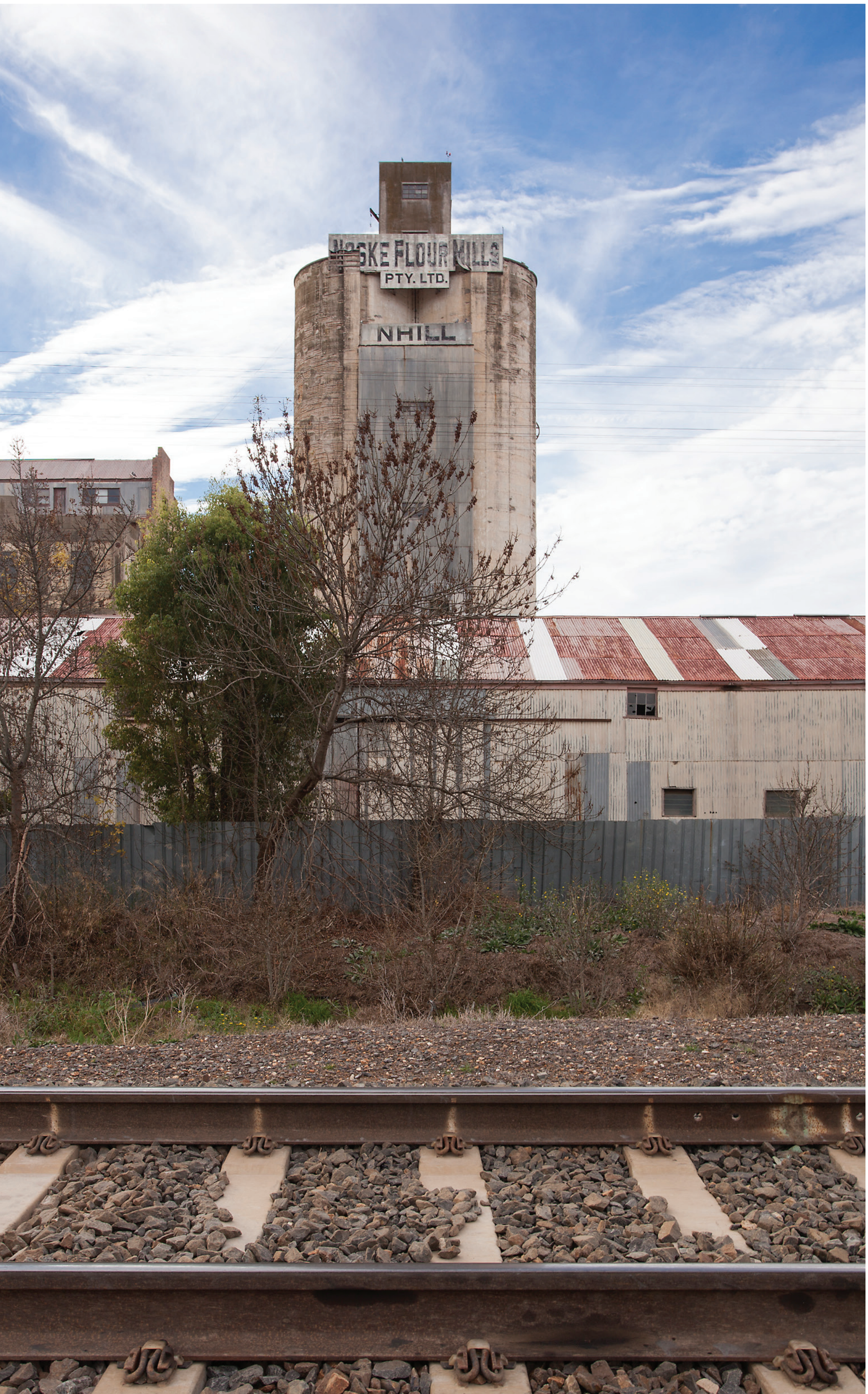
Chartered Accountants

GREENTAYLOR PARTNERS

2015 JUNE

Quarterly Newsletter

Green Taylor Partners



This addition

Also in this issue

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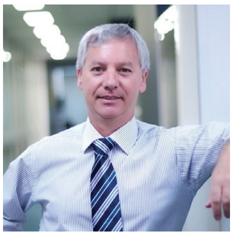

Achieving stability in a volatile marketplace

David Hadley

Today's marketplace operates at breakneck speeds. In almost every segment, a customer can have a change of heart and a new priority overnight. Keeping pace with technology, innovation, competition and fulfilling customer's desires can leave a business owner breathless.

However, one thing that will never change is a customer's desire for an excellent product and excellent service.

Achieving and managing excellence throughout your entire organisation will give you a leg up in the race for customers.

This can be challenging when your relationships with suppliers, distributors, employees and customers can change so quickly. Small businesses typically have limited resources and can often get swept out of the marketplace because of rapid changes in technology and customer tastes.

A commitment to excellence is great equaliser between small and big companies.

