



# Client Newsletter

Sheryl Sutherland  
B.A. (Otago), Dip.F.A.C (Otago), DipPFinPlan  
(Waikato), Member of the PAA, Author of Girls  
Just Want to Have Fund\$.



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Women's Financial Strategies

Allan Pyatt House

153 Hereford Street, Level 5

P O Box 4263

Christchurch

Tel: 03 379 7035

Freephone: 0800 64 MONEY  
(0800 64 66639)

Fax: 03 379 7881

Email: [sheryl@strategies.co.nz](mailto:sheryl@strategies.co.nz)

## In this Issue:

**4 Ways to Ruin your Retirement**

**Tax Legislation**

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**Dirty Money a Myth**

**What can WFS do for you?**

**The Property Market**

**Spotlight on Lontamer, Income Protection, and Life Insurance**

**RECIPE: Chocolate Brownies**

### Where has Sheryl been seen this year?

Avenues Magazine  
CTV—Newsmakers  
Dunedin Public Library Magazine  
Hawkes Bay Today  
Newstalk ZB  
Sunday Star Times  
The Southland Times  
The Press  
The Dominion Post  
Women Today

Sheryl is currently working on her second draft of next book 'Money Money Money, Ain't it Funny.' Publication Date 2007.

## 4 WAYS TO RUIN YOUR RETIREMENT



### Want to retire in poverty and live a life of penury? Road to Ruin No.1 Trust the Government

If you want to be certain you'll spend your golden years dining on noodles and white bread, put your faith in National Super. Remember that National Super can supplement your income, but it won't pay for your retirement in and of itself – you need to do your part.

**Road to Ruin No.2: Spend too much, save too little**  
NZ Superannuitants fund less than 10% of retirement needs from personal savings. Of course, with our national savings rate hovering around 0%, that should come as no surprise.

**Road to Ruin No.3: Buy high, sell low**  
The best way to ruin your portfolio's performance: Buy hot stocks and managed funds. Then, when they crash – as they inevitably do – sell in a panic.

**Road to Ruin No.4: Procrastinate**  
All you have to do is keep putting off your savings plan until tomorrow. Tomorrow will come soon enough, of course – and then you may have second thoughts.

**CHOOSE TO BECOME WEALTHY: Act now to change Fate. Start investing earlier, and save. If you save \$168 invested monthly over 25 years will expand your nest egg, giving you more than \$142,319 by retirement (again, in today's dollars) email us at [sheryl@strategies.co.nz](mailto:sheryl@strategies.co.nz) or phone 0800 64 MONEY (0800 64 66639).**

## COLLAPSE OF PROVINCIAL FINANCE, NATIONAL FINANCE AND WESTERN BAY FINANCE

**We do not recommend this type of finance company to any of our clients.** For example, Provincial Finance offered to the investing public "secured debenture investments", using All Black legend Colin Meads as their front man.

Provincial Finance's top rate was 9.5%, and, as you know high risk. Our top rate is 8.10% capital guaranteed, and interest rate guaranteed—mortgages, no whiteware, no motor vehicles, no furniture, no debt refinancing! **Contact me for further information or an investment statement by calling 0800 646 6639 or emailing [sheryl@strategies.co.nz](mailto:sheryl@strategies.co.nz).**

## WOMEN'S FINANCIAL STRATEGIES HELPING VICTIMS OF DOMESTIC VIOLENCE

As part of our commitment to social responsibility and to supporting victims of domestic violence, Women's Financial Strategies is actively supporting the Christchurch Women's Refuge - Sheryl working as the Convenor for the CWR Fundraising Committee.

**To make a tax-deductible donation to the Christchurch Women's Refuge, or for an invitation to the CWR Art Auction please telephone Sheryl on 0800 646 6639.**

