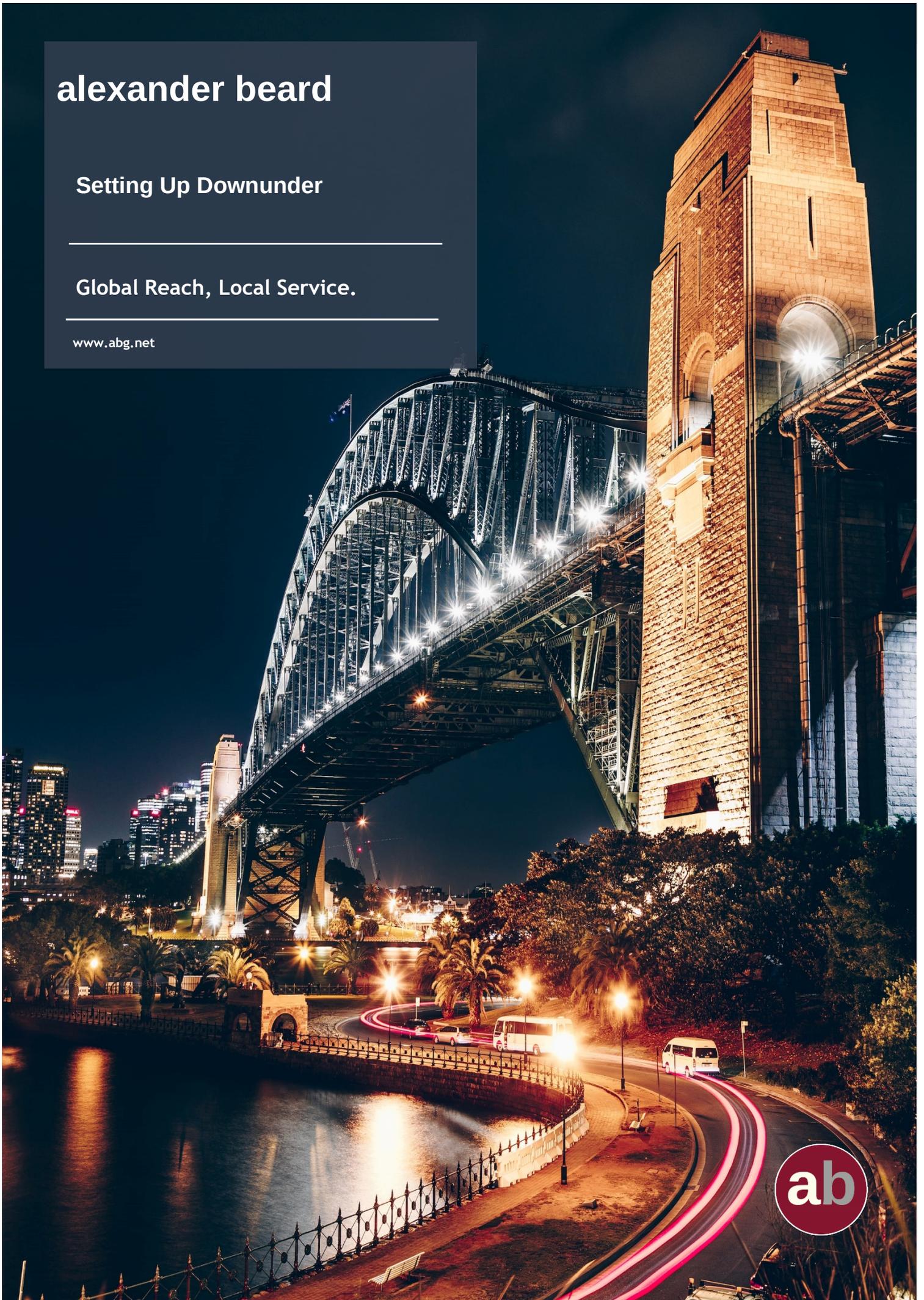


alexander beard

Setting Up Downunder

Global Reach, Local Service.

www.abg.net



Setting up Downunder

Background

Alexander Beard Group has 35 years' experience assisting people to successfully "emigrate" to countries around the world.

While Australia was once regarded simply as the furthest outpost of the Commonwealth, it has evolved significantly in its short history, so that it considers it now has its own "culture". Indeed, in many respects it's "multicultural".

Many migrants find the cultural difference to be somewhat confronting and at Alexander Beard Group we take great care in helping people feel comfortable with the 'Australian Way'.

The reason we are so successful is that we have a dedicated office in Australia (currently situated in Perth, Western Australia) and have developed a comprehensive network of professionals who deal with the critical issues that new migrants face when they call Australia "home" (whether temporary or permanent).



Paul Beard
Founder & Executive Chairman
Alexander Beard



Dave Stone
Managing Director
Alexander Beard (Australia) Pty. Ltd.



Living Arrangements

- Sydney and Melbourne are the most expensive cities in Australia, closely followed by Brisbane, and Perth – with values fuelled by the continuing resources boom in Western Australia.
- Adelaide and Hobart are the most affordable cities, although both in recent times have experienced steady growth in prices while the other capital cities have stalled.

Buying a property

The most common living arrangement in Australia is through property purchase, with most properties having mortgages financed by large financial institutions.