In fact, smaller companies are often better at achieving excellence because there is less bureaucracy, better teamwork and more personal contact with customers throughout the organisations hierarchy. Consider your business for a moment.

- Do you have an explicit commitment to quality and customer satisfaction?
- Is it written down and expressed to your entire team?
- Do you have clear processes and systems for handling customer complaints?
- Similarly, is there a way for customers to give you feedback?
- Do you encourage customer suggestion?
- Does your entire team share an enthusiastic and genuine commitment to delivering an excellent product and superior customer service?
- Does your team consider it the number one priority?

It's very likely your team probably has scores of ideas on how to improve customer service in these areas. Encouraging their ideas is a great way to motivate the team and often produces low-cost enhancements to your business.

2015-16 Budget Summary

Chris Foster

On 12th May 2015 the Federal Budget was delivered. Although there is much water to pass under the bridge until any legislation is passed, there are a number of taxation proposals that if legislated, will benefit you over the coming years.

Some of the more relevant ones are listed below together with any action that should be considered:

Small Business Entities (Aggregated turnover less than $2m)

From 1st July 2016, small businesses with an aggregated turnover of less than $2m will be able to change their trading structure without attracting a capital gains tax liability providing the same owners are maintained.

Action:

- Possible deferral of trading structure change until 1st July 2016

From 12th May 2015 to 30th June 2017 small business entities with an annual turnover of under $2m will be able to immediately claim a tax deduction for assets costing less than $20000 GST exclusive. This means that an asset costing $22000 or less GST inclusive can be claimed as a 100% tax deduction in the year of purchase. This threshold was previously $1000 GST exclusive.
Equipment, vehicles and other capital expenditure items are included. Note that a vehicle which is not 100% business use will not be able to be totally written off under this proposal. It will be the business proportion that will be eligible.
The balance of any small business asset pools under $20000 can also be written off entirely.

Actions:

- Asset purchase plans need to consider this window of opportunity to deduct asset purchases up to $20000 – with the 30th June 2017 cut off date being significant!
- Plan for ensuring your business income is below the $2m threshold if you are at or around that $2m turnover figure near the end of the 2015, 2016 or 2017 financial year

From 1st July 2015, all small businesses with an aggregated turnover of under $2m will receive a 1.5% tax cut. As a result:

- Companies with an aggregated turnover of less than $2m will have their tax rate reduced from 30% to 28.5%
- Companies with an aggregated turnover of more than $2m will continue to have a 30% tax rate

- The current maximum franking credit rate for franked dividends paid for all companies will continue at 30%
- Individual taxpayers with business income from an unincorporated business eg sole trader, partnership or trust with an aggregated annual turnover of less than $2m will be entitled to a 5% tax discount on income tax payable on business income from an unincorporated small business entity, capped at $1000 per individual for each income year.

Actions:

- Plan for ensuring your business income is below the $2m threshold if you are at or around that $2 turnover figure near the end of the 2015 or later financial year
- Defer income from/prepay expenses in the 2015 financial year so that a greater portion of profits are taxed at the lower rate in 2015/16. Note: Be aware of your income and tax brackets as this may result in getting the 1.5% discount in one year but being in a higher tax bracket next year
- Potential use of Trusts to distribute to multiple beneficiaries, all accessing the 1.5% discount capped at $1000 each

Primary Producers

From the 12th May 2015 (Previously 1st July 2016), primary producers will be able to claim an immediate tax deduction for capital expenditure on fencing and water facilities eg dams, water tanks, bores, irrigation channels, pumps, irrigators, water towers and windmills.

Action:

- Consider capital expenditure on these items immediately.

From the 12th May 2015 (Previously 1st July 2016), primary producers can depreciate over three years capital expenditure on fodder storage assets eg silos, grain and hay sheds and tanks used to store grain and other animal feed.

Action:

- Consider capital expenditure on these items immediately.

Other

From 1st July 2016 there will only be two options for claiming a work related vehicle -66 cents per km up to a cap of 5000km or log book.
The 1/3 of expenses or 12% cost method will cease to be claimable from that date

Action:

- To maximise work related vehicle expenses, it may be advantageous to maintain a vehicle log book

From 1st July 2015, a start up business will be able to immediately deduct their expenditure on professional expenses associated with establishing a company, trust or partnership. Eligible expenses will include fees for professional , accounting and legal advice. Prior to this change, these expenses were deducted over 5 years

Action:

- None

In conclusion it will be important to bear in mind these changes in your decision making process. That said, tax is only one part of the commercial decision – there are many other factors to consider as well in making the correct decision. We are happy to work with you in this process!

GTP Anniversaries

- 26th May - Hannah McIllree (1 year)
- 6th June - Kayla Hawker (4 years)
- 30th June - Rohan Brown (18 years)
- 1st July - Matt Richardson (19 years)
- 2nd July - Marcus Williamson (3 years)
- 16th July - Ross Laycock (8 years)
- 29th July - Sally Hateley (13 years)
- 9th August Tracy Richardson (16 years)

Crowdfunding for business

Ryan Schirmer

Crowdfunding is an alternative way of raising capital for a new venture or project by seeking pledges/donations from the public, in return for perks, rewards, equity or interest and is predominantly conducted & managed through set crowdfunding websites & social media.

