



WHAT IS A CARBON FOOTPRINT... REALLY?

By now most people have heard the term 'carbon footprint' spruiked throughout the media, but do you really know what a carbon footprint is?



lifetime. Usually this is measured in terms of equivalent tonnes of carbon dioxide produced. This general definition can also be applied to determine the impact of an individual, an organisation or company, or a country.

What size is your carbon footprint?

Pretty much everything we do has the potential to produce carbon dioxide—including driving a car and heating our home or workplace. Even the food we eat and the clothes and shoes we wear would have produced some carbon dioxide from being processed and transported to the sales outlet.

If you are concerned about how your actions are affecting the planet, there are a number of calculators available online to assess your carbon impact. Websites such as www.carbonconscious.com.au and www.carbonfootprint.com have comprehensive free calculators that help you to understand your current position. Once you have this information you can take action to reduce your personal carbon footprint.

A simple explanation

Human activity is increasing atmospheric levels of known greenhouse gases such as carbon dioxide and methane. These form a blanket around the earth trapping heat, a process known as the 'greenhouse effect', which experts believe is linked to global warming and climate change.

The carbon footprint, as the term denotes, is the impression that these gases leave behind in our atmosphere. Estimating a carbon footprint seeks to highlight the volume of greenhouse gases produced by a particular activity or a product over its

Steps to reduce your carbon footprint. Here are some helpful ways to get started.

- Consider connecting your home and business to a 'green' energy source, such as solar power, wind and biomass. Details of the 'green' products on offer across Australia can be found at www.greenpower.gov.au
 - When offered, purchase carbon credits to help offset the impact of greenhouse gases. There are many schemes available, some are government certified and others are not, so do your homework. Check out sites such as www.climatechange.gov.au, www.carbonpower.com.au and www.carbonconscious.com.au for more information.
 - Recycling paper, tins and plastic items makes a good impact. Swapping unused items, or reducing the number of items you purchase, can also lessen the load on Mother Earth (and help your budget too!).
 - Turn off power switches and appliances when not needed, use energy efficient globes and have adequate home insulation to reduce electronic heating or cooling.
- So it's quite simple really. Now you know what size your carbon footprint is, enjoy the process of reducing it and do your bit towards saving our beautiful planet.

GETTING THE VERY BEST OUT OF EQUIPMENT FINANCE

PFA are specialists in the area of equipment finance. Each year they average in excess of \$150 million worth of this business alone.

The benefit of equipment finance means you can preserve your capital by providing 100% finance (including GST) and your property doesn't need to be tied up as additional security. It's also very quick to arrange and to make drawdown funds available so that you can get on with your business.

Whether you are a start up company, an established large business or fit somewhere in between, this is an area where PFA can really help. We handle deals from \$5000 to multimillion dollar transactions across all industries, all types of equipment and all business structures.

The key to our success lies with our experienced staff who are dedicated to our clients' needs. Unlike some banks, our professional, dedicated team remain constant and can stay abreast of your business and your changing financial requirements.

This also means we have built up long term trusted relationships with an extensive panel of financiers, and our buying power has grown extensively. So we can find the best options to save you money and give you the greatest flexibility.

We find you the best deal by discussing and assessing your funding needs, financial capacity and capital requirements. We continue to actively work to make it an effortless process by completing and submitting your application, negotiate final approval, terms and conditions, prepare all finance documentation, arrange signing at a time that suits you and submit all the necessary paperwork for final settlement.

We even follow through to make sure the chosen supplier transfers all the agreed funds in a timely manner.

We already have so many clients who have benefitted from equipment finance options. Take the time to consider it and perhaps it is perfect fit for you too. You will also find that, if you aren't already taking

advantage of the property and business finance services PFA have to offer, it is a perfect conduit into this range of services too.

To find out more about equipment finance, contact PFA on (08) 9321 2120



PFA SERVICES

Are you making the most of Pacific Finance Australia's full range of services? Did you know we also provided:

- Equipment and Finance Leasing
- Residential Home Loans
- Insurance Premium Funding
- Business and Corporate Finance
- Property Development Finance
- Commercial Property Finance
- Motor Vehicle Finance

With our range of services and expert staff, we can help you in every facet of your business and finance needs. Contact PFA on 08 9321 2120 to find out more.



IMPACT OF EXCHANGE RATES

Our Aussie dollar moves up and down against the US dollar, euro, pound and yen daily – but what does it all mean and how does it affect everyday Australians? Here is a simple explanation of the impact of different exchange rates.

Imagine you wanted to buy an MP4 player online from America. You have Australian dollars, so you have to make two purchases (we will ignore transaction costs in these examples) – firstly, you buy US\$ and then you buy the player. If the exchange rate of the Australian dollar is, say \$1.02, you would need to spend less Aussie dollars to buy the US dollars so the player would cost only \$98 (US\$100/\$1.02).

However, if the AUD dropped to 98 cents, you would have to spend approximately \$102 (US\$100/\$0.98) to buy the US dollars before buying the MP4 player.

In other words, to convert overseas currencies to Australian dollars, always divide the other currency by our exchange rate.

So a higher exchange rate means goods bought overseas cost less. This is good for consumers but it puts pressure on local industries that have to compete with cheaper imported goods.

There's always another side
Movements in exchange rates work the other way for exporters – they like it when the exchange rate is lower. Let's imagine you write software programs and sell them to customers in America for US\$100. Once you have sold a program you want to bring the money back to Australia. If the exchange rate were \$1.02, you would receive only 98 cents for the program. If the exchange rate dropped to 90c you'd end up getting \$111.

(This doesn't take into account bank charges on the exchange and transaction.)

This is why farmers and miners who sell their products overseas don't like it when exchange rates rise – their incomes fall.

