



Goldsborough

Quarterly financial planning news and views



The lucky country

Just to be an Australian means we've won the lottery; health, lifestyle, economy, democracy, natural resources. By most metrics, we're ahead of the averages.

On the metric of retirement savings, we're almost top and still ascending so we could also call ourselves the "Super" country.

From July 1 this year, employees will have to reserve 12% of their annual wages for their retirement. Given that the Baby Boomer generation are the wealthiest generation in terms of retirement savings but for most of their working lives were contributing between 3 and 9% per annum of their wages, future generations will be very wealthy indeed at retirement. There's the obvious challenge that those future generations have a reduced savings capacity in the meantime (i.e. deposit for a home) as more of their pay packets go to super but there's also the question of what super funds do with all that extra money. According to Cath Botwell, Chair of IFM Investors in a recent ABC article who invests for Industry funds, they have

around US\$2 billion every week flowing into super to invest.

Some of this money goes into Australian government bonds, plenty into Australian stock markets and the rest into an investment mix including property and overseas investments. For government bonds, it's a bit circular; the government is borrowing money for us (the public) from us (the super investor). However, our stock market is completely saturated with super money. At the start of July, CBA makes up around 12% of the whole ASX stock market and just Australian Super alone held around 3% of CBA, let alone all the other funds. The ASX 200 had a good 24/25 year, particularly given the Trump tariff volatility, but a big chunk of the total return on the ASX last year was solely due to CBA, which earned the title of world's most expensive bank. Even more strangely, an investor can now get a better return from a CBA Term Deposit than they can from their dividend yield.

Since then, there's evidence super monies have been allocated to other areas of our stock market. Such is the power of

those funds, we've seen a steadying of the market even though CBA has gone back slightly and others have lifted. This is good news; concentration risk in our market is bad for competition and we've seen strong evidence of it in the US where the big returns in tech stocks (the Mag 7) have masked issues elsewhere in their market. On the topic of the US, the tariff talk stretched the bond market to the brink but, like their stock markets, things have settled down. So, for the start of the 25/26 financial year, volatility and market returns are within acceptable levels (for now). The next big challenge to watch out for is reporting season starting in August for big ASX companies which is likely to show the real impact from the tariff shenanigans: on the bottom line.

We might not be feeling so lucky or super then! ■



WILL CHAPMAN Dip FS(FP)
Authorised Representative (311745)



MATTHEW KELLY CFP®
Representative (314983)

Postponing of the Aged Care reforms in Australia

The Australian Government has announced the postponement of the new Aged Care Act from 1 July 2025 to 1 November 2025.

Key components of the Aged Care Act

- **Support at Home Program:** Designed to reduce wait times for home care packages and introduce transparent pricing models.
- **New fee structures:** For both residential and home care, with means-tested contributions based on assets and income.

Key dates and deadlines

- **1 July 2025:** Original commencement date of the new Aged Care Act (now postponed).
- **1 November 2025:** New commencement date for the Aged Care Act.
- **July 2027:** Target date to reduce wait times for home care packages to three months.

Impact on clients

The delay in the Aged Care Act has several implications for clients, particularly those planning for or currently receiving aged care services.





MICHELLE SANCHEZ ADFS(FP)
Representative (325471)

What if you don't win the lottery? (Spoiler: You're still in control)

Who hasn't imagined winning the lottery? The freedom, the fun, the "I'm never working again" moment. I've had that daydream more than once (and no, I've never had the winning ticket either). Sadly, the odds are laughably low. Instead of hoping for a miracle, what if we built a financial plan that made us feel like winners without a windfall?

That's what I call a lottery-proof financial plan. It's not about luck. It's about clarity, consistency, and making smart choices.

How do you define "winning"?

First, let's talk about what matters to you. Is it retiring early? Owning your home outright? Helping your kids through uni? Travelling more?

A lottery-proof plan starts with your version of success. Once you know what you're aiming for, we can build a roadmap to get there—no jackpot required.

Build your safety net first

Lottery winners often burn through their winnings because they skip the boring-but-essential stuff. I'd suggest:

Having an emergency fund: 3–6 months of living expenses, tucked away in a separate account.

Insurance: Make sure you're covered for the unforeseen.

Debt: Pay down debt. It's like giving yourself a raise.

Automate your wealth building

You don't need millions—you need momentum. Set up auto-transfers to:

Superannuation: Maximise contributions where you can.

Investments: Shares, ETFs, managed funds—whatever suits your goals.

Savings goals: For holidays, renovations or future plans.

Think of it as your personal wealth engine. It hums along in the background, quietly building your future.

Focus on assets that grow

Lottery winners often splurge on things that lose value—cars, clothes, parties. A lottery-proof plan is about building long-term value:

Property: Your home or an investment property can build equity.