There are 3 types of crowdfunding:

- **Rewards-Based** - Entrepreneurs pre-sell a product/ service or offer perks/rewards to launch a business concept or project.
- **Equity-Based** - Backers receive shares, usually in its early stages, in exchange for the money pledged.
- **Debt-Based** - Backer pledge sums of money, in return, after the start-up phase, money is paid back with interest.

There are many crowdfunding websites. Some of the most popular are Indiegogo, Kickstarter and Fundable.

The way to set up a crowdfunding campaign is to:

- Sign up to a Crowdfunding Website
  - Read the sites policies
  - State your plan/intention
  - How much you would like to raise & time frame
  - State rewards for amounts pledged
- The site helps you promote your venture.
- The money during the campaign is held by the crowdfunding site.
- If you achieve your goal you receive the money.
- If not the money is refunded to the backers.

Some advantages of crowdfunding are that you already have a customer base, the opportunity for you to interact directly with your customers and free word-of-mouth marketing for your product through your backers.

However disadvantages of a crowdfunding campaign are that there is no guarantee you will reach your funding goal in the set time, the need to invest a lot of time in communicating & promoting the campaign and having to compete with other businesses seeking crowdfunding.

To utilise this for business you must have an interesting story/ sale pitch - having a good story sells. Remember; it's all about what you can offer backers, not what they can do for you.

- Set a realistic goal and you'll be more likely to reach it.
- Get creative with perks & rewards; this will entice people to pledge.
- Continually engage with backers, let them know how your campaign is going and finally,
- Acknowledge & thank your backers.

A prime example on how effective this can be is Amanda Palmer (an American singer, songwriter & author). She started a campaign asking for $100,000 and by the end had received $1,192,793 from 24,883 backers! This was due to continually engaging with her backers.

In the 2015 Federal Budget the government allocated to spend $7.8 million with the Australian Securities and Investments commission to plan and implement a new regulatory framework for crowdfunding money raised by startups and how they might access it once it has been raised. The new framework will address the requirements for reporting and disclosing the use of 'crowdfunds' by startups.

Important Dates

- 5th June
  Tax return lodgement, including companies and superfunds
- 21st June
  May 2015 monthly activity statement due (lodgement & payment)
- 21st July
  June 2015 monthly activity statement due (lodgement & payment)
- 28th July
  June 2015 Quarter activity statement due
- 21st August
  July 2015 monthly activity statement due (lodgement & payment)

Performance reviews

Shane Bryan

As the end of the financial year is often when organisations conduct annual performance reviews / appraisals the below article and attachments from Business Victoria http://business.vic.gov.au provides some general guidelines on how best to conduct reviews with your team.

Review team member performance

Keep employees focused, fix problems and take opportunities.

KPIs, performance reviews and appraisals help employees know how they have been doing and what further development or training they need to do to improve. Reviews should be available to all team members. Use the performance and development agreement plan to outline your employee's expected performance standards and goals as well as skills improvement.

Objectives give employees focus and appraisals make them feel that their good work is recognised. You can also discuss any weaknesses or problems and identify solutions together.

A big part of successful performance reviews and appraisals is being able to communicate well with your staff. Use our communication skills for managers to help.

Set up the processes

The most effective way is to have a combination of structured face to face discussions with diary notes quarterly then half yearly reviews with a full review at the end of the year. Also, remove the prospect of a discussion about pay. Retain this for another time as an employee should be able to leave their review thinking about performance.

In conducting a performance review you should:

- ask the employee to rate themselves
- provide a written performance review to the employee
- make sure that you can back up any positives and negatives with specific examples
- conduct a review meeting within 48 hours of the written performance review
- note and file any employee comments and then ensure that the final version goes on file.

Customise this template to your company's requirements and hand to employees to complete prior to a performance review. You should use the performance management section of our HR template to embed the process in your business.

- Performance and development agreement plan template (DOCX 37.66 KB) http://goo.gl/rCGr7t
- If an employee is consistently failing and the situation cannot be salvaged, you may need to dismiss the employee.

Key Performance Indicators (KPIs) for your staff

- You can incorporate KPIs into your business by setting and measuring personal targets for individual team members or departments. Performance management KPIs should:
- tie into the overall business objectives
- measure areas that will influence the success of the business
- indicate areas requiring further action.

Choosing KPIs

The areas you choose to measure should relate directly to the core activities of your business. The performance indicators you choose will differ depending on your specific business type, operations and industry. For example, KPIs may be used to measure such areas as:

- unit sales
- profit per item
- product quality
- customer service
- time required to complete tasks
- customer referrals
- employee turnover.

Measure KPIs over time

KPIs should allow you to set measurable and achievable goals for improving core business activities. After introducing a method for examining and recording KPIs, make sure you maintain records of your results so that you can track performance over time.