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**THE MOST CONTROVERSIAL TAX LEGISLATION IN YEARS**

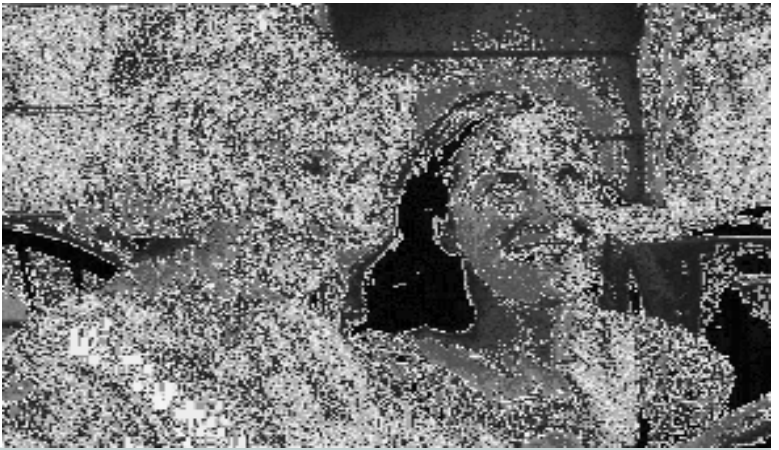
**An overhaul of the treatment of overseas investment** came before Parliament's finance and expenditure select committee. After a firestorm of criticism greeted the original proposal last year, the Government has made concessions and modifications designed to slash the number of people adversely affected by the changes. But the contentious core remains: the new regime imposes a capital gains tax and, up to a point is a tax on unrealised gains. We will continue to keep you informed.

**WHO ARE WE AND WHAT CAN WE DO FOR YOU?**

For most people we can help in the following areas: **Reduce Life Insurance Costs**, Obtain better **Income Protection Policies for lower cost**, **Save hundreds of dollars a year off Medical Insurance costs**, **Minimise Tax**, **Build Wealth**, Obtain **Higher Interest Rates**, **Diversify your Investments**, **Use your home to create income**, **Help you budget and pay off debt**, **Introduce you to new investments.**

Women's Financial Strategies offers you assistance in the following areas; **Financial Planning Advice**, **Investment Advice**, **Superannuation Products**, **Managed Investment Products**, **Developing a Portfolio**, and **Risk Management.**

**WE HAVE MOVED OFFICE PREMISES! PLEASE NOTE OUR NEW PHYSICAL ADDRESS. THERE IS NO CHANGE TO OUR PHONE NUMBERS, EMAIL OR POSTAL ADDRESS.**



**We're on the Web!**  
[www.strategies.co.nz](http://www.strategies.co.nz)



**“Hygiene freaks have one less thing to worry about—research shows money is not as grubby as previously believed.”**

**DIRTY MONEY A MYTH**

Hygiene freaks have one less thing to worry about—research shows money is not as grubby as previously believed.

A study that put notes and coins traded through food outlets in New Zealand and Australia under the microscope found they had such low levels of bacteria that it was impossible for them to cause diarrhea, vomiting or other gastro-intestinal symptoms.

While the Australian researchers found their own currency was marginally cleaner, they said all the results showed fears about money hygiene were unwarranted.

“There’s been so much hype” said lead researcher Dr Frank Vriesekoop, of the University of Ballarat in Victoria.

“But, in fact, the chances of you picking something up from your cash are virtually non-existent.”

Vriesekoop and colleagues collected more than 800 notes and coins from outlets where staff handled money and food.

Coins were cleaner than notes, probably because some bugs cannot survive on metal. Researchers also found that credit cards had the same levels of bacteria as cash.

**Funny Money**

**Americanesia Express-saphebia**, n I. Financial application, first diagnosed in late 20th Century, in which the cardholder forgets the amount charged on their credit card but is terribly afraid that it’s way too much. Clearly related to *Visago*, n, in which a high level of debt prompts feeling of nausea and dizziness.

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**WOMEN'S FINANCIAL  
STRATEGIES OFFERS  
COMPETITIVE  
INTEREST RATES  
AND HAVE ACCESS  
TO A LARGE  
SELECTION OF  
MORTGAGE  
PROVIDERS.**

**ASK YOURSELF:**

**DO YOU KNOW  
WHAT CURRENT  
FIXED & VARIABLE  
RATE YOU ARE  
BEING CHARGED?**

**DO YOU KNOW  
YOUR MORTGAGE  
RENEWAL DATE?**

**CONTACT US FOR  
A NO OBLIGATION  
TELEPHONE  
CONSULTATION  
ON 0800 64 MONEY  
TO SAVE YOU  
MONEY AND TIME!**

**WE ARE FIERCELY  
INDEPENDENT  
AND NOT  
ALIGNED WITH  
ANY LENDING  
INSTITUTION.**

**SENTINEL LIFETIME LOANS — Having your house and eating it too!**

You may have noticed a fast growing segment of New Zealand society is emerging... that of the ageing asset rich, cash poor Kiwi's. These are the people that have worked hard all their life to have a debt free home when they retire, but then find they rely mainly on Government Superannuation to meet their day-to-day expenses.

