



February 2012 Newsletter

I hope that you have all had a refreshing break over the Christmas holiday period and are well into the routine of the New Year. We have hit the ground running and are in the process of searching for a new administrator/book keeper to assist Joedy in her role supporting David and Andy. Watch this space!

Please note that original articles from this newsletter are available by contacting the office.

A Super something in the December 2011 mini-Budget

Previously announced by the government, individuals earning up to \$37,000 will effectively pay no tax on their super guarantee (SG), or employer contributions from 1 July 2012. The Low Income Super Contribution (LISC) reform ensures that 15% contributions will effectively be refunded into their super accounts with refunds capped at \$500. This occurs without extra paperwork using data available to the ATO. The down side is that individuals who receive less than 10% of their income through employment or business will not be eligible. Entitlements will only be allocated if the LISC amount over \$20.

Greater initial deduction for Motor vehicles.

It was announced in the 1011-12 Federal Budget that small businesses may claim up to \$5,000 as an immediate deduction for motor vehicles with effect for vehicles acquired from the July 2012 onwards. The balance of the value will be depreciated as normal. These changes are similar to another allowing immediate write-off to any new business asset worth less than \$6,500 from July 2013 onwards.



Have you got something to skite about?

As promised, we are featuring what our clever clients are achieving in each edition of our newsletter. Daniel & Lauren Johnson run Metal Logic from a factory under the banner of Handyman Steel at Nellbern Rd, Moorabbin. Amongst his many talents, Daniel transforms 3D sculptures by artist Alexander Knox into reality, most recently this “creature” gracing the main foyer of the new Royal Children’s Hospital. Standing 15 metres tall, this project took six months just to fabricate and install at the hospital site and contains 9 tonne of metal. Not all work Daniel performs is this intricate – his passion lies in designing all sorts of garden and water features for individual clients and landscape design companies. He did a very good job on an outdoor table of ours a few years ago too! For all your metal fabrication needs contact craftsman Daniel Johnson on 0459 479 469.

Silver lining in an adverse market

Big businesses are rushing to downsize, divest or outsource non-core activities in the weak economic environment. Opportunities for small businesses are still available behind what it is perceived as adverse business conditions. With the big guys chopping off non-core activities and back office functions, small businesses, due to their scale, often have the efficiency to perform these core activities and functions at lower cost. This can be a very attractive opportunity to build a new revenue source or expand markets catering for large businesses. Tough economic conditions are also a trigger to help clients to improve relationships and identify new opportunities. As big business faces difficult trading conditions, they may make changes in the way they operate and open up opportunities to supply different products and services to accommodate the changes.

Remember those projects that didn't get completed last year...

My number one tip is to hold a weekly project meeting to ensure that all team members are on the same page. Keep it short - we often do ours standing up to ensure that there is no time wasting. We call it 10 (minutes) at 10 (o'clock). With a small team, it creates accountability, maintains a timeline, gives you an opportunity to deal with an issue before you invest much time in a project to find you need to change course or it's not worth the bother. Schedule your meeting at the same time each week to ensure no conflict with existing commitments. Make an Agenda and write down what has been agreed to. Make everyone the CEO of something with short term goals and tight deadlines so they can contribute each week.

BankLink demonstration in May

Our business clients are using BankLink to enable ease of coding and reporting. As added support to our clients, we have arranged for Aris Liacopoulos from BankLink to attend our office and demonstrate how best to use the software. He will help you become more familiar with how the program works and show you tips and shortcuts for faster processing plus new product features. Contact the office to express your interest in the 2pm or 7pm hour long sessions on Tuesday 15 May 2012 to obtain some ideas from our expert guest speaker.

Seminar dates for your diary....

Late last year, we launched a new ***Business Growth Seminar*** and we are presenting another on Tuesday 6 March at 7pm. Regardless of whether you are an established business or considering starting up a business in the next couple of years, information contained in this presentation will be relevant. Update your knowledge about business planning and what is required to obtain finance, keep on top of your cash flow, learn about small business Capital Gains Tax concessions, hear about maintaining records and why they need to be kept in good order, as well as attending to Insurance and Superannuation issues. Addressing the pros and cons of different trading structures will help you understand why you may need to change structure and when including ongoing business planning for taxation advantages.

Always popular is the ***Self Managed Superannuation Fund Seminar*** which is being run on Tuesday 20 March at 7pm. If you are in a position of inheriting a lump sum, getting a retirement payout or simply wish to be educated about your best possible tax options, come along and find out what is possible with current tax legislation regarding Superannuation. Many of the concepts are able to be used whether or not you have a Self Managed Super Fund. A useful take home package of notes (translated into plain English by David) will cement what you have learnt on the night and the opportunity to ask questions of David over supper afterwards is invaluable while fresh in your mind.

Register your interest by contacting Joedy at the office on 5422 6480.

Our energetic, knowledgeable and caring approach gives peace of mind.

If you need further information or to discuss your specific circumstances, please call David or Andy at our office.

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