Revision and review of agreed KPIs

If you regularly reconsider your performance indicators alongside the ongoing development of a business plan, you'll find your KPIs are more likely to stay aligned with your changing business environment.

End of financial year software housekeeping

Rohan Brown

The end of the financial year is fast approaching. This is an opportune time to ensure your software is checked and maintenance carried out. Common things to be checked are:

- Review Debtors and Creditor reports: Ensure that all Debtors and Creditors are current and either payable/ receivable. If not, record appropriate corrections in the current GST period.
- Review Bank Reconciliation reports: If there are unreconciled items, review and if either stale or possible error, adjust by recording reversal entries coded the same but dated in the current GST period.
- Using software with Bank Feeds is efficient, but can result in failure to ensure all deductions are claimed in the correct period. To ensure all GST and tax deductions are claimed ensure all cheques or un-reconciled entries are entered into the software. If payments are not on the bank reconciliation, stop and ensure they are entered correctly.
- If using Creditors/Purchases, ensure all June purchases are brought to account before finalising the BAS and year end tax.
- After the last payroll for the year, check all payroll reports to ensure they are correct. Make any required adjustments and then start preparing end of year PAYG and Worksafe reports.
- Review employee entitlement balances (Leave entitlements, etc).
- Check that all Debtors, Creditors and other balance sheet balances are reconciled to appropriate reports.

While doing the house keeping also prepare for Payroll Year end. Often this time will involve preparing year end reporting to the ATO and Worksafe as well as providing PAYG summaries to the employees. It may also be time to download software updates to ensure PAYG tables in Payroll are up to date.

Year end is also an opportune time to implement new software if you are looking to change.

Clever tax time tips

Natasha Gardner

The end of the financial year is almost upon us and, for the clever ones amongst us that means one thing – Tax Planning!

June is the final time of year for you to consider your business tax position, and to identify and make the most of the legitimate tax benefits that may be available.

If you pay more attention to these issues over the next few weeks, you'll have a greater chance of managing your tax liability for the current financial year. However - you should think about tax planning all year round!

Take advantage of the $20,000 small business tax deduction

One of the biggest announcements in this year's Budget was the increase to the instant asset write off, allowing small businesses to claim an immediate write off of purchases of plant and equipment up to $20,000. (See the attached Budget article for full details).

Timing of income and deductions

You can generally manage your current year tax liability by paying attention to the timing of your income and deductions.

If you issue an invoice on or before 30 June, there is a good chance the invoiced amount will form part of your assessable income this financial year, and your taxable income may be increased.

If you issued the same invoice on 1 July, you'll push that amount into the next financial year. The same applies for expenses – spend money on or before 30 June if you want extra tax deductions in this financial year.

Superannuation

1. **Consider making a deductible (concessional) personal Superannuation Contribution**

If you're running a small business while working at the same time, it may not be possible to claim superannuation contributions as a tax deduction. This is because you must pass what is known as the 10 percent rule.

The 10 percent rule states that to be able to claim superannuation contributions as a tax deduction, no more than 10 percent of your total taxable income can come from salary and wages. If you don't pass the rule, then instead, consider salary sacrificing your superannuation through your day job.

Concessional Contributions include:

- Employer Contributions (Including contributions made under a salary sacrifice arrangement)
- Personal contributions claimed as a tax deduction by a self-employed person.

If you have more than one fund, all concessional contributions made to all of your funds are added together and counted towards the cap.

Concessional Contribution Caps for 2014/2015 year.

Income year	Under 49 years (as at 30 June 2014)	49 years and over (as at 30 June 2014)
2014/2015	$30,000	$35,000

2. **Pay employee Superannuation Guarantee Contribution early**

Ensure that the June 2015 quarter SGC is "paid and received" by the employee's fund prior to 30 June. Ideally you should aim to complete all your financial transactions by Friday 26th June 2015.

Bad debt expenses

A debt can be considered 'bad' in several circumstances, but generally it means that there is little or no likelihood of the debt being recovered.

If there is any good news in the fact that an amount owing to you is not recoverable, it is that such amounts are generally tax deductible. For this reason, now is the time to look at your trade debtors – are there any invoiced amounts for which there is little or no likelihood of recovery? If so, you should record these as an expense in your accounts prior to 30 June, and then claim the expense as a tax deduction this financial year.

Farm Management Deposits

Farm management deposits (FMDs) are a risk management tool to help farmers deal with uneven income, which is common because of natural disasters, climate and market variability.

If you are a primary producer, this scheme allows you to:

- Claim a tax deduction for FMDs you make in the income year you make the deposit.
- (The FMD must be left there for at least 12 months).

When you withdraw an FMD, the amount of the withdrawal is included in your assessable income. Tax savings are made when you deposit in a big income year and withdraw in a low or loss income year.

Eligibility

To be eligible for the FMD scheme, you must be:

- Carrying on a primary production business at the time you make a deposit
- Be an individual
- Have non primary production income less than $100,000 (eg wages, investment income and other business income).