- We recommend using a qualified Finance Broker to arrange mortgages, there is generally no cost to the customer (the financial institution pays the Broker).
- The broker usually has a panel of products to choose from to ensure the best deal and best fit.
- Most mortgages use a variable interest rate, with fixed term, fixed rates available, usually for a period of 3 to 5 years, and currently at a higher rate than variable rates.
- Alexander Beard Group has a relationship with a National Mortgage Broking firm that can offer services in all States and Territories.
- Purchasing a property is usually undertaken with a Real Estate Agent, who works for the Seller.
- Due to the competitive nature of the market (i.e. currently less Sellers than Buyers), Real Estate Agents generally don't offer a "Buying" service.
- At Alexander Beard Group, we offer to assist in the due diligence aspect of a potential purchase, to ensure that it fits in with your general financial parameters (e.g. cashflow, deposit structuring etc).
- Property transfer transactions are handled by a Settlement Agent for which the Buyer will pay a fee. In some States it is a requirement to use a suitable Legal professional for the transaction, and this can lead to higher costs for the Buyer.

Renting

- Most rental arrangements are handled by Property Management specialists within Real Estate Agent firms.
- There is statute law covering Landlord and Tenants Rights and it usual for a "template" contract to be provided by the Property Manager.
- Most rental agreements are for periods of 6 or 12 months. There is currently a rental property shortage Australia-wide and this is resulting in rapid increases in the cost of renting.



The alternative to Capital City living is “living in the Country”. There are many town’s (and some are referred to as Cities) around Australia that have substantial infrastructure and population but don’t necessarily have the costs associated with Capital city living. There has also been quite a shift of the remote population to Capital City living in recent years with the result that remote property prices are relatively depressed. This makes living outside Capital cities certainly cheaper, but of course this is directly dependent upon working opportunities.

Working Opportunities

- The majority of working Australians are employees.
- A significantly smaller proportion run their own business/self-employed.
- Australia is currently experiencing an environment where getting a job is considered to be somewhat “easy”.
- The unemployment rate is at its lowest for 40 years, with employers struggling to fill job vacancies.
- In the recent federal election campaign the Australian Labour Party (who now governs in its own right), had wages as one of its major agenda. It is concerned that real wages growth has not kept pace with the cost of living over several years and has signalled that it will be supporting a push by employee groups (i.e. Unions) for significant wage increases.

Working Benefits

- Apart from the income paid to employees (which are governed by Employer/Employee Agreements, Awards, and safety-net legislation), employers have an obligation to provide other benefits to employees.
- The primary obligation is Superannuation Guarantee. This is a compulsory payment that Employers must make to the employee’s retirement accumulation, known as Superannuation in Australia.
- The amount to be paid is currently 10% of basic gross wage.
- Employers must make available a default Superannuation fund to employees to which the Superannuation Guarantee Contribution may be made.
- Alternatively employees may nominate a Superannuation fund of their choice. Alexander Beard Group has extensive knowledge and experience in this area and can assist people to choose the fund most appropriate for their circumstances.
- We are also able to assist in structuring how contributed monies are invested and setting-up of other features within superannuation (e.g. Personal Risk Insurances).
- Other benefits that are a normal part of employee packages in other jurisdictions (e.g. paying for insurances) are not particularly attractive in Australia since the introduction of Fringe Benefits Tax, where there may be a tax imposition should the package benefits not meet stringent requirements. Together with the Tax professionals we engage with, we are able to provide comprehensive advice in this regard.



Personal Insurances

- Use of superannuation funds to buy personal risk insurance (i.e. life, total and permanent disablement, and income protection cover) has always been normal practice, but given that this cost depletes retirement savings, this is now effectively “discouraged”.
- Recognizing the importance of personal risk insurance, Alexander Beard has a range of cost-effective solutions that can be tailored to individual circumstances and requirements. As independent advisers we have access to all insurers in the marketplace.

Medical Insurance

- Basic medical cover is provided through the Government funded Medicare system (for which all people earning income above a prescribed level pay a levy).
- For “extra” cover (including Private Hospital, Dental, other non-basic medical requirements), Australia relies upon a Private Health Care system. There are many providers and we can assist in making the correct selection of cover and provider.

Financial Responsibilities

There are a number of basic financial obligations and requirements that Alexander Beard Group and its network of professionals can assist with. The list includes (but certainly not limited to):

1. Banking - setting up bank accounts, currency transfer, financing
2. Accounting – annual tax return lodgements, business support
3. General Insurances – Home and contents, motor vehicle cover.
4. Estate Planning – Valid wills to cover the new jurisdiction.

Financial Advice

Alexander Beard Group has expert Financial Advisers that can assist with:

1. Wealth accumulation and asset protection
2. Retirement Planning
3. Financial Risk Management
4. “Stranded” Assets – management of assets left behind in the previous home jurisdiction.
5. Asset Transfers – Cash, investment portfolios, previous home jurisdiction pension entitlements.

We pride ourselves on understanding each client’s unique circumstances and developing and managing financial strategies that will help them live their best life in their new home.



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To view all of our regulatory information, please go to
<https://www.abg.net/regulatory-matters>

UK offices:

Cheshire (Head Office), Yorkshire & London

International offices:

Den Bosch, Dublin, Johannesburg, Lyon, Perth & San Francisco



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