Sentinel's Lifetime Loan is a solution to this problem. The Lifetime Loan enables Kiwi's over the age of 60 to **release a cash lump sum from their home**, without having to make any regular repayments. Perhaps you have parents or friends that are in this situation, and you know just what a difference a cash lump sum could make to their lifestyle. **Common uses include:** an overseas holiday; home improvements; a new car; non-urgent surgery; or other large expenses.

**Main Points to Consider:** Available to New Zealanders 60 years old or over, who own their own home, Minimum House Value of \$100,000, Minimum Loan Value of \$20,000, Minimum top-up amount of \$5,000, No Monthly Repayments, You can borrow a cash lump sum based on your age, and the value of your home, You will always own your home, You can continue living in your home for as long as you wish, Sentinel accepts most residential properties, Any existing loan or charge on the property must be removed upon settlement, You can use the funds for whatever you wish. **If you would like to discuss the Sentinel Lifetime Loan in more detail, please feel free to call me on 0800 646 6639, and I'll be happy to send you out an information brochure for you to consider.**

**THE PROPERTY MARKET—NZ, Australia & Commercial**

**The housing market** continues to level off but the national median price is still up nearly 9 per cent on a year ago, the Real Estate Institutes of New Zealand (REINZ) says. Figures show the national median at \$310,000 for June, up from \$305,000 last month and \$284,500 in June 2005, and annual rise of 8.96 per cent.

**Growth in residential property values continued to ease during June, a combination of winter blues and a slowing market.** Quotable Value says. Nationwide house prices grew by an average of 11.5 per cent in June, compared with June last year. This is down from 12.4 per cent growth in May and is the fifth straight month that growth has slowed, following the high of 16.8 per cent growth reported in January. The average price of houses sold during June was \$328,829. Despite the housing market being on the downward side of the cycle, annual growth of 11.5 per cent is still well above historical levels, QV spokesman Blue Hancock said. The average growth in the Wellington region remained above the national average, at 13.1 per cent. The average sale price was \$363,138.

**CANBERRA. Real estate is booming again.** A record A\$20 billion was lent to home buyers in May, a stunning 18 per cent rise on a year ago — shortening the odds of an interest rate rise next month. Bureau of Statistics figures show an astonishing surge in real estate turnover — by owner-occupiers and investors alike — has pushed lending well above the record set in 2003. In May alone, borrowers brushed aside the Reserve Bank's rate hike, to lift lending by 4.5 per cent. Financial markets responded by fully pricing in a further rate hike within three months, with a better than even chance of a third rise by Christmas. The most likely time is when the Reserve Board meets on August 1, six days after the release of the June-quarter consumer price index.

**PERTH. Housing investors are flying plane loads of money into Perth.** New figures yesterday show virtually all the growth in housing investment this year has been in Western Australia, while Victoria and NSW have lost out. Bureau of Statistics data show that in the first five months of the year, lending for investor housing in WA shot up 61 per cent from already record levels — but fell another 6 per cent in NSW and 5 per cent in Victoria. Investors are pumping almost as much into buying WA housing as they are in Victoria or Queensland. Since the end of 2003,

prices have soared 52 per cent in Perth, risen slightly in Melbourne and Brisbane and fallen 10 per cent in Sydney. The boom in mining investment has pushed WA to the top of the national growth tables.

**Commercial property looks likely to be a bright spot on the New Zealand investment scene** over the next 18 months, **Westpac Bank** says. Westpac chief economist **Brendan O'Donovan** says it is likely to be a "pocket of resistance" against a slowing economy. Returns on the sector - capital gains and rental growth - have been "stunning," pushed higher by a shortage of quality commercial property. Despite this shortage, commercial property yields - rents relative to current market price - have been "abnormally" low over the past few years. In the Auckland office sector, prime property yields are below 8 per cent, a 10-year low. Industrial properties in Auckland have fallen to 7.9 per cent compared with 10 to 12 per cent during most of the 1990s. Mr O'Donovan says this is likely to equalise, however, as rents rise and prices decline.

