Profile's Corner

Winter 2012
Volume 2, Issue 10

IN THIS ISSUE

PROFILE
FINANCIAL SERVICES

AFSL 226238 | T: 02 9683 6422 | E: admin@profileservices.com.au

PROFILE UPDATE

Welcome to the tenth issue of our client newsletter. In this section, we update you on what's happening at Profile.

The expense recovery fee on the Profile Portfolio Solutions will be cut by 5bps, effective from 22 June. The expense recovery fee is paid to the Responsible Entity to cover the normal operating costs of the portfolios – such as licensing, custodian, audit, registry, tax advice, external consultants, accounts, postage and so on. We were able to negotiate this reduction with the Responsible Entity, because the Portfolios have grown more quickly than expected and as a result the fixed costs of running them are lower as a proportion of FUM. This is a great example of the benefits of scale and will save Profile's clients a total of around $60,000 over the next year!

We have recently welcomed two new members to the Profile team: ***Scott Ungaro*** has joined us as Associate Financial Planner, and is working with Phillip Win supporting him in ensuring our clients receive the best possible service. Scott's previous role was business risk analyst with UBS, and before that he held a number of roles with Brillient (a financial services education provider). Scott has a Bachelor of Science in Psychology from Texas University, and a Master of Science in Personal Financial Planning (with honours) from Texas Technical University. ***Laura Donovan*** has also recently joined Profile in a similar role, supporting Kurt Ohlsen. Laura was most recently at Moody's Investor Services, where she held a number of roles in structured finance and business development. Previously Laura held various business roles in her native Ireland. Laura holds an advanced diploma in accounting and is currently completing her Diploma of Financial Planning.

Shortly we will be sending out our next ***client satisfaction survey***. We ran this survey for the first time last year, and the feedback clients gave us has been a great guide to ensure we focus on the most important service improvements. Two major projects resulted from last year's survey – our IT platform refresh (now completed), and business processes review (with updates continuing to roll out each month). These surveys are an important way we can get structured feedback from all our clients on how we are doing, and how we can do better – we'd very much appreciate it if you can take the time to complete the survey when it comes around.

PROFILE
FINANCIAL SERVICES

**Asset class returns referred to in this publication are based on the following indices: Australian shares: S&P/ASX 300 Accumulation Index. International shares: MSCI ex Aust (AUD) Index. Fixed interest: UBS Warburg Composite All Maturities Index. Cash: UBS Warburg bank bill Index. Gold: Spot Gold Bullion (USD).*

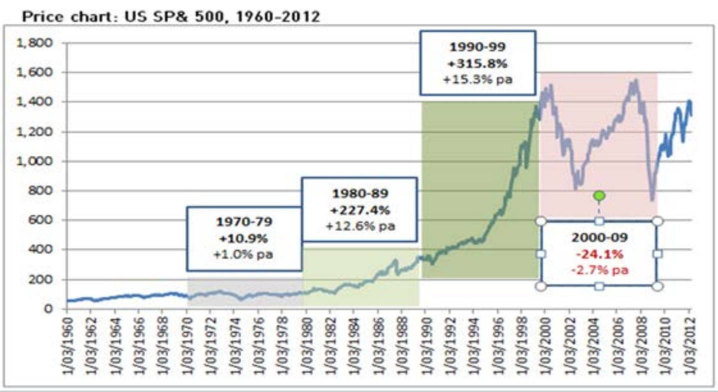
INVESTMENT UPDATE: THE DEATH OF EQUITIES?