Shares or alternative investments: For those with a higher risk appetite, these can offer strong returns.

Education: Investing in yourself or your family's skills boosts earning potential.

Plan for joy, not just survival

Financial planning is about living well, not just bills and budgets. So include:

Fun money: A set amount each month for guilt-free spending.

Giving: Whether it's charity or helping family, generosity feels good.

Experiences: Travel, hobbies, time with loved ones—these are the real riches.

Get advice you can trust

Even lottery winners need guidance. A financial adviser (hello!) can help you stay on track, avoid costly mistakes, and adjust your plan as life changes.

You're already winning!

Building wealth slowly and steadily is more reliable—and often more satisfying—than hitting the jackpot. So next time someone asks, "What would you do if you won the lottery?" you can smile and say, "I'm already working on it." ■



MOMIR VUKSA SMSF SPECIALIST
ADVISOR™ / SSA® Representative (1306168)

The nature of luck and chance

Most of us have daydreamed about winning the lottery. One minute you're checking your ticket, the next you're planning a trip to Italy, buying a beach house, and telling your boss you'll be "working remotely" from now on.

But luck and chance aren't just about Powerball. They show up in all sorts of ways, some obvious, some sneaky. When it comes to your finances, understanding how luck works can make a big difference.

We tend to think of luck as dramatic, a big win, a surprise inheritance, or finding a rare coin. But sometimes, luck is quiet. Like landing a job with great

super contributions. Or buying a house before the market took off. Or simply sticking to a savings plan while others got distracted by shiny things. These moments don't make headlines but they add up. With a bit of planning, they can turn into something pretty special.

Here's a cheeky thought: maybe luck isn't just random. Maybe it's something you can encourage. People who seem "lucky" often do things like:

- Stay informed
- Ask for advice
- Take smart risks
- Say yes to opportunities

In other words, they put themselves in the path of good fortune. They don't just wait for the stars to align they build a telescope and start looking.

If you've got a roof over your head, a bit in super and someone to share a cuppa with, you're already ahead of the game. Financial planning isn't about chasing rainbows. It's about making the most of what you've got, preparing for what might come and enjoying the ride. So next time someone asks, "What would you do if you won the lottery?"—smile and say, "I'd call my adviser and make a plan."

If you ever do win the lottery, well... I'll be waiting with a spreadsheet and a celebratory lamington. ■



BRENTON MIEGEL CFP®
Authorised Representative (227297)

Being coachable when I win the lottery!

When I'm not being a financial adviser, I've very actively involved in my hockey club. This includes coaching juniors (Under 8s and Under 10s). At the best of times, this is like herding cats! One of the key things we teach our kids is to be 'coachable'. Being coachable is not just about listening but actively seeking out feedback and implementing changes.

So what happens when you win a couple of million dollars? Naturally you are going to feel a bit overwhelmed, especially if you're not used to managing large sums of money. But don't worry, with the right approach and mindset, you can learn to use this money wisely and make it work for you. Here are some tips on how to be coachable and make the most of your newfound wealth:

Take a deep breath and assess your situation

First things first, take a moment to breathe and let the reality of your win sink in. It's important to approach this situation with a clear mind and a calm attitude. Rushing into decisions can lead to mistakes, so give yourself the time to think things through.

Seek professional advice

One of the best things you can do is seek advice from a financial adviser. They can help you understand your options and guide you in making informed decisions. Remember, it's okay to ask questions and admit when you don't understand

something. A good adviser will be patient and explain things in a way that makes sense to you.

Set clear goals

Before you start spending or investing your money, it's important to set clear goals. What do you want to achieve with this money? Do you want to buy a house, travel the world, or save for retirement? Having specific goals will help you stay focused and make decisions that align with your long-term plans.

Create a budget

A budget is a crucial tool for managing your money. It helps you keep track of your income and expenses, and ensures that you're not overspending. Start by listing your monthly expenses and compare them to your income. This will give you a clear picture of your financial situation and help you make adjustments as needed.

Educate yourself

Knowledge is power, especially when it comes to managing money. Take the time to educate yourself about personal finance. There are plenty of resources available, from books and online courses to seminars and workshops. The more you know, the better equipped you'll be to make smart decisions.

Be open to learning

Being coachable means being open to learning and willing to take advice. It's important to listen to your

financial adviser and consider their recommendations. They have the expertise and experience to help you navigate this new territory. Don't be afraid to ask for clarification if something doesn't make sense.

Avoid impulse spending

It's tempting to splurge when you come into a large sum of money, but impulse spending can quickly deplete your funds. Instead, take a thoughtful approach to your spending. Make a list of things you want to buy and prioritize them. This will help you avoid unnecessary purchases and ensure that you're spending your money on things that truly matter to you.