Final tips for now…

Carefully examine any loans from private companies with which you are associated – such loans can be 'deemed dividends', in which case the amount of the loan is assessable in the hands of the recipient. Such loans need to be documented and repayments made – see us to discuss.

If you carry trading stock, consider allowing your stock on hand to run down for the end of year. If the difference between your opening and closing stock on hand value for the year is $5000 or less, you don't need to account for trading stock. If your closing stock value exceeds the opening value, by more than $5000, the difference will be assessable income.

"Always remember that any business decision you make should be made for the right reasons, and never simply for the sake of a tax benefit."

No changes to super – CAN I RELAX NOW? The answer is NO!

Matt Richardson

The Federal Budget was presented a few weeks ago with no changes to superannuation whatsoever, even though there had been plenty of speculation about changes which may have been made. This means all members of superannuation funds can now relax! Right? CERTAINLY NOT.

The current government is banking on assumed economic growth in the next 12-24 months to contribute towards its budget position. If the actual growth falls short of their estimates (let's face it – the Government gets their calculations wrong sometimes!) then further pressure will be placed on removing some of the concessions currently available.

So what should you be doing now?

- It is possible the Government may revert to the pre 30 June 2007 rules, removing the exemption for those aged 60 or over in receipt of a superannuation pension. If this is the case you need to do everything possible to maximise the "tax-free" components in your superannuation and reduce the "taxable" components. This can be done with a recontribution strategy which withdraws "taxable" amounts and replaces it with "tax-free" amounts. There is also a significant saving in potential lump sum taxes on your death by doing this;
- Commence a transition to retirement income stream (especially if you are age 60 or above) as this is a great way to legally minimise your taxable income, as well as combining it with a salary sacrifice strategy. It is the closest thing to "printing money" you are legally allowed to do, but there is also a possibility that these types of income streams may not be available in the future;
- Consider maximising your contributions to superannuation prior to 30 June 2015 for tax planning purposes – you will need to speak with your accountant first to determine the effectiveness of these contributions;
- If you have the ability to make large "non-concessional" contributions and you are at least age 55, there may be merit in making these contributions and commencing an income stream. The pension income you receive from your superannuation fund will be predominantly (or completely) tax-free and will remain so even if the rules change in the future.

There is no doubt the rules will change at some point – it is just a matter of when and how. So take action now and control what you can control!

Are you receiving a Superannuation Pension from your Self-Managed Superannuation Fund (SMSF)?

If the answer is yes, you need to make sure you withdraw at least the minimum required pension from the Fund prior to 30 June 2015. The consequences of not doing so will be the Super Fund will lose part or all of its income tax exemption for the 2015 year. This can amount to thousands of dollars if you get it wrong!

If you are unsure of how much pension you need to withdraw prior to 30 June 2015 please contact Matt Richardson or Kerry Schultz as soon as possible.

Insurances - just like buying shoes

Carmen Munro

We have been known to spend time choosing the right shoe, something to fit our purpose, outfit and budget, we do this regularly (some more so than others!) Why then should we not put the same effort into review our insurance needs?

Insurance is something that is very important, it protects us individually and our families and our business' from losses they would otherwise not recoup. It is fair to say that many do not have adequate insurance, nor do they review their insurance needs regularly. This is usually not evident until it is too late.

Under insurance or non-insurance can happen because we don't value our assets properly. Minimising our risk is what it is all about. Sometimes people don't place enough importance on insurance, think they can't afford it, don't understand how insurance works or believe they can self-insure. It is important when reviewing your insurance needs that you get the balance right and make informed choices.

What if disaster was to strike? Could you afford to rebuild and replace? Could you cover costs if you were unable to work due to illness? Would you have any savings or would you need to rely on others generosity to survive? I think the latter is an unappealing choice to all.

What sort of things can we protect?

Home and contents insurance, car, boat, travel, caravan, motorbike and pet insurances are a few examples of things we would insure to cover our personal enjoyment. You may also have a need for business insurance, liability insurance, landlord insurance or workers compensation.

These types of insurance aside, it is very important to have good insurance for our lives, any disability or protection for us to keep receiving an income.

Will your loved ones be ok should the worst happen?

While it is unpleasant to talk about, what would happen to your family or your family's home, if you were no longer able to provide for them? Without the main wage earner many families will run out of money within twelve months. No one can predict the future but you would like to think that you had minimised the loss of income for your family that may result from your death, temporary incapacity or serious disability. There are several ways you can mitigate this risk;

- Income protection
- Life insurance
- Total and permanent disablement
- Trauma (Crisis Illness)
  A point that is very important to mention is that income protection insurance can be claimed as a tax deduction. You should consider this when assessing your needs.

It is important to be reviewing your situation regularly as your needs may change and you may be under insured for your needs or maybe even over insured in some areas.

Winding up of a Trust and "Striking Off" a Corporate Trustee

Kathryn Bowles

Have you ever thought what happens when you don't need your Trust or Trustee Company anymore?

If you haven't used or required the Trust in the last year or two, there is possibly no need to keep it running.