By Jai Parrab, Head of Investment Research & Portfolio Manager

Period returns to 31 May 2012 (%)

ASSET CLASS*	1 MTH	3 MTHS	1 YR
Australian shares	-6.7	-4.4	-9.3
International shares ($A)	-1.8	+2.2	-2.0
Fixed interest	+3.1	+5.6	+13.2
Cash	+0.4	+1.2	+4.8
Gold ($US)	-6.3	-8.0	+1.6

In August 1979, BusinessWeek magazine ran a cover story entitled "The Death of Equities." At the time, the share market had sustained serious losses and the long-term health of the US economy was a significant concern. The story has been revisited many times since then, and it's aroused some controversy as the share market staged a strong comeback in the decades that followed its publication. But not many market forecasters were willing to call a recovery at the time, and the story provides a telling look at investor psychology—at the close of what has been a terrible decade for equities.



Source: Bloomberg; Profile Financial Services; *price index only – does not include dividends

It's not hard to find similar views being propounded today. For example, in a recent interview Allianz Investment Management's chief investment officer questioned the basis for investing in equities. The company, which manages assets of around $1.7 trillion euros, has only 6% of its insurance portfolio in equities, while 90 per cent is in bonds. A decade ago, 20 per cent was in equities.

There's little doubt that of the four major asset classes, cash and bonds are most in favour right now! But investors in the US and in Europe would be lucky today to get anything much over 0% real return on their cash holdings and term deposits. The ten-year government bond rate in the US is 1.67% and the German ten-year bond rate is 1.23%. If you wanted to lend to companies instead, five-year investment grade bonds in the US are paying interest of between 1.78% (AA) and 2.75% (BBB). With year-on-year consumer price inflation in the US running at 3.2% over 2011 (the real increased cost of living), investors are pretty much guaranteeing themselves a **negative return on their wealth** by choosing to invest in cash and bond assets at current levels!

The main alternative is investing in the equity market, a place that over the past five-years (since the onset of the GFC), has delivered highly volatile returns, mostly negative, across the major markets. A fair question to ask would be, why invest now? Why not just pack up my portfolio and leave the market for good?

When choosing to invest in an asset class, we attempt to gauge its prospects by looking at three key indicators – the price, the economic or cyclical outlook, and other technical factors. Simple price metric tools include price to earnings ratios, dividend yields, price to book ratios, and the earnings yield premium over bond rates. In the current market, all these metrics look very attractive, whether investing in the US, Europe, Asia or Australia. For example, the dividend yield of the Australian market is currently 5.0% before franking credits - relative to the ten-year bond rate of 2.9%. The PE ratio is 12.2x, which represents a 5.6% risk premium over the risk-free rate – very high by historical standards. The cyclical outlook is undoubtedly challenged and there are many risks to global economic growth, but much of this news already appears to be in the price across most markets, which are currently trading at heavy discounts to intrinsic values. Another reason to contemplate investing in this market, is that it is engulfed by fear. Retail investors are exiting in droves and are hoarding high levels of cash, and now institutional investors are also starting to question their long-term allocation to equities. As Warren Buffet has said "be fearful when others are greedy and greedy when others are fearful" – so now is looking like a time to be greedy!

In the short-term, the market is being driven primarily by politics and government policy, rather than fundamentals and company earnings. But looking longer-term, it seems that current economic events have resulted in fear driving prices to extremely attractive levels that according to history should set the stage for very good long-term compounded returns. That being said, picking the perfect starting point is impossible, so as always, applying a cautious, diversified and disciplined investment strategy is essential!

While I'm on the Buffet soapbox, it seems appropriate to end this article with one of his wisest sayings… "The transfer of wealth is from the impatient to the patient".

AGED CARE:

Explaining the proposed changes to assessment

Currently there are around 400,000 Australians aged over 85. By 2050, this will increase to 1.8 million, which is likely to lead to a huge growth in demand for aged care services! In fact, by 2050 the Government expects the total number of people using aged care services to rise to about 3.5 million people (from around 1 million today).

In response, the May 2012 Federal Budget announced increased spending targets and an aged care reform package. The "Living Longer, Living Better" package will cost $3.7 billion over 5 years (although only $577 million is new money), and aims to "provide older Australians with more choice and address the social and economic challenges of the nation's ageing population".

