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Building Relationships

A twenty-year journey for Stonehouse client De Luca Construction

When De Luca Construction celebrated their 20 year anniversary in June, it was certainly a night to remember - champagne flowed and 190 guests enjoyed the evening with the impressive De Luca sign (constructed especially for the event and elevated high above the crowd), the star attraction.

For Managing Director Nic De Luca, it was especially poignant in that the event brought together associates and friends from right throughout the last two decades - proving that the company culture of promoting loyal and long-term relationships is very much in place.

"It was a great event," says Nic. "A true reflection of our business with lots of love and respect and it was wonderful to see people from all stages of our journey."

One such relationship has been with Stonehouse Wealth Management, who have been working alongside Nic since the company began.

"It was actually my father Tony who originally sought their services and became a client of Kevin Stewart," says Nic. "When I began my business my father suggested contacting him and still to this day he looks after our portfolio, though now together with his son, Michael Stewart."



From Left :: Kevin Stewart, Nic De Luca, Jacob De Luca, Alesia De Luca, Ben De Luca and Michael Stewart.

Back in 1994 when the business began, the company had just two or three employees and focused mainly on industrial and commercial builds.

The 1990s saw a rapid phase of expansion which culminated in a pivotal point in 1999 when De Luca bought land at the Metroplex Development in Murarrie.

"That really cemented us as a serious business," says Nic.

"From there we became a lot more strategic in the running of the company as well as in the type of work we undertook."

De Luca Construction now also incorporates a property development and investment

arm with a strong focus on residential builds and an annual turnover in excess of \$140 million.

Throughout this time, Stonehouse have managed Nic's self-managed super fund (SMSF), investment portfolios and his personal insurances.

"What I've always really liked about Stonehouse, is that they truly know our business. Being in construction, of course we're heavily weighted towards property. They've understood this and supported our vision but they've also given good advice in diversification," says Nic.

"They also mirror many of our company ideals, in that we celebrate loyalty and strong family values, not only internally but to our external associates and clients as well. Sometimes we've had to put in the extra yards, but we believe that will pay off in the long run, for long term relationships."

It is partially this mindset that has helped De Luca remain strong throughout the GFC and the economically challenging times of the last few years, with their focus on

"It's a wonderful thing to see a family's next generation and that's what I really like with Stonehouse, Michael and I continuing to work together - their second generation with ours."

diversification and cautious business strategies also safeguarding against tumult.

“Our approach to debt is quite conservative in that we’re careful in leveraging to expand and we like to stick to what we know. However at the same time we’re not afraid to diversify -we’re just cautious. Stonehouse respects this and really take that mindset into consideration with all our investments.”

As is also the case with Stonehouse, philanthropic endeavours are very much an integral component of De Luca Construction with the company proudly supporting YoungCare - a charity focused on solving the issue of young people living in aged care.

“I’d heard about Youngcare through various channels over the years, so our business became a supporter. In 2011 I was part of a team that walked 400km through the Simpson Desert - we raised \$1.5 million. After that, I became a board member before taking over as Chair in 2013. It has



certainly been one of the greatest honours ever,” says Nic.

Nic lists his other greatest achievement as his family - wife Alesia and sons Ben, 13 and Jacob, 11.

“It’s a wonderful thing to see a family’s next generation and that’s what I really like with Stonehouse, Michael and I continuing to work together - their second generation with ours.”



Five Minutes with ...

Declan Baker, Paraplanner
Stonehouse Group

What does your role encompass?

I have a raft of responsibilities that range from administration duties to forming strategies and generating client advice documents.

How long have you been at the New South Wales office?

I joined Stonehouse in February 2014 after spending the last five years in various Financial Services roles. I spent a month in the Brisbane office before making the move to Sydney.

What are you loving about working there?

Sydney is full of young, aspirational professionals. It’s great to meet and socialise with so many like-

minded individuals. Seeing the dedication and how hard so many people work provides significant motivation for me.

What’s your favourite challenge?

Quite often the strategies available for clients that provide the most benefit are also the most complex. I enjoy taking these complex strategies and articulating them in such a way that is clear, concise and easy to comprehend, without sacrificing detail.

What are some of the highlights about working with Stonehouse?