Invest wisely

Investing is a great way to grow your wealth, but it's important to do it wisely. Diversify your investments to spread risk and consider your long-term goals. Your financial adviser can help you create an investment strategy that aligns with your objectives and risk tolerance.

Plan for the future

Winning \$2 million is a fantastic opportunity to secure your financial future. Think about your long-term goals and how this money can help you achieve them. Whether it's saving for retirement, funding your children's education, or building a legacy, planning for the future will ensure that your money continues to work for you.





SAM MARTIN CFP®
Authorised Representative (252676)

Winning \$10 million in the X Lotto

Using a PAF to save tax and give back

Imagine winning \$10 million in the X Lotto! Beyond the excitement, managing this windfall wisely is crucial. As a financial planner in this magical hypothetical world, we suggest a Private Ancillary Fund (PAF) to save on taxes while supporting charities you care about. Here's how a \$10 million winner can use a PAF, including a potential amount to donate.

What's a PAF?

A PAF is like your own charity account. You put money or assets (like shares) into it, then choose which charities get donations over time. It's approved by the Australian Taxation Office (ATO) and offers tax perks:

- **Tax break:** Money you donate to a PAF lowers your taxable income that year, but you can't carry the deduction to future years.
- **Tax-free growth:** Profits from investments in the PAF aren't taxed, so your charity fund grows faster.
- **No tax on donated assets:** Donating shares or property avoids capital gains tax, keeping more for charity.

You decide which ATO-approved charities, like local schools or medical research, get the funds.

Your \$10 million plan

Suppose you earn \$150,000 a year before the win. The \$10 million is tax-free, but investment earnings are taxable. You want to secure your future and give back. First, plan your needs:

- **Emergency fund:** \$50,000 for six months of expenses.

- **Home or debt:** \$1.5 million for a house or mortgage.
- **Retirement:** \$4 million to generate income.
- **Lifestyle:** \$1 million for travel or fun.

This leaves \$3.45 million for a PAF or other uses.

Using a PAF

A \$2 million PAF is a good choice:

- **Tax savings:** A \$2 million donation reduces taxes in the year you donate. If your investments earn \$320,000 a year (4% on \$8 million), this deduction can offset that tax, but you need enough income that year. Splitting it into \$1 million over two years may help.
- **Charity impact:** A PAF must give 5% yearly (\$100,000 for \$2 million), supporting causes like community programs.
- **Growth:** At 5% growth, \$2 million becomes \$3.25 million in 10 years, tax-free.

Getting started

Set up a PAF with a financial planner and lawyer, register with the ATO, and choose investments and charities. A \$2 million PAF balances tax savings, giving, and personal goals. Contact us to make your win count! ■



BORIS PEDISIC CFP®
Representative (301739)

Is my lottery win taxable?

What are the legal and tax implications of lottery winnings and gifting in Australia?

According to the Australian Taxation Office (ATO), lottery winnings are generally considered **tax-free for Australian residents** when the winnings come from **Australian lotteries**.

They are classified as “windfall gains” and are not subject to income tax. However, there are important caveats:

- **Interest earned** on your winnings (e.g. in a savings account) is taxable as income.
- **Capital gains tax (CGT)** applies if you use your winnings to purchase assets (like property or shares) and later sell them for a profit.

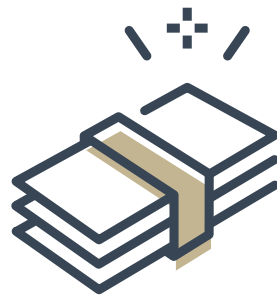
- **International lottery winnings** may be taxed in the country of origin and potentially in Australia as well.
- **Gift tax may apply** – refer next paragraph below.

In Australia, gifts are generally not considered as income and don’t require you to pay any Australian taxes. A gift is defined as:

- there is a transfer of money.
- the transfer is made voluntarily.

If your gift fits the above criteria, then you **don’t** pay tax on it. There’s no limit on how much money you can give or receive as a gift!

However, there are some occasions where tax or capital gains tax (CGT) may apply. For example, in some instances, when gifting **property, shares or crypto assets, or when receiving money or an asset from a non-resident trust**.



You should always check with your accountant or tax adviser.

How do I prove that money I’ve received is a gift?

You won’t need to send proof unless asked. If the ATO require proof, ask the gift giver for a letter or other written evidence. They just need to state that the money is a gift.

I receive government benefits – will gifting money to someone impact my payments?