The reforms give priority to providing more support and care in the home, better access to residential care, more support for those with dementia and strengthening the aged care workforce.

Part of the package includes reform of the means testing calculations, so aged care recipients with greater means will be asked to make a greater contribution to the cost of their care.

The major initiatives announced include a significant increase in the number of home-care packages, which are designed to assist people who can, with support, remain living at home; and an increase in the government subsidies for aged care accommodation from $32 to $50 per day. Training and wages for aged care workers will also be increased.

These changes are proposals only at this stage - legislation needs to be drafted and passed through Parliament before the reforms become effective, and full details are not yet available. The discussion below is based on the information we have at present. Even though changes are not yet legislated, if you or someone important to you might be affected, doing your research and planning ahead are vital!

Changes to means testing for residential care fees

An increase in regulation and changes to the model for charging daily care fees at hostels and nursing homes will result in more people being charged additional daily fees.

At present there is a basic daily care fee (84% of the basic age pension - $41.71 per day or $15,224 per annum) which is paid by everyone, plus an income-tested care fee (up to $67.04 a day or an annual $24,470). From July 2014, the second fee will be means-tested based on both the income and assets tests. (The basic daily care fee will remain unchanged at 84% of the basic age pension.)

Income above the maximum income for a full age pension ($23,543 for singles and $23,075 for a member of a couple) will count towards the aged care means test, as will assets over an "asset test free threshold" of $40,500 (excluding the resident's family home if a "Protected Person" – such as a partner, dependant child, carer etc - continues to live there).

The family home will continue to be exempt from the aged care assets test if occupied by a "Protected Person". Otherwise, the value of the family home up to $144,500 (indexed) will be counted when determining the ability to pay for aged care accommodation.

An annual cap of $25,000 on residential care fees will protect residents with higher than average care fees, and a lifetime cap of $60,000 will apply to home-care and residential care contributions.

The government has said it will ensure that the fees paid by residents after entry into aged care accommodation never exceed the cost of the care provided. Residents already in permanent care as at 30 June 2014, or receiving respite care as at that date, will not be affected by the means testing changes.

Changes to the entry contribution for residential aged care

All people entering aged care residential facilities who have assets over $40,500 are required to pay a lump sum entry contribution (or bond). The entry contribution is set by the provider and is typically around $350,000 - but has been as high as $1 million for "non-supported residents", that is, retirees with assets greater than the upper asset threshold (currently $108,266 – increasing to $153,905 from July 2014).

Residents entering accommodation after 1 July 2014 can choose to pay their entry contribution through a fully refundable lump sum payment, via periodic payments, or a combination of both. Periodic payments are calculated by applying a government-determined interest rate (currently up to 8.37%) to the value of the lump sum.

Providers will not be allowed to choose between people on the basis of how that person intends to pay, and residents will not need to decide between a lump-sum or periodic payment until they have entered care.

Residents will have a "cooling-off period" under the new rules, and providers will need to seek approval from the Aged Care Financing Authority for the level of accommodation payments they charge. The lump sum payment will continue to be exempt from Centrelink means testing while it is held by the accommodation provider.

(On top of these costs are any extra services that can be purchased by private arrangement - whether or not you are living in retirement or nursing homes.)

Changes to funding for home care packages

In 2011, the Government received applications for home-care packages at a rate of almost 20 times the number available at the time. The 2012 budget provides for a significant expansion in the number and level of home-care packages, from the current 59,876, to almost 100,000 by 2017.

As in the reforms for residential aged care, the changes to means testing will result in an increase in recipients who will be required to contribute more to the cost of their care.

The basic fee for home-care packages is up to 17.5% of the single basic pension (currently $8.69 per day or $3,171 per annum.) The introduction of a new income test from 1 July 2014 for home-care packages will mean that full age pensioners (those with incomes less than $23,543 for singles and a combined couple's income less than $36,500) will not pay the income tested 'care fee'. Part pensioners (earning less than $43,186 for singles (and $66,134 for couples) will pay the income tested 'care fee' of up to $5,000, indexed annually.

