011 Federal Budget Analysis

Compared with previous years, the 2011 Federal Budget was relatively mild; with few surprises or major changes. The Gillard Government, handing down its first Budget, confirmed a range of previously announced tax, super and social security policy changes.

And while the Budget has been received as relatively restrained, some new measures were outlined, which may impact how you manage your finances today, as well as plan for your retirement.

Note: Unlike previous years, this Budget was delivered by a minority Government, that may find it more difficult than usual to get some of these measures through both Houses of Parliament.

The key announcements include:

- Unlike in previous years there have been no changes made to the personal tax thresholds or rates.
- Those who exceed their concessional contribution caps for the first time by less than \$10,000 will be able to avoid paying excess contributions tax.
People aged 50 and over with less than \$500,000 in super will be able to contribute an extra \$25,000 in pre-tax dollars each year.
- The 50% pension minimum drawdown relief will be reduced to 25% in 2011/12 and will return to normal levels from 1 July 2013.
- People under 18 will no longer be able to access the low income tax offset to reduce tax payable on unearned income such as dividends, interest and rent.
- Lower income earners will receive a greater proportion of the low income tax offset through their pay packets.
- Fringe benefits tax on salary packaged cars will be simplified to a single rate of 20%.

Super co-contribution

The super co-contribution is a helping hand from the Australian Government to assist eligible individuals to save for their retirement. If you are eligible and make personal super contributions, the government will match your contribution with a super co-contribution up to certain limits.

Co-contribution income thresholds

Year	Maximum entitlement	Lower income threshold	Higher income threshold
2011-12	\$1,000	\$31,920	\$61,920
2010-11	\$1,000	\$31,920	\$61,920
2009-10	\$1,000	\$31,920	\$61,920
2008-09	\$1,500	\$30,342	\$60,342
2007-08	\$1,500	\$28,980	\$58,980
2006-07	\$1,500	\$28,000	\$58,000
2005-06	\$1,500	\$28,000	\$58,000
2004-05	\$1,500	\$28,000	\$58,000
2003-04	\$1,000	\$27,500	\$40,000

In accordance with section 10A of the *Superannuation (Government Co-contributions for Low Income Earners) Act 2003*, the lower income threshold is indexed in line with AWOTE each income year. The new indexed amount is generally available each May. However, note that the amounts have been frozen for the 2010-11 and 2011-12 years.

Higher pre-tax contribution caps at age 50

Date of effect: 1 July 2012

People aged 50 and over with less than \$500,000 in super will be able to contribute an extra \$25,000 in pre-tax (concessional) contributions each year.

Eligibility requirements do apply, and the change is scheduled to apply from 1 July 2012.

Those over 50 can make pre-tax contributions of up to \$50,000 until 1 July 2012 under concessions previously announced, regardless of their super balance.



"I was hit by a financial tidalwave and now I'm drowning in debt. Is it too late to get flood insurance?!"

Customer Testimonial

We always strive for a excellent customer service experience at IPS. One example of staff been applauded by clients for their exceptional service happened recently. We received a call on a Saturday from a client, who's son had been badly hurt in a car accident and was admitted to hospital. The client was obviously distressed, but needed advice concerning the vehicle which, was still at the scene of the accident. Our General Insurance team took over and organised for the towing of the car, lodged the insurance claim and organized a payout cheque, as the car was a write off. All this was arranged while keeping the client fully informed of progress. The accident happened on the 26th March and the claim settled 4th May 2011 and we were happy to help arrange a new car policy for his replacement vehicle. Job Well Done!



Make it tough for burglars

You don't have to be a security expert to keep your house safe from burglars. There are simple things you can do to improve your home security and your neighbourhood safety.

Lock up!

Did you know that at least half the time, burglars climb through an open window or walk through an unlocked door?

Make it tough for burglars by installing deadlocks on external doors and key locks and security screens on all your windows. Lock up whether you are at home or if you are going out.

Make it look like you're home.

If you leave the house, lock up and leave a radio or television on and turn on the lights. Don't broadcast your plans to leave the house – especially if you're planning a holiday or work trip. If you are going on holidays, cancel your newspaper, ask a trusted neighbour to collect your mail and put out your bin, divert your home phone to your mobile or another number and even consider leaving some old shoes outside the front door!