Ending the two entities can save you money in Accounting Fees and ASIC Fees.

Before going any further it is important to look into the future. You need to consider if you will have any use for the Trust or Company in the years to come, (or even now!) For example, the Company may be the Trustee of your Self-Managed Superfund, or the Trust may have carried-forward losses which you may want to use in your next profitable business venture.

It is vital to tick off the following before continuing:

- Ensure the Trust is no longer carrying on a business.
- Check that all assets are accounted for in the Financial Statements and then dispose of them all.
- Ensure there are no outstanding liabilities.
- Do you know when the company's ASIC fee is due?

To strike off a Corporate Trustee, the Trust has to be wound up first.

To wind up a Trust means to 'vest' it. A Trust is vested when the vesting date is brought forward. This date is defined as when the trust officially ends. Generally (unless brought forward), the Vesting Date must be no more than 80 years from the date of commencement of the Trust.

Once we have prepared the final financial statements we will arrange the appropriate documents to be drawn up by a legal provider. Upon signing the documents the Trust is wound up!

Now to deal with the company…

To 'strike off' a company means to deregister it with Australian Securities Investment Commission (ASIC). This is done by paying a minor fee (currently $38), and your Accountant completing a voluntarily deregistration form on your behalf.

Two months after the lodgement of the form and no issues have risen ASIC, you will receive a confirmation letter the Company is gone.

If you believe you have no need for a dormant Trust or Company, please tick of the above points and contact your accountant.

Remote area exemptions and concessions

Marcus Williamson

Living in a remote area may have some disadvantages; however there are some tax concessions and exemptions available that you may be eligible for. A remote area fringe benefit occurs when an employer pays for an expense such as rent, residential fuel, gas and electricity and many others on behalf of the employee in respect of the employee's employment.

The benefit of this arrangement is that the taxable value on the expense paid is reduced, effectively leaving the employee with less tax to pay. If only part of the expenses taxable value (e.g. 50%) is able to be reduced the employee must make an employee contribution to reduce the remaining taxable value to nil.

To decide whether you are eligible we must first discuss the definition of a remote area.

What is a remote area?

A location is considered remote if it is not in, or adjacent to, an eligible urban area. An eligible urban area is an urban centre which in the 1981 Census had a population of a size set out in the table below.

There are three different classifications when determining whether the employee and place of work reside in a remote area:

Classification 1

The location is

- not in Zone A or Zone B for income tax purposes
- at least 40km from a urban centre with a population of 14,000 or more.
- at least 100km from an urban centre with a population of 130,000 or more.

Classification 2

The location is

- in Zone A or Zone B for income tax purposes
- at least 40km from an urban centre with a population of 28,000 or more.
- at least 100km from an urban centre with a population 130 000 or more.

Classification 3

An area is also classified remote if:

- the employer is one of the certain regional employers*
- the employer is providing a housing benefit
- the location is at least 100kms from an urban centre that in the 1981 Census had a population of 130,000 or more.

Remote Area Concessions and Exemptions

- Remote Area Housing (100%)
- Housing Assistance (50%)
- Residential Electricity, Gas and Fuel

The Housing assistance is the easiest to satisfy with the criteria set out in section 60 of the FBT Act (1986) which are as follows:

- The individual must be an employee of the employer in respect of the year of tax
- The recipient occupied or used the unit of accommodation as his or her usual place of residence during a period.
- the recipients expenditure is in respect of remote area housing rent connected with a unit of accommodation;
- a non arm's length arrangement or an arrangement that was entered into by any of the parties to the arrangement for the purpose, or for purposes that included the purpose, of enabling the employer to obtain the benefit of the application of this section;

Residential Electricity, Gas and Fuel (50%)

Residential fuel is defined in section 136 of the FBTAA (1986) to mean any form of fuel (ie. electricity and gas) used for domestic purposes.

According to section 59 of the FBT Act, where the employer supplies or pays for, or reimburses, the cost of electricity, gas or residential fuel for use in connection with the employee's usual place of residence in a remote area, the taxable value of the fringe benefit is reduced by 50%.

Example of the difference in paying the expense before and after tax:

- Gross rent p.a. $10,400
- Package $200 fortnight rental

Fortnightly pay impact:

	Current	Package
Gross Salary	$1,923	$1,923
Packaging		200
Taxable Income	1,923	1,723
Income Tax & Medicare	338	269
Take Home	1,585	1,454
Packaged Expenses	200	
	$1,385	$1,454

While each exemption or concession has its own set of criteria that needs to be satisfied, it is important to note that some are easier than others and that each individual would need to check with their accountant as to their own circumstances.

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SMSF and SuperStream

Kerry Scultz

From 30 June 2015, SMSFs will be required to receive employer superannuation contributions using the Government's SuperStream Data and Payment Standard. The Standard is part of the Government's Stronger Super initiative and introduces a streamlined method of sending superannuation payments and associated information electronically.

