

#toucanyoucan

OCTOBER
2019



TOUCAN FINANCE

Finance your way. www.toucanfinance.com

SPRING ISSUE

ITS THE 'C' WORD

Welcome to our quarterly newsletter.

We hope to keep you up to date with some of the topics that are creating interest in the Finance Broking sector.

Please contact us if you have any questions and if we can assist you with any of your finance needs.

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STATE OF THE RATE...

Again we have had a cut in the official rate from the Reserve Bank with only some of the lenders passing on the full amount.

In response to backlash from Scott Morrison, the lenders have stated that they are trying to look after all their customers. For those looking for a return on their money they are getting very little having their funds in the bank.

Some feedback I have had from clients is that they feel they are better to buy a property and rent it out to get some income from their funds, rather than interest on bank deposits.

So best to get some financial advice before undertaking any major financial decisions.

Christmas that is! It comes only once a year but surprisingly few people are prepared financially.

The last minute stress of getting just the right present, having enough food, drink and crackers can be enough to leave us all in a New Year hangover. Not to mention the cost.

Last minute impulse buying is the most expensive and if you are relying on your credit card to carry you through then also be prepared for the hit of 'Buy now and pay later'.

Ok, so its October and only 74 days until Christmas but there is still time to get organised.

Ideally you would have a Christmas account as part of your Annual Budget (see link to Toucan budget on www.toucanfinance.com) and each pay cycle you would have put aside an amount so you already have the money to spend.

So we can adapt and use the same principle over a shorter time.

Christmas 2019

- Make a list of all presents and expenses you think you will have:
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- Once you have your list complete, add it up, then divide it by the number of pay cycles until Christmas. This will be the amount you will need to set aside to cover your list.
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- Be realistic about for whom and what you will buy. Often older people might prefer an experience or maybe even having some gardening done, wood chopped or help with their computer/technology - Giving doesn't have to involve money.
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- include your kids in this and if they have friends and school teachers that you will get a Kris Kringle for then they can use the same system with their pocket money to budget.
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- A voucher to use in the Boxing Day sales gives double value!

BUDGETING

A large part of our work with our clients is assisting with budgeting for applications. Not every client understands where their money goes from pay to pay. Once we show them some tips, they can see where they can cut back and direct the funds to a more worthwhile cause.

Here's some of those tips

01 Start by getting a copy of your bank statements for the last 3 months. Go through the bank statements and mark down all the spending, dividing it between necessities and wants.

02 Once you have a clear idea of these see how you can reduce the 'wants' e.g. is it a direct debit for something you aren't using? Can you reduce the amount you are spending on these items by limiting their use.

03 Set up a Budget account for all the known expenses and pay an amount into this Budget account each pay cycle to ensure you have the funds when these regular bills come in - see Toucan Budget on www.toucanfinance.com

LOAN OPTIONS

For those looking to get into the property market for the first time or to start again come and talk to us about all the options available to you.

Homestart is not a lender but a government body set up to assist South Australian's into home ownership. They have a variety of products with lending to 97% for applicants who qualify for their Graduate loan. The Starter loan (see below) is an interest free \$10,000 loan for 5 years (income is assessed) Homestart encourage their clients to refinance as soon as they can to a main stream lender. This frees up funds to lend to others to purchase their own property.

Homestart have a slightly different criteria for their lending and we can help you with your application.



HomeStart
FINANCE

Do your customers need help with their upfront costs so they can buy or build their own home?

Starter Loan

The Starter Loan can help by providing up to \$10,000 toward the upfront costs associated with buying or building a home.



WINNING THE BLOCK COMPETITION with Suncorp at the Connective conference 26 September for the best budget tip!!