Keep your rubbish in the bin.

Large boxes left on the curb or sticking out of your wheelie bin tell burglars that you have bought new goods such as a DVD or CD player – always cut boxes into pieces before recycling!

Don't let burglars use your spare key.

Never leave a spare key outside your house. Burglars always look for hidden keys, so leave your house key with a trusted friend or neighbour.

Light up!

Burglars don't want to be caught in the act, so install a motion-activated light to deter them. Keep trees trimmed and shrubs low – and make sure you that your fence is at a height that allows neighbours and passer-bys to spot intruders.

Mark your property - burglars hate it!

Marking your goods makes it easier for you to identify and recover your property – it also makes it much harder for burglars to resell stolen goods. You should mark your property with something that is linked to you, like your drivers license number. Contact your local police station to find out the most effective ways to mark your property.

List and insure your property

Keep a hard copy list and photographs of your CDs, DVDs, jewellery and any other valuable items. You should also make sure that you have current and adequate insurance cover.

IPS Insurance Brokers
www.ips.net.au

What Break up, Which Bank War?

We always recommend our clients get the best possible advice for all their insurance, superannuation and finance needs.

In recent times, with banks "breaking up with each other," "daring to be different," and increasing the volume of advertising to get your attention, getting expert independent finance advice is more important now, than ever before.

We have noticed more and more clients seeking help from us to make sense of banks' various special offers, or whether they would be better off changing financial institutions.

No two clients' situations are ever the same, but we can assess and tailor the right loan to suit your individual needs.

We recently gave financial advice to a

family who were renting, with the husband a Fly In/Fly Out mine employee and the wife working full-time in the building administration sector. They wanted to get out of the rental market and into their own property, as their investment property was leased out long-term.

At IPS Financial Solutions, Frank Cusmano organised a valuation through Propell Valuers (see advert on back page) for their existing investment property and for the new property. The clients negotiated a discount of \$20,000 on the purchase price and IPS Finance Brokers were able to save them a further \$12,500 in fees and mortgage insurance and negotiated a lower interest rate by recommending a different lender.

This real-life example, shows the benefit of having access to a broad range of financial institutions and the

Swan Family have moved in and are busy renovating their new house.

IPS Finance Brokers has added to our panel of lenders and we can now take applications for:
Personal loans for ANZ, adding to their Residential and Commercial loan products.

The full range of Commonwealth Bank loan products.

Liberty Financial have added vehicle loans to the Full Doc and Low Doc products.

Macquarie Bank are back in the residential and investment market adding to the current vehicle and equipment finance product range.

Go to our website: www.ips.net.au for an updated list of our full panel of lenders or call our office: 9340 5400 or 0419771210, .

IPS Finance Brokers
www.ips.net.au

Recipe of the Season: Osso Buco

A wonderfully hearty winter dish



1 cup plain flour
8 veal shanks
1/3 cup olive oil
2 carrots, peeled, diced
2 sticks celery, thinly sliced diagonally
2 onions, finely chopped
100g prosciutto, chopped
2 garlic cloves, crushed
2 tablespoons tomato paste
2 x 400g cans diced Italian tomatoes
2 cups beef stock
2 tablespoons lemon

Preheat oven to 200°C. Place flour and salt and pepper in a shallow dish. Lightly coat shanks in seasoned flour.

Heat 2 tablespoons oil in a frying pan over medium heat. Add carrots, celery, onion, prosciutto and garlic. Cook for 4 to 5 minutes or until tender. Spoon into a roasting pan. Heat remaining oil in pan over high heat. Cook shanks, in batches, for 2 minutes each side or until browned. Place on vegetables in roasting pan.

Add tomato paste, tomatoes, stock and lemon thyme to pan. Bring to the boil, stirring. Pour over veal and vegetables. Cover tightly with foil. Bake for 1 1/2 hours or until veal is tender. Serve with mashed potato and topped

Snapshots at jasonlove.com



"So if I'm hearing you correctly, you drive over broken yellow lines pretending that you're Pac-Man..."

A person doesn't know how much he has to be thankful for until he has to pay taxes on it.

Author Unknown



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Take advantage of our discount offer and save 10% of the total fee on all valuations instructed to us as a valued client of IPS Insurance Brokers.

(Note: For discount to apply total fee must be paid prior to the release of the report).

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