In a global economy there are many forces impacting on exchange rates and the experts say no country can control the ups and downs. The movements and the impacts are something governments, consumers and industries have to learn to live with.

Nothing is this simple in practice, though in general terms there are always winners and losers from an appreciating Aussie dollar.

We hope we've made this much easier to understand.



Impact of an appreciating Aussie dollar

Winners

- Consumers of imported goods like cars, computers and clothing.
- Motorists – from lower petrol prices (notwithstanding other impacts).
- Australians travelling overseas.

Losers

- Exporters like farmers and the mining industry.
- Local tourism operators because the prices of Australian holidays will rise for overseas travellers.
- Australians investing overseas because their returns will be worth less in Aussie dollars.

TEAM BRIEF MARK DIDCO DIRECTOR PACIFIC FINANCE AUSTRALIA

I am one of five Directors at PFA and have been with them since February 1994 – 17 years certainly goes very quickly when you are doing something you enjoy! My role with PFA is to service my client base but I also have other duties that comprise some administration and some compliance elements – the latter being a very complex area and one which PFA take very seriously. However I still have time to actively look after my clients, as this is an element of my role that's really important to me.

I'm originally from WA, and have spent most of my working life in this industry, which has given me the ability to have worked my way up and honed my skills along the way. I started out as a settlement officer with another finance brokerage and gradually worked my way through to becoming a finance broker looking after my own client base.

During this period I spent a couple of years working as a Manager of a regional office in Kalgoorlie, which really gave me hands on experience second to none.

As well as developing professionally, it's also allowed me to see firsthand the changes in WA industry over time. I actively service clients in all industries including mining, transport and engineering and I endeavour to maintain a close eye on the WA market.

The best thing about working at PFA is the relationships I get to build at all different levels, from CEO's of large organisations, to husband and wife teams. We emphasise communication as key, and whilst this may mean delving in to a great deal of detail and information gathering initially, it means we can build our understanding of our clients' specific needs, and can maintain and adjust this as time goes on and the relationship grows.

It's also about great relationships with financiers. We ensure we give them good quality business and great leads and in turn, PFA are very highly thought of and we can get outstanding deals for our clients. To me, it is all about putting my clients first.



When I'm not at work, I enjoy golfing, motorsports and going to the races with friends – there is never a loss of things to do on the weekends. Sunday in our house is always family day, and I make the most of my time off with my wife and my two very active boys. Often it's back to work just for a rest!

If I can help you with Equipment Finance or any other specific financial needs, you can reach me on 9321 2120, or email markd@pacificfinance.com.au.

CLIENT FOCUS – JASON JOHN, CEO FORCE EQUIPMENT

Force Equipment Service and Hire have been operating since 1987, specialising in providing and maintaining earthmoving equipment to locations all over Australia.

Based in Forrestfield WA, they also have branches in Kalgoorlie-Boulder, Port Hedland, Geraldton and five years ago expanded into Mackay QLD.

Each location has a workshop with fully qualified professional mechanics and boilermakers capable of anything from minor repairs and structural warranty work to complete overhauls on earthmoving equipment.

"From humble beginnings in the Goldfields of WA, our company has grown to be able to hire and service major equipment to a huge range of clients, including HWE, KCGM, Downer and many, many others," explains Jason John, CEO of Force Equipment.

Jason is optimistic about what the future holds for Force Equipment. "We have been involved in some extensive contracts in the past that relied on our expertise and experience that we are very proud of. Recently, this has included ancillary equipment for the Fortescue

Metals Group, and the provision of a complete mining fleet for the Edna May Goldmine in Westonia, east of Perth."

Jason is equally positive about the relationship Force Equipment has with PFA. "We've been involved with PFA for almost 23 years, and for 17 of those years, Mark Didco has been looking after us. We basically have two main relationships when it comes to our financial needs; our major bank for primary banking, and PFA, who we trust to handle everything else. Mark knows our business and our history and it is easy for us to deal with someone we have such a great relationship with."

"Looking forward, we are very excited about our opportunities to expand our workshop and boiler making facilities, as well as growing

our mining fleet," Jason continues. "So it looks like we will be calling on Mark and PFA just as much in future."

If you would like to know more about Force Equipment Service and Hire, visit www.forceequipment.com.au, or call them direct on (08) 9352 0600.



STOPPING UNWANTED PHONE CALLS AND MAIL

Do you realise that you don't have to put up with annoying phone calls at inconvenient times, or at all?

Federal legislation and self-regulation by direct marketers give you the power to control what type of phone calls you receive.

The scope of the Privacy Act was widened in December 2001 so virtually all businesses must have a privacy policy and adhere to principles relating to how your personal information is collected, used and kept safe. You have the right to know what information a business keeps about you and amend it if it is wrong. Businesses cannot use your personal information without your permission.

In addition, the Financial Services Review Act prohibits 'hawking of financial products'. The provisions are intended to prevent 'pressure selling' through unsolicited phone calls and meetings. Calls outside of the hours 8.00am to 9.00pm are prohibited, as are calls on Sundays and public holidays.

The Australian Securities and Investments Commission (ASIC) recommends you do not accept any unsolicited offers and deal only with registered Australian financial

service organisations.

They are required to make all offers to you in writing and to consider your personal circumstances and needs – something that cannot be done over the phone!

If you do get calls you don't want, you can stop them calling you again. You can do this by requesting the name of the company they represent and their contact details and asking to be removed from their calling list. Under national privacy legislation, they are not permitted to call you again.

A better course of action is to register your name on the Federal Government's "Do Not Call Register" at www.donotcall.gov.au, or calling **1300 792 958**, or writing to Do Not Call Register, PO Box 42, North Melbourne VIC 3051 with your details. If you continue to have problems, contact the Consumer Affairs office in your state or territory.