**WANT TO INVEST IN PROPERTY?**  
CALL 0800 64 MONEY or email  
[sheryl@strategies.co.nz](mailto:sheryl@strategies.co.nz)

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## SPOTLIGHT ON LIONTAMER:

Capital protected investment programme providing investors with innovative solutions for investing in international markets. Invest in L'Oreal, Canon, Citigroup, Nestle, PepsiCo, Procter and Gamble, Toyota, Siemens, Daimler Chrysler and get your money back if market falls – no it's not magic or too good to be true. Call us for an investment statement on **0800 64 MONEY (0800 64 66639)**.

## SPOTLIGHT ON INCOME PROTECTION:

Some findings of a recent survey: 73% say Income Protection provides "peace of mind," 80% say biggest financial impact on family would be their inability to work. Is your policy rated as a C, or A? What is the claims paying ability of your company? Do you have cover for Stroke, Cancer and Heart Attack? Call us to reassess your insurances.



## DID YOU KNOW?

**Seven out of every ten females** are likely to become disabled due to an illness or accident before they turn 65 that will prevent them from working at least a month. **Five out of every ten males** aged 25 years old are likely to become disabled due to an illness or accident before they turn 65 that will prevent them from working for at least a month. Of these, **nearly a third will still be on claim 12 months later.**

## HOW MUCH LIFE INSURANCE COVER DO YOU NEED?

Many of us are only partially insured, which could mean those we leave behind have nothing but big debts and a crippling change of lifestyle to face up to. To check whether you have too little cover, (or too much), complete the details below.

### DEBTS THAT HAVE TO BE CLEARED

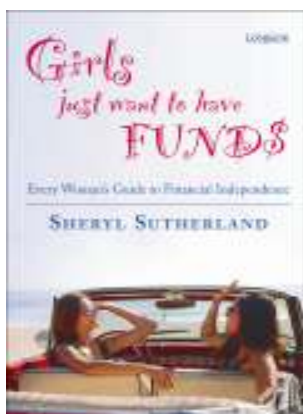
- Mortgage
- Credit cards/hire purchase deals/car finance/personal loans
- Medical/hospital expenses incurred before death

### ONE-OFF COSTS

- Funeral costs (average \$5,000)
- Incidentals (flying children/grandchildren back from overseas for the funeral)

### REPLACING THE FAMILY INCOME LOST THROUGH YOUR DEATH

- Family Income: the yearly amount your family would need to sustain their current level of lifestyle (pre-tax income) multiplied by the number of years you want to maintain that for so your family could adapt to a new life
- Future aspirations: Life insurance can also be used to secure aspirations you were working towards
- Costs of children's education



*"What a great resource; love the approach, the tone and straightforward nature of the content."*

Gráinne Troute —  
 McDonald's  
 Managing Director

- Comment on **Girls Just Want to Have Fund\$** by Sheryl Sutherland - available for purchase at Whitcoulls, Paper Plus and all good bookstores or online.

## TAMYRA'S TEMPTING CHOCOLATE BROWNIE RECIPE

I made these chocolate brownies for the first time recently and was very impressed with this recipe which was recommended by a friend—The best type of recipe! Shopping hint: I used Whittakers Bittersweet Dark Ghana Chocolate which on special at Pac'n'Save was \$1.99 for a king size block. Hope you enjoy! Recipe feedback is most welcome to [tamyra@strategies.co.nz](mailto:tamyra@strategies.co.nz).

### Ingredients:

- 300 grams softened butter
- 2 cups castor sugar
- 4 eggs
- 1 tsp Vanilla
- 1 1/2 cups Flour
- 1 cup Cocoa
- 1 cup grated dark chocolate (Optional)
- 1 cup of Frozen Raspberries

### Method:

- Heat oven to 190°C, (non fan)
- Line Baking Tin with baking paper.
- Cream butter and eggs and castor sugar, then add one egg at a time. Add vanilla.
- Fold in sieved dry ingredients and chocolate. Add optional raspberries.
- Pour mixture in to the lined baking tin and bake for 20-25 minutes.

**Serving Suggestion:** Eat warm with berry couli and vanilla ice-cream.