To comply, every SMSF that receives employer contributions will need an Electronic Service Address (ESA) that is supplied to employers. If you have previously been registered for an ESA it would have been AUSPOSTSMSF. Please note these will no longer be valid from 1 July 2015 and will be replaced with SMSFDATAFLOW, a free, open and portable SuperStream electronic messaging service.

SMSF DataFlow is provided free of charge to you, works with all bank accounts and can stay with your fund regardless of any change in circumstance. Importantly, SMSF DataFlow is also fully integrated with our software and will allow us to automatically match your contributions data with your cash transactions and improve the efficiency of the service we provide to you.

For details about this service, visit: http://smsfdataflow.com.au

SMSF trustees will be contacted by Green Taylor Partners in writing prior to 30 June 2015 with more details and information to forward to Employers. If you do not receive any information and require an ESA please contact us.

GTP Tid Bits

- Carmen & Glen are expecting a new member of the family in November.
- Carmen walked 34km in the 100 chicks chase 100 clicks
- Shanes wife Robynne walked 37km on day one & 39kms on day two of 100 chicks chase 100 clicks

GTP Birthdays

- 16th June - Sally Hateley
- 5th July - Kathryn Bowles
- 13th July - Shane Bryan
- 3rd August - Peter Cramer
- 10th August - Rohan Brown

Savings plans and investments

Ross Laycock

Do you have long term goals?

Can you forsee future long term expenses?

Are you putting a little away now?

There are lots of reasons to start saving for your future.

Some very important reasons might include:

- Save for a house deposit
- Save for holidays
- Save for a new car
- Save for emergencies
- Save for kids' education
- Save for family weddings
- Save for retirement - (very topical at the moment)

You might think factors like the following are holding you back:

- Not enough cash to invest in shares
- Not enough cash to buy property

All money advisors would recommend you:

- Start with small savings
- Set realistic savings goals
- Stick to your savings plan

Examples of other types of investment which you might consider may include:

Managed Funds

- Purchase units in a fund
- Fund managers invest in other companies
- You can contribute smaller, regular amounts
- The value of your units is calculated daily based on fund performance
- Receive trust distributions

L.I.C's (Listed Investment Companies)

- Purchase shares in listed investment company
- The L.I.C. then invests in other company shares
- The value of your shares is based on daily share price of L.I.C.
- Pays dividends from earnings

There are many and varied types of saving and investment opportunities out there.

You need to do your own research, and maybe also seek professional financial advice to help you reach your goals.

Looking for tax free meals and holidays?

Tracy Richardson

Currently employees of Public Benevolent Institutions (eg Hospitals), amongst others, can package their salary into an unlimited amount of Meals and Entertainment – which can be used for expenditure such as restaurant meals and holiday accommodation. This is typically done via a "meals card".

On Budget night an announcement was made to limit such benefits to a grossed up amount of $5,000 per annum. This is to apply after 1/4/16.

We have seen people use this benefit to pay for holidays, weddings, 21st's as well as normal 'eating out'.

If this change is passed (and it is expected to be) then eligible employees have 11 months left to maximise the use of this benefit, before the restrictions bite. Our understanding is that as there are no caps in place at the moment; packaged amounts pre 1/04/16 could be put on the card and not be subject to an expiry date.

Example to whet your "appetite": If 'Jane' was to package $10,000 of her salary over the next 11 months to her meals card she will have effectively saved up $10,000 for future holidays and meals tax free!

Note: after 1/4/16; salary you had been packaging into your meals card will then be paid to you as taxable salary.
You may wish to re-plan your salary packaging into other areas or benefits after 1/4/16.

Attention Business Owners: Are you SuperStream ready?

Daniel Blay

Super Stream has been introduced by the ATO to streamline the process of submitting and paying superannuation contributions for your employees.

In theory, it should make life easier for employers as they no longer will be using paper and cheques to pay super contributions as it will all be done electronically. Instead of sending information and making payments to a number of different employee super funds, you will now access a Super Clearing House to process all funds together and make only one payment.

Key dates to be compliant:

From 1 July 2014:

- Employers with 20 or more employees started making contributions using SuperStream – they have up to 12 months to make the change (1st July 2015).

From 1 July 2015:

- Small employers (with 19 or fewer employees) will start making contributions using SuperStream – they will have up to 12 months to make the change (1st July 2016).

Clearing Houses

Most super funds are offering a clearing house option, so if you have the majority of your employees with one fund, it may be preferable to set up your clearing house with them.

For employers whose employees who have a variety of super funds you have the option of using a commercial clearing house or the ATO's. The ATO Small Business Super Clearing House is free, easy to set up and user friendly.

How the clearing house operates:

The Clearing House lets you pay your super contributions in one transition to a single location. It is designed to make the payment process easier and processing faster.

You simply register your employees super fund details and the Clearing House will distribute these to the various super funds.

Please note: There is also the option of upgrading your payroll software or use an outsourced payroll provider to automatically lodge Super without the use of a Clearing House.

What information do I need to set up my Employee's?

