

Banjos rock the Gladdy

THEY may have an unusual name but the Honey Dripp'n Mudskippers came out on top at Friday's duelling banjos competition at the Gladstone Hotel.

Held as part of the Banjo Paterson Festival the competition attracted 20 poets and musicians.

The judges were Central West Libraries reading and writing coordinator Jasmine Vidler and local poet Diana Bell.

Photos: STEVE GOSCH



Fiona Schofield, Hamish and Trudy Glasgow and Rachel Blanchard.

0214sgbanjo8



Sim and Richard Maddigan.

0214sgbanjo7



Lucy Bath and Leah Mansfield.

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Jo Brama and Colleen Farrow.

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Fiona And Max Schofield.

0214sgbanjo2



Jane and Patrick Magennis and Lyn Lampe.

0214sgbanjo6

Let Jesus be your guide

On Faith and Life



A GPS (Global Positioning System) is one of those bits of technology in a car that is mostly helpful when it comes to navigating your way around an unfamiliar suburb, city or country.

The GPS we were loaned in England saved our marriage my wife reckons. We had hired a car to get around and that meant learning to negotiate the road system.

It seemed to have more roundabouts than I'd seen in a lifetime in Australia and I was glad for the GPS instead of a map.

Sometimes the signage and GPS seemed in conflict. So was the opinion of which exit to take or which way to go. The GPS unit did have software that was about seven years old. One time we were crossing a river near Edinburgh on what was a new bridge.

The GPS had us rightly sailing across water with no bridge shown. Sometimes the GPS had us driving in a field.

I reckon when it comes to getting around our community and the special relationships we enjoy, it is important to keep updating what we know as important to keep it important and on track. That includes the relationships in marriage, family, friends and faith in God.

What sort of a life do you want? What experience or journey do you want to have? There are lots of things we can do to have the life we want. For many of us, it will be hard to obtain, but still worth having a go.

What amazes me was what Jesus said, as recorded in the Good Book, 'I am the way, the truth and the life. No one comes to God the Father in heaven except through me... and those that abide in me (keep up to date with that faith in God) will have everlasting life.'

It is keeping up-to-date that refreshes heart and mind and spirit. There comes joy in the midst of what we manage each day until we die... and then some.

- Malcolm Rankin

You and Your Money

Generating investment income

By Russell Tym, MoneyLink Financial Planning

GENERATING an income is still a challenge for those investors needing cashflow. Bank deposit rates are lower than a year ago and haven't shown any sign of increasing.

Most bank on-call accounts are paying less than 3 per cent per annum. Twelve month term deposits at major banks offer around 3.5 per cent.

Unfortunately there is no guaranteed, reliable alternative that pays significantly higher rates. Cautious investors needing income must choose between less predictable alternatives and eating into their capital.

One alternative is to buy shares in the bank instead of making a deposit at the bank. If dividends paid are the same as last year they will range from 4.9 per cent at Commonwealth Bank to 6.2 per cent at Westpac, based on current prices.

These dividends are fully franked so adding the tax credit, refundable in cash to non-tax-payers, the total income ranges from 7.1 to 8.9 per cent. That's much better than deposits at the banks.

The catch is these incomes aren't fixed in advance or guaranteed. They could be higher

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if bank profits increase which is quite likely, or they could be lower. Also the investment will change in value, up if profits increase, down if they fall.

Shares vary considerably in value over time. So do most share funds, although their multi-share holdings greatly reduce the risk of being invested in a single company that does poorly compared to most others.

Some share funds concentrate on generating dividend income while reducing the chances of losses or gains.

Their strategy is to buy shares that will soon pay a good dividend, then resell them a short time after they do. To receive the full imputation tax credit they must own the shares for 45 days under tax law. Even so the same capital can earn at least two sets of dividends per year.

This enables the funds to pay very high incomes with less variation in capital value than a standard share fund as they hold a large proportion of cash for part of the year.

However these funds can still vary in value quite a bit. There are stable options where investment values only change by small amounts including government bond funds. Unfortunately government bonds are paying record low interest rates.

Corporate debt funds invest in loans to large companies that have high credit ratings. They earn higher interest rates, typically in the range of 5 to 7 per cent per annum after fees. Fluctuations in value are usually small.

Income securities are also issued by large companies including major banks, and are traded on the Securities Exchange. They pay 5.5 to 8 per cent per annum income currently. Payments are a fixed margin above the bank bill rate so they will rise when other interest rates do. Values are stable with movements small.

Stock market listed property funds are a useful option, offering 6 to 9 per cent per annum income, derived from property rents. Incomes grow slowly over time as rents increase. However values can fluctuate considerably.

Those under age 65, or over if still working, can take advantage of the superannuation rules to set up account based pensions. Payments can be set at any desired level, though if they are too high the account balance will decline.

Investors should consult their financial advisers for advice whether any of these options suit their needs and circumstances.



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