Fully self-funded retirees will pay up to $10,000, indexed annually to CPI. This is up to $27.40 per day that is currently being paid largely by the taxpayer.

Aged care strategies

In strategic advice to clients, we often consider and recommend the strategies outlined below. However it's important to bear in mind that this is general information and the particular strategies might not be relevant to you. Please ensure that you speak with your financial planner before making any changes to your finances.

Renting out the family home

This is a classic strategy that should become more attractive under the new rules. This is to retain the family home to earn rental income, and pay the accommodation payment in instalments (rather than selling the home and making the payment in full).

Under the rules, the home can remain exempt from the assets test (except for entry into a nursing home) and the rental income would not be income tested if the resident pays some of the accommodation charge via instalments.

As always there are a number of important considerations with implementing this strategy. For example, regarding the home, people need to weigh up the interest charged on their instalments against the likely rental income and other merits and potential risks of keeping the home.

Bonus bonds

The long-running "bonus bond" strategy has been to negotiate with the nursing home to pay a higher bond in exchange for reduced ongoing care fees. The advantage for the resident is that money tied up in accommodation bonds is not counted towards the assets test for the age pension.

There is now disagreement among experts as to the full effects of this measure, however the attractiveness may be reduced by the reforms because providers will no longer be allowed to keep a portion of the accommodation payment. The strategy focus may need to change to minimising a resident's assets before entry into aged care.

In conclusion

All indications are that there will be increased costs for part-pensioners and self-funded retirees needing aged care in the future. This highlights the need for clients to plan ahead and establish a firm relationship with their financial planner to help make sense of this complex system.

If you have any questions about aged care or you know someone who you think might benefit from advice, please contact your Profile financial planner.

VOLATILITY AND INVESTMENT RISK

By Sarah Abood, CEO

There's been a lot of talk about volatility in investment markets recently. Ever since the GFC kicked in, each month seems more volatile than the last! We talk about volatility a lot in markets, because the majority of the investment management industry equates risk with volatility – that is, a risky asset is considered to be one which has highly variable (or unpredictable) returns.

Why is this relevant for investors? In order to construct an investment portfolio for a client, most planning firms first attempt to assess your tolerance for volatility (often using a 'risk profiling' tool). They then invest your funds in the most volatile portfolio they think you can psychologically tolerate. We think this is a poor way to quantify and manage the real risks faced by investors!

The problems with volatility

All volatility is not equal

In the standard models, an asset which suddenly appreciates is considered to be just as risky as an asset which suddenly loses value – that is, all volatility is considered to be equally bad, whether you are gaining or losing money. However for most clients, the risk of an unexpected loss is much more troubling than the risk of an unexpected gain!

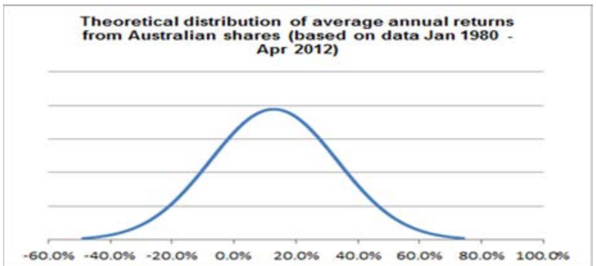
In addition, this 'all volatility is equal' approach is simply incorrect – because to recover from a given percentage loss, you need to achieve a proportionately larger gain. For example, if you suffer a loss of 50%, you need a subsequent gain of 100% to recover your original balance.