The Sydney office is a very dynamic workplace and is growing at a rapid pace. It’s exciting to be a

part of the development and to see the results of our hard work.

Pastimes?

I’m in the process of completing a Bachelor of Commerce which doesn’t leave me with a lot of free time. In the last few months I’ve enjoyed exploring Sydney and trying out a number of the restaurants and bars that are close to home. I’m also a petrol head, I thoroughly enjoy track days and I follow Formula One religiously.

What are you currently reading?

I’m currently reading (as part of my degree) Understanding Company Law (17th Edition). It’s not the most thrilling read!

Allocated Pension Deeming rules from January 1, 2015

Andrew Stewart Partner/Senior Adviser



Stonehouse clients who are receiving a Superannuation income stream from an Account-Based Pension (ABP) - which are often referred to as an Allocated Pension - should be aware that this income stream currently receives favourable treatment from a Social Security (Centrelink) perspective.

Legislation has been passed however, bringing into effect from January 1, 2015 new deeming rules for the purposes of the Centrelink income test. These changes affect individuals who start their ABP after that date.

ABP's will now be categorised into the following, either an ABP commenced pre-January 1, 2015, or an ABP commenced post January 1, 2015.

If you currently have an ABP in place and have been receiving a Centrelink Age Pension payment (either in full or part) then 'Grandfathering' of your current ABP will apply going forward - this of course means no changes will apply to your circumstances.

This grandfathering will no longer apply if your ABP ceases and a new ABP commences after January 1, 2015. I am certain that many ABP holders may be caught by this ruling if specific financial advice surrounding changes to your ABP is not sought before implementing a change going forward.

ABP's with a Reversionary Pensioner in place (where the ownership reverts to a beneficiary on death) and where the primary beneficiary dies, will continue to see the grandfathering applied to the ABP income stream provided:

- At the time of the reversion, the Reversionary Pensioner is receiving a Centrelink support payment.

- Since the reversion, the Reversionary Pensioner has been continuously receiving a Centrelink support payment.

If you are entitled to a Centrelink Age Pension and considering commencing a Reversionary ABP or if you still have an Accumulation Superannuation account, which you may be wanting to use to commence a new ABP, perhaps it may be worthwhile implementing these strategies prior to January 1, 2015.

The extent of these changes depend on your personal circumstances and if you have any concerns surrounding changes to ABP's please contact your Stonehouse Adviser.



SMSF Notice Board

- We have commenced work on the Fund's 2014 Income Tax Returns. If you have not forwarded the necessary information to us, please do so as soon as possible.
- We have received numerous calls from the ATO who are chasing overdue lodgements and payments. If you have outstanding lodgements, please contact our office for assistance with this matter.
- If you have changed address or if any other personal details have recently altered, please contact us so they can be updated.

Run, Ride, Drive, Survive



Left :: Michael Stewart, Mark Stewart, Scott Stewart and Brad Stewart in Spain. Top :: In Germany at the Nurburgring. Above :: In France cycling during Le Tour de France.

It was an epic journey years in the making that saw the four Stewart brothers travel to Europe for an action-packed holiday spanning three weeks and four countries in celebration of Brad Stewart's 40th birthday.

In what was always going to be a grand tale of endurance, the itinerary saw the brothers run with the bulls in Pamplona, Spain, partake in a hill climb during the Tour de France and venture through Switzerland to Germany for a fast-paced lap of the

Nurburgring, considered to be the most demanding and difficult purpose-built racing circuit in the world.

In true road trip style, the brothers undertook the journey in a rather under-equipped camper van, punctuating the otherwise non-stop action with some rest and relaxation in Ibiza, San Sebastian and St Tropez.

The Stewart brothers only regret: "not starting the road trip in Germany, as we would have experienced their World Cup win!"



A Day on the Greens

A day of team building that saw the entire Stonehouse staff descend upon Indooroopilly Golf Course for a nine hole, 'ambrose' format match.

The team of Ebony Rynsdorp, Nick Webb, Mark Stewart and Jo-anne Davis won the day, with special mention also going to Mark who took out top prize for 'Longest Drive' and 'Nearest to Pin' and Belinda Auld who won 'Ladies Longest Drive'.

The annual event is celebrated each year, with the highly competitive tournament followed by lunch.