



September 2011 Newsletter

Given that this is the Spring edition of our newsletter, we look at what you can do to prepare yourself for the new financial year. We've come up with some practical suggestions on how you can reduce your accountancy bill as well as create valuable information for taxation and business planning.

Attention Business Owners Providing Credit to Clients

If you supply any goods on credit or hire to anyone the new Personal Properties Securities Act that commences in October 2011 will have a major effect. This law supersedes virtually all existing law regarding about who gets first priority to assets and money when a customer goes into liquidation. It is a huge change that will leave you out of pocket if you do not register your interest correctly on the single national register. Retention of title clauses in contracts is no longer enough! Please contact us for further details so you can protect your business.

Get a Tax Deduction for Gifts to your Staff and Families

Minor benefits with value of less than \$300 (inclusive of GST) are not only exempt from FBT (Fringe Benefits Tax) but can be fully tax deductible!! This applies to gifts that are infrequent and irregular; definitely under 5 per annum and up to 10 per year circumstances permitting. Examples include birthday presents or a gift to an employee on the birth of a child. This provides opportunities to business owners and their family members who work in the business to claim some private expenses as taxation and GST deductions. If you give employees alcohol make sure it is not consumed on site as this changes the taxation treatment and will turn it into an entertainment fringe benefit!

Thinking of selling your business and want to get the proceeds tax free?

Selling the business or assets used in the business such as farms and offices has capital gains tax implications. Do you know that there are a range of concessions available to the small business owner to minimise or totally avoid capital gains tax? With the right advice and planning you can significantly reduce or even eliminate tax. This is a classic case where structuring your business to get optimal access to these benefits creates a financial windfall. We get great pleasure from demonstrating to our client group how they can access these advantages, often saving them large amounts of money. The regular attendees at our seminars will be familiar with this theme. We are here to help and guide you through the process – we live up to our motto “Focused Financial Guidance”.

Business Growth Seminar date for your diary....

We feel that there is a gap in understanding of small business issues for our client group so we are putting together a “Business Growth Seminar” to be launched on Tuesday 18 October 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. Put yourself in the best possible position to obtain finance, keep on top of your cash flow, maintain records (& why they need to be kept in good order) as well as attending to Insurance and Superannuation issues. We will also address the pros and cons of different trading structures to help you understand why you would need to change structure and when. This includes discussion regarding the benefit of ongoing business planning which we excel at. Register your interest by contacting Joedy at the office on 5422 6480.

Have you got something to skite about?

Our clients are a private unassuming bunch but often achieving successful things! From now on, we will be featuring in each newsletter one of our clients that has made a significant mark in either their business field or in their private lives. It is important to note in order to keep motivation in your working life, that your weekend interests require nurturing as well! This month's feature is listed below.

ARB Bendigo - Winners are Grinners!



Bendigo driver & navigator team headed by Greg Scanlon of ARB Bendigo has won the Tigerz CliffHanger, considered to be Australia's toughest 4WD event. The Kangaroo Flat business owner and his service manager and regular navigator Liam Nunns were victorious in the 7 day event; topping 23 teams at Tambua Station, near Cobar. With 14 hour driving days in a highly modified Nissan Patrol, the pair cemented their status as *The Best Navigational Winch Challenge Team* in the country after winning an earlier Outback Challenge. Greg's weekend passion finds them travelling all over Australia to compete. If you have a thirst

for adventure and are interested in setting your vehicle up for some off road travels around this beautiful country of ours, approach Greg and his team directly for high level advice and expertise on 5445 7100.

If it looks too good to be true, it usually is... (US Property)

Schemes promoting properties at 70% reduction of the original price prior to the GFC are very common. We have dual income, no kids' friends that relocated to California some years ago and have built up a property portfolio during that time. They concede enormous pitfalls unless you were actually on the ground and investigate each property, know the suburbs and able to source good legal advice. Michael Yardney from Smartcompany says the reasons not to invest in the US property market include: – massive unemployment of 9.1% (more in the areas where you can purchase these properties – how will they pay your rent?), unhealthy economy, huge oversupply of vacant properties, more foreclosures forecast in the next 5 years, not to mention currency risks, tax and management issues. Culturally, rent is collected by the property manager in cash!!! DON'T DO IT! Let us know if you want a full copy of his article.

Want to reduce your accountancy bills?

Then reconcile your records to your bank account. When your book keeping records agree with your bank account, it demonstrates that you have a good degree of accuracy and we don't have to go searching for missing information. This allows us to get on with our real job of helping your business to grow and taxation planning. The BankLink software program helps with this by directly downloading an electronic statement and can automatically match and code payments to regular customers and suppliers. We can then use last year's data to set up the current year's budget. It is inexpensive to register and very easy to navigate.

Stop thinking yourself to death...

Michael Licenblat writes articles regarding resilience and managing stress. His article titled "stop thinking yourself to death" resonated with us and had some good ideas for our clients. Two essential processes are required to achieve success in any field of business which is *getting things right* (correct) and *getting things done* (volume). *Correctness* produces accuracy in results, attention to detail and exceptional customer service. *Volume* creates business cash flow, building client relationships and delivers on promises. Your business needs both. They are not mutually exclusive but the sole pursuit for one process will come at the expense of the other. You can register to receive his newsletters at www.BounceBackFast.com.

How are your Shares going?



In mid July we hosted two briefings for 25 attendees at our office in Kyneton with Evans and Partners, located in East Melbourne. We were fortunate enough to have Mike Hawkins (Chief Investment Officer) as speaker supported by two investment advisors that we work closely with; Daniel Parasol and Paul Benveniste (both of them pictured with David Gibney). Mike is an analyst who spoke about

his forecast for the future both domestically and internationally. His refreshing views were targeted towards those who have an ongoing interest in this area either through existing investments in their Self Managed Superannuation Fund, in their own name or who are about to set up an account. If you are interested in investing, please let us know and we will put you in touch with them. We do not have trailing commissions in our links with this firm or any other firm.

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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