Giving away money or assets may affect both you and the gift recipient, if either of you receive government benefits. It’s best to check directly with Centrelink, or your Financial Adviser. ■



LACHLAN HARVEY CFP®
Authorised Representative (227293)

Your money, your choice

Every day, someone receives a life-changing financial windfall. A lottery win perhaps, but it’s more likely to be an inheritance, super payout, or business sale. Whatever the source, these moments force a fundamental question: how do we choose to spend our money?

The tabloids were quick to ridicule the extravagance of Jeff Bezos’s \$50 million Italian wedding, complete with a diamond the size of a golf ball. But who are we to judge? Given the opportunity, would we spend differently?

For most of us, our spending patterns evolve gradually through promotions, pay rises, and life’s changes. This is lifestyle inflation. Like a high tide mark, our expectations drift upward, making it hard to imagine going backwards.



Once upon a time, in my house, we drank instant coffee. We then upgraded to a pod machine. These days, it’s fresh beans and a Breville Barista Pro. An everyday luxury that I can no longer live without.

For others it might be the way they choose to travel. Once you’ve flown at the pointy end of the plane, economy can feel a little... less inspiring.

We’re all human. We have a hierarchy of needs: basic survival, safety, a sense of belonging, self-esteem, and finally, self-actualisation. That’s the idea that we grow into the most authentic version of ourselves. It’s a subtle concept, and one that takes time to develop.

I suspect that’s why flashy spending on luxury goods can feel inauthentic.

Contrast that with helping a family member through university or becoming more involved with a favourite charity. These choices reflect a deeper sense of purpose.

Our money expresses who we are, not just what we can afford. ■

This isn’t about judging how others spend. It’s about making sure our own choices reflect who we want to be.



CRAIG KIRKWOOD AFP®
Authorised Representative (401525)

Are you banking on the lottery?

No one likes to be the voice of reason when the topic is something as exciting and life-changing as winning the lottery. But what if we looked at that weekly spend a little differently?

Let’s say you have a surplus of \$120 per week. You decide to spend \$20 on lottery tickets, leaving \$100 that could be invested. Now, instead of hoping for a lucky win, imagine consistently investing that \$100 into a long-term portfolio earning 7% per annum.

Over 20 years, you would have contributed \$104,000. But thanks to compound growth, your investment would grow to around \$228,000. That’s more than double your contributions without needing luck, just time and discipline.

Compare that to the lottery. Spending \$20 per week over 20 years adds up to \$20,800. And unless you beat odds that are often worse than one in 10 million, that money is gone.

This isn’t to say you shouldn’t enjoy the occasional ticket — just keep it in perspective. The real “win” comes from consistent investing. It’s not flashy, but it works.

Here’s a simple way to think about it:

- **\$20/week on lottery**
= hope and slim odds.
- **\$100/week invested**
= a proven path to wealth.

If you’re someone who enjoys the thrill of the lottery, consider this: investing regularly is like buying a ticket to your own financial freedom. And unlike the lottery, the odds are stacked in your favour.

If you’d like to explore how to make the most of your surplus income, or review your current investment strategy, feel free to get in touch. ■

Information sessions in 2025

We are happy to announce that we will be hosting 3 different types of information sessions in 2025. These sessions will all be held in our boardroom at 6pm on the dates listed below:

Super SA FAQ

Monday 25 August
Monday 24 November

at 6.00pm

A FAQ event on the tips and tricks unique to Super SA and how we can assist to maximise your benefits.

Retirement Living and Aged Care options

Wednesday 6 August
Wednesday 5 November

at 6.00pm

If you or a loved one will need Retirement Living support and/or Aged Care in the coming years, then this seminar will explain the different options that are available.

How to make the MOST of your retirement

Tuesday 12 August
Tuesday 11 November

at 6.00pm

There's never a better time to plan for tomorrow than today! We'd love to help you start planning your financial future, and it's as simple as attending one of our free events.

Please keep an eye on our Facebook page or our website for the most up-to-date details.

Referral award

Goldsborough is a referral-based business. **The biggest compliment any client can give us at Goldsborough is the referral of a friend, relative or business associate who could benefit from our services.** To show our appreciation for the wonderful referrals that we receive from our clients we are now drawing a winner for **each month**, to receive a \$100 gift voucher!

The winners each receive a \$100 gift voucher!

We have pleasure in announcing the winners of our Referral Reward for April, May and June 2025 are:

- Karen Potter
- Eric & Wendy Kalderovskis
- Peter & Amanda Jaehne

Congratulations and thank you again, your vouchers are on the way. ■

Enduring partnerships

Goldsborough is very fortunate to have so many long-standing clients. In June, we celebrated two milestone events with clients:

- Dean and Suzanne Buder – 30 years at Goldsborough
- Jonas Kasauskas & Lindy Poole – 35 years!

Congratulations on these remarkable milestones! Thank you for your trust and loyalty. We look forward to many more years of partnership and success together. ■

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