Example Tracing Ledger

Illustrative example, not a real client. Six months, January to June.

Prepared by **Alex Gee**, Director & Mortgage Broker, Kingfisher Finance Group Updated November 2026

The Household

Home loan of $600,000, split into Home ($550,000) and Invest 1 ($50,000), with $50,000 of savings in offset. Invest 2 is opened for monthly recycling: each month $2,000 is paid off Home and drawn from Invest 2 straight to the platform to buy ETF B.

Ledger, January to June

Date	Entry	Paid off	Drawn	Income applied	Evidence	Deductible
1 Jan	Opening position				Statements	$0
2 Jan	Offset cash repays Invest 1	$50,000			Statement	$0
5 Jan	Invest 1 drawn, ETF A bought		$50,000		TR-01, CN-01	$50,000
3 Feb	Home paid down, Invest 2 drawn	$2,000	$2,000		TR-02, CN-02	$52,000
3 Mar	Monthly recycle	$2,000	$2,000		TR-03, CN-03	$54,000
1 Apr	Distribution paid onto Home			$500	D-01, TR-04	$54,000
3 Apr	Monthly recycle	$2,000	$2,000		TR-05, CN-04	$56,000
4 May	Monthly recycle	$2,000	$2,000		TR-06, CN-05	$58,000
3 Jun	Monthly recycle	$2,000	$2,000		TR-07, CN-06	$60,000
Totals		$60,000	$60,000	$500		$60,000

Position at 30 June

Split	1 Jan	30 Jun	Purpose
Home	$550,000	$539,500	Private
Invest 1	$50,000	$50,000	Private, then investment from 5 Jan
Invest 2	$0	$10,000	Investment
Total debt	$600,000	$599,500	Down by the $500 income applied

Assumptions

Scheduled repayments, interest, fees and brokerage are left out. Investment splits are interest-only, with interest paid from the everyday account. Invest 2 assumes a loan that lets limit paid off Home move to the investment split; some lenders offer this and policies vary. TR: transfer receipt. CN: contract note. D: distribution statement.

General information only. Illustrative example, not a real client, a forecast or a recommendation. We arrange lending (credit assistance only); your financial adviser recommends investments and your registered tax agent confirms the tax treatment. Questions? Call 0438 376 200 or visit debtrecyclingloans.com.au/contact/.