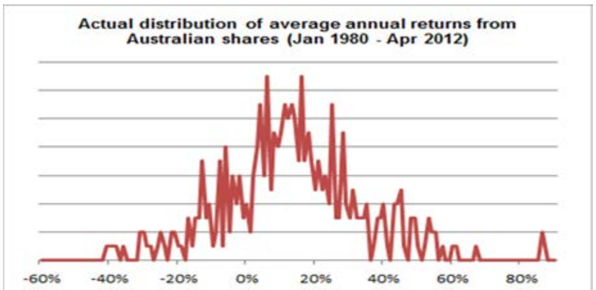
Volatility doesn't indicate the real risks of a specific investment

There are many real risks you must consider when contemplating an investment in a specific asset. These include default risk (a security issuer may not make promised payments), capital value risk (the market price of an asset may fall), liquidity risk (you might not be able to access your capital when you need it), foreign exchange risk (the value of the currency the asset is valued in could move unfavourably relative to your home currency), inflation risk (the return received from an asset may be eroded by inflation) – and so on. And yet the volatility of an asset often bears little relation to these factors - so volatility is a poor gauge of the real underlying risks of a particular investment.

Volatility is hard to predict

Assuming the future will look like the past (which as we know is dangerous!), many managers try to make predictions about future volatility by fitting standard statistical models to historical data. However, as many hedge funds have discovered to their cost, there are many problems with trying to fit investment returns to "normal distribution" curves. Most investors by now have heard of the phenomenon of the 'fat tail' – that is, large losses can sometimes occur much more frequently in investment markets than statistical theory predicts.



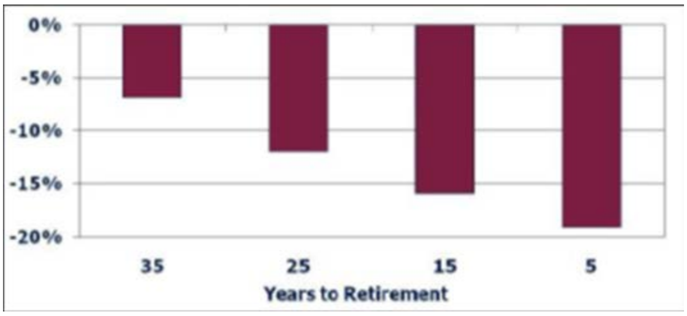


Source: Bloomberg. Data uses monthly returns of the All Ordinaries (Accum.) Index, from Jan 1980 to April 2012. The average annual return for the period was 12.84%.The maximum return was 86%, and the minimum was -42%. Of the 377 one-year return periods, 89 (24%) were negative.

Volatility ignores the importance of timing

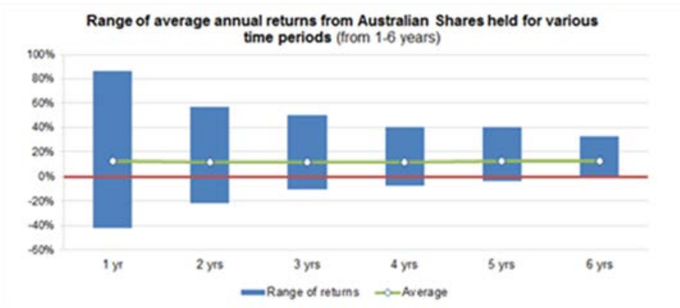
A large loss suffered when you are already drawing income from investments, or will be retiring shortly, is much more damaging than the same loss suffered many years before funds are needed. And yet standard risk profiling approaches don't take account of when investors will need to access their funds.

Impact on lump sum at retirement of a 15% negative return



Source: Schroders (Achieving Real Returns); DataStream; Chantwest. The chart shows how a 15% negative return can differently impact investors at different stages of their investing lifecycle. For example, an investor with 35 years to retirement, would have final capital value reduced by 7%. However an investor with only 5 years to retirement has final capital value reduced by almost 20% Short term downturns impact both current capital, and the long-term effect of compounding returns.