As an employer you will need to obtain the following information to set up each account for your employees:

Information required	Fund type
Fund's ABN	All funds
Unique superannuation identifier (USI)	APRA-regulated funds only *
Bank account details	SMSFs *
Electronic service address	SMSFs *
Employee tax file number (TFN)	All funds

Employees with Self-Managed Super Funds (SMSF's) must provide e-commerce details to their employers so that employers can update their payroll systems.

Employers and those employees with SMSFs should get moving to avoid last minute bottlenecks.

SMSF's need to have an "electronic service address" from an SMSF messaging provider so that trustees can receive employer contribution messages sent using SuperStream.

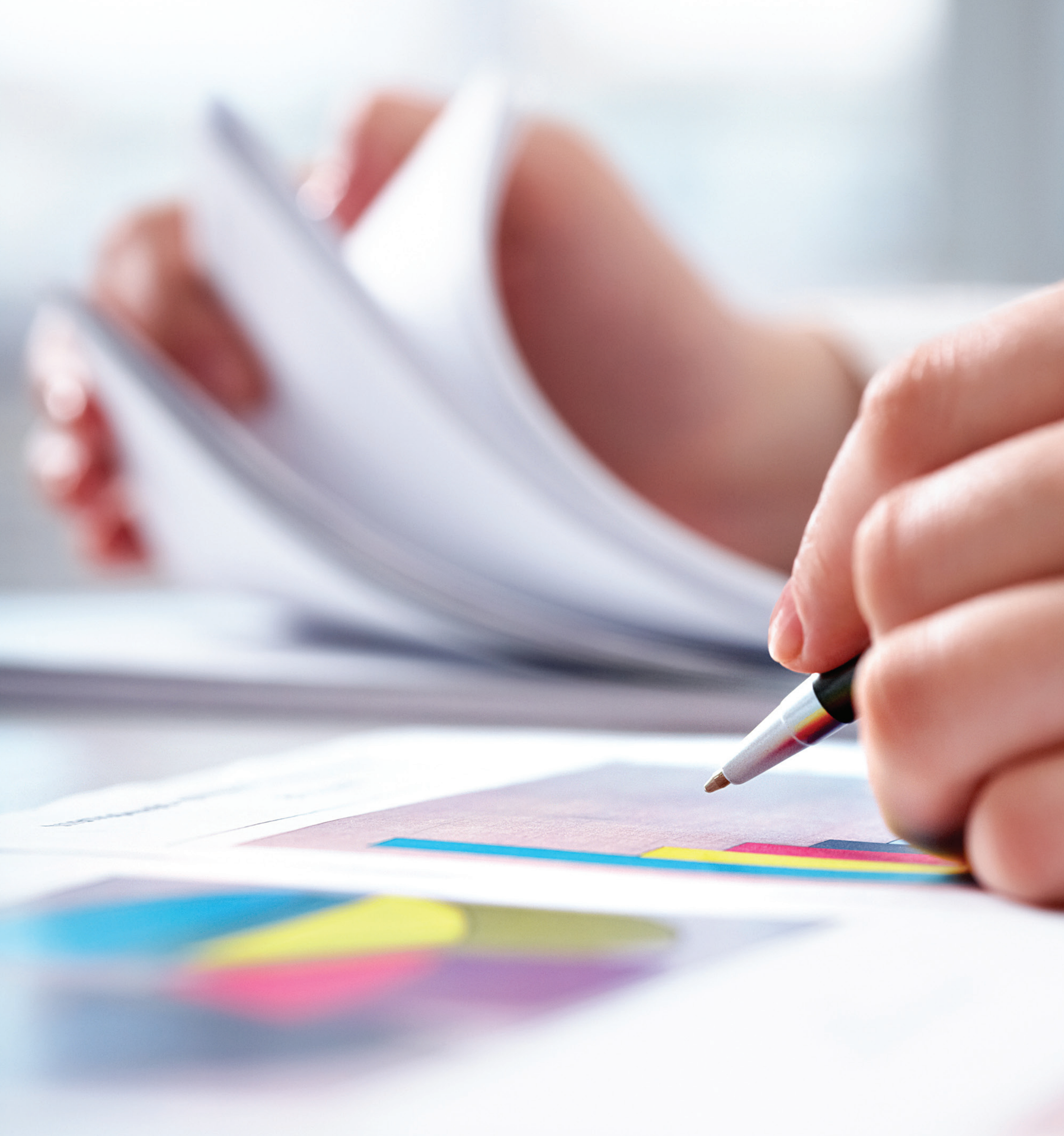
The electronic service address is used to identify where contribution messages for the SMSF are to be sent.

Employers will also need the SMSF's Australian business number (ABN) and bank details, if these have not already been provided, in order to make contributions to the SMSF electronically.

To help SMSF trustees register and obtain an electronic service address, the Tax Office provides a register of SuperStream messaging providers at ato.gov.au/Super/SuperStream/In-detail/Contributions/.

So, are you ready for SuperStream?

If you feel unsure of the process or how to be set up in time for the 1st July 2015, feel free to contact your advisor at Green Taylor Partners. We can assist you and help with your Super Stream set up and compliance.



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