In addition, volatility is often quoted over quite short-term periods (such as monthly or annually), which ignores the holding period that's relevant to the individual investor. Volatility for assets such as shares, while high in the short term, often reduces dramatically if held for longer periods.



Source: Bloomberg. Data uses monthly returns of the All Ordinaries (Accum.) Index, from Jan 1980 to April 2012. For each holding period shown, the average annual return is calculated using monthly performance data. For example, there were 317 possible six-year holding periods in the period Jan 1980-Apr 2012. The highest average annual return over that period was 31% pa, the lowest was 1.7% pa, and the average was 12.5% pa.

The fallacy of frequency

It's common to hear that shares are more volatile than property. This is true – but shares are valued not just daily, but hourly, and sometimes minute to minute! Of course when an asset is valued frequently its price will change frequently –because not just the underlying value of the asset, but also market demand and supply for that asset, are being constantly monitored and incorporated in the price. If direct property were valued on that basis and as frequently, it's quite possible that it would appear to be just as volatile as shares.

Real risk is not relative

Most fund managers measure their performance compared with the underlying asset class in which they invest. So if their fund delivered a higher return than the market, while exhibiting lower levels of volatility, they congratulate themselves on outperforming. However they may still have delivered negative returns –a big concern for most investors.

Theoretical "risk tolerance" does not predict investor behaviour

In our experience, psychological profiles of investors' risk tolerance are very poor predictors of how people actually behave, and how satisfied they will be with their investment returns!

The problem? Most risk profiling tools assume that people have a predictable, consistent and logical approach to investment risk. But in reality we are all subject to irrationality and bias! Just some of the many inconsistencies that studies have found are listed below[1].

- The herd affect. We are very influenced by what other investors are doing, particularly people close to us. As a result we get blinded by noise and buy when others are buying, and sell when others are selling. Perhaps because of our innate desire to fit in, or in the belief that so many people must know something we don't?
- Cognitive dissonance. We ignore or discount information that suggests we are wrong, and seek out information that suggests we are correct. This can lead to us selling winners too soon (to confirm we were right) and holding on to losers too long (to avoid admitting we were wrong).
- The illusion of knowledge. We think that recent events indicate trends - even though they may be random outcomes.
- We are poor judges of probability. For example, we tend to overweight low probabilities of winning - many prefer a 1% chance to win $1,000 over a $10 gift. Perhaps this is the secret of the continuing appeal of lotto?
- We are too fond of immediate gratification. Most people choose receiving $50 now over receiving $100 in 2 years – giving up over 40% returns!
- We don't treat all money the same. Many people will take much larger risks just after they've made a large gain ('found' money) or a large loss (to recoup).
- Status quo or attachment bias. We tend to prioritise current assets, and we require much stronger evidence to sell them than we'd require to avoid an asset not already held (well beyond considerations of transaction costs or tax). A version of this is sunk cost bias, when we tend to keep poor quality assets for too long in the hope they will return to their original value before we sell them, even when better quality investments are available.
- Over-confidence. Most investors rate themselves as above-average in their investment judgements (a similar effect is well-documented with our assessment of our driving ability!)

The result?

As a result of all these factors, typical investment risk management strategies are incompatible with client's goals. Portfolios are managed primarily to reduce volatility risk instead of reducing the actual risks to the client. As a result clients are dissatisfied with their investment returns –with "aggressive" investors still not happy losing money, and "conservative" investors disappointed at missing out on strong market gains.

A better approach to risk

Unfortunately there are no guarantees in investing and risk will always exist! But in Profile's view, risk is not primarily about volatility. **Risk is the chance that an investor's objectives may not be met.** So at Profile, managing risk is not about reducing the relative volatility of a portfolio - instead, our focus is on helping clients define their goals in a structured way, and then managing their assets to provide a higher degree of certainty that those investment objectives will be achieved. How we do this depends on whether a client is mostly drawing income from their investments, or mostly accumulating assets.

The Goldilocks approach to risk – not too hot, not too cold!

Our first step is to work with clients to group their goals into timeframes This approach is particularly relevant for retirees who need to draw income from their funds. Any funds that will be needed in the short-term are invested in capital guaranteed assets like TDs and cash. If money isn't required for several years, then some level of market risk can be taken on, albeit cautiously and with a strong focus on downside protection.

Because short-term needs are catered for in cash and TDs, if markets fall, clients can afford to ride out some limited volatility. Finally for assets that are not needed for many years, commensurately more market risk can be taken on, because funds needed earlier are more conservatively allocated.

Of course a really prolonged bear market will still damage a client's portfolio, however the risks are reduced because clients have not been forced to cash in substantial assets at a loss.

For an accumulator who does not require their funds for many years, the focus of managing risk changes. Instead of looking mostly at when the funds are required, we work with the client to understand how much money they will require once those assets are needed to start funding lifestyle. Then, given what the client can afford to contribute along the way, we calculate the return the client will need to earn in order to achieve their goals. If a client only requires a low return, then the majority of their assets can be invested in no or low risk assets. However if they need a higher return, then more assets will need to be invested in more volatile assets like shares.

Integrating investor psychology with goals and financial capacity

Logically, we should take on enough risk to achieve our realistic goals – but we shouldn't take on more. However as noted earlier, as investors we do not always act rationally or consistently! We might be greedy (wanting the chance to earn higher returns than we need to) or fearful (not wanting to risk losing capital even if we need to earn higher returns than are available from cash). And our orientation can change depending on many things, such as what has recently happened in markets. It's part of Profile's job as wealth managers to recognize this and build an investment strategy for the client that they are happy with, has a high chance of meeting their goals, and won't bankrupt them if things go wrong!

Suppose a client wants to have more invested in volatile assets than they strictly need to, because they want the chance of generating higher returns. Then we ensure that sufficient assets are conservatively invested to protect their lifestyle and meet their goals, and only take on extra risk with funds that the client can afford to lose if things go badly.

Conversely if a client doesn't want to take on as much investment risk as their goals require, we work with them to adjust their investment goals to fit with the lower returns more conservative assets are likely to generate.

Finally, of course, things change. Our personal circumstances, our psychology, and goals can all change substantially from year to year as life throws us challenges and opportunities. For this reason it's very important to review your investment strategy regularly so that it can be adjusted to suit the changing times.

[1] There are many sources for results of studies of investor psychology, the summary in the article is adapted from Nofsinger J (2001), "Investment Madness", Prentice Hall, New Jersey.

1928 Rolls Royce Springfield Phantom

CLIENT PROFILE– Ken & Margaret French

The spotlight for this quarter falls on a lovely couple and long-time Profile clients, Ken and Margaret French, who despite their own beliefs that they have had "mundane lives", have a unique and adventurous past.

Like many young men at the time, in 1947 Ken left school at 16 to take on an apprenticeship, which he hoped would lead to a career as a watchmaker. Unfortunately his "time" was cut short due to difficulties with his eyesight – but having learnt the value of time he wasted very little of it in finding a new interest in upholstery!

Ken was clearly very talented and quickly became a specialist in refurbishing the upholstery for automobiles and antique furniture. For our clients who are car enthusiasts, Ken spent many hours upholstering popular cars such as a Minova, an Austin-Healey Sprite, a 1930 Dodge, a 1928 Rolls Royce, an Alvis and a Maserati.

Ken continued his career working for the Post Master General as a trimmer, before making a dramatic career change at 32 years old and joining the Commonwealth as a Police Officer. At this point, Ken had met Margaret and they had just begun a family, when Ken was sent to Cyprus as part of the United Nations Police. He left behind his 2-year-old daughter and Margaret (who was 5 months pregnant with their second daughter) in order to assist the peacekeeping efforts on the other side of the world.

After his time in the Mediterranean, Ken was offered a new posting in Belgrade, Yugoslavia at the Australian Embassy. This was a slightly longer placement (2 years) which allowed Margaret and the girls to join him. Ken wanted to take full advantage of their time overseas, so he purchased a Volvo and took the family on several driving trips around the country.

Their adventures continued in Port Moresby, Papa New Guinea, where Ken was the senior security officer in the Australian High Commission. Margaret recalls her time as pleasant, and she was rarely concerned about their safety. Perhaps because upon their arrival Ken was given Dino, a highly trained Rottweiler, who was always either watching over the house or accompanying Ken on special errands.

After 2 extended stints in Port Moresby, Ken and Margaret returned to Australia where Ken continued his work for the Commonwealth/Federal Police, eventually earning the position of Acting Inspector.

Throughout their employment, Ken and Margaret had the privilege of meeting world leaders such as: President Josip Broz "Tito", Prime Minister Michael Somare, Queen Elizabeth and Princess Margaret, to name a few.

After over 30 years of working for the Commonweath, Ken retired. But his working days were far from over! Ken rekindled his love for upholstery and started his own business with significant assistance from Margaret. They enjoyed their early 'retired' years working on upholstery projects until health issues took priority. However, watching their health has not prevented Ken and Margaret from enjoying their adventurous lifestyle. They recently fulfilled a lifelong dream and travelled much of England and Scotland, reconnecting with their long lost ancestry.

Throughout all their travels and adventures, Ken has remained dedicated to his membership to the Masonic Lodge. He stressed that this organisation does not provide any monetary gain but instead personal development and self-determination. Like Ken has done his entire life, he worked exceptionally hard in his 56 years of membership, progressing to the highest degree.

Ken and Margaret are still very active. They travel Australia attending United Nations Police Association events, and also plan to take a train journey around southern Australia in the next couple of years.

GETTING TO KNOW THE TEAM AT PROFILE:

Sharon Cruickshank

Sharon joined Profile in August 2011 as Receptionist, based at our North Parramatta office. Having grown up in Merrylands, Sharon still considers herself a local, even though she now resides at the bottom of the mountains in Emu Plains.

After completing high school, Sharon undertook a Day Secretarial Course at North Sydney TAFE - and thus her working career began. Sharon's first position was with the Industrial Design Council of Australia where she was involved in assisting with the organisation of panels to assess Australian products, with the view of these products obtaining the Australian Good Design Award.

In her career Sharon has had the opportunity to work in some well-known organisations including GIO, Westmead Hospital, Arnott's Snack Foods and the Professionals Real Estate Group. Prior to joining Profile, Sharon worked with another financial planning organisation for 18 years. Her roles during this time covered both administration and client services. Sharon has completed three of the four courses required to obtain her Diploma of Financial Services and is hoping to complete the last course in the near future.

What Sharon enjoys most in her work is the contact with clients, and being able to assist them as much as possible. She says, "I like the family feeling within Profile, not only with the staff but also with the clients. It is such a joy to come into work each day. I have been working a long time and it is nice to be working for an organisation which holds their clients and staff in such high esteem".

Sharon has three children - Mark, Kellie and Johanna. Her older two are married with children of their own. Her youngest daughter Johanna has just started high school, which is proving to be a big challenge for both Johanna and Sharon! Being the grandmother of six beautiful grandchildren is one of Sharon's great joys in life.

When away from work Sharon likes to spend time with her daughter Johanna and her grandson Blaise who also lives with her. When able to find a little time for herself, Sharon likes to read and knit, however this does not happen as much as she would like it to....

PROFILE FINANCIAL SERVICES PTY LTD
Level 8, 261 George Street, Sydney NSW 2000
63 Sorrell Street, North Parramatta NSW 2151
PO Box 2500, North Parramatta NSW 1750
T: +61 2 9683 6422 F: +61 2 9683 4658

admin@profileservices.com.au
www.profileservices.com.au