



CHARTERED ACCOUNTANTS  
AUSTRALIA • NEW ZEALAND



GREENTAYLOR  
PARTNERS

# Seasons Greetings



## Quarterly Newsletter

Green Taylor Partners

2021 DECEMBER



### GTP Christmas Message

*The team at Green Taylor Partners send a festive greeting to say thank you for the opportunity to work with you.*

*May the Christmas season fill your home with joy, your heart with love and your life with laughter.*

Please note our office will be closed  
from 5pm Thursday the 23rd of December 2021  
and will reopen at 8.30am on Monday the 10th of January 2022.

If you have an urgent matter you can still contact the office and leave a message as the answering machine will be monitored.

### Contact Us

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## Single Touch Payroll Phase 2

**Karen Grainger**

The Government announced in the 2020 budget to expand Single Touch Payroll (STP) reporting for employers to include additional information.

The expansion of STP (known as STP phase 2) will reduce the reporting burden for employers who need to report information about their employees to multiple government agencies.

STP phase 2 will mean you no longer have to send employees TFN declarations. If you are provided a paper TFN declaration from an employee you will need to keep it for your records. The information on the TFN declaration will be included in your STP reporting.

The ATO will also share payroll information you report with Services Australia. This will allow Services Australia to improve their services by prefilling details so customers will save time filling out claim forms. Phase 2 will reduce how often they need to contact customers, streamline claims and enhance Family Tax Benefit processes.

You will no longer need to provide separation certificates when your employees' leave, this will be on your STP reports.

You can also voluntarily report child support deductions and/or garnishees through STP. This will reduce the need to send separate remittance advices to the Child Support Registrar.

Phase 2 will show better visibility with the types of income employees' receive and where it should be pre-filled in their tax returns. STP currently reports a gross total amount which is the sum of a number of payment types. Phase 2 will allow for these gross amounts to be broken up into more details to include allowances, bonuses and commissions, directors' fees, overtime, paid leave and salary sacrifice. Lump sum E payments will also be included in STP reports before finalising employees' records. This will remove the need for separate Lump Sum E letters.

Phase 2 will also require an employee's work type to be reported. This includes full time and part time along with new categories for labour hire, volunteer agreement and non-employee.

Employers do not need to change the way they report their employees' wages. Employers will still need to lodge through their STP enabled software by the same due date, tax and super obligations and end of year finalisation requirements.

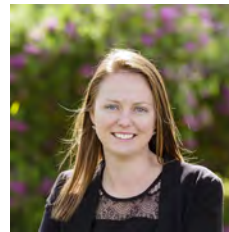
Most of the additional information employers will need to report, will be captured in their current payroll software.

STP phase 2 starts 1 January 2022 and software providers are working to update their solutions to be ready for Phase 2 reporting.

For those employers using Xero for their software requirements, STP Phase 2 is being rolled out in stages. Xero has secured a 12-month deferral to 31 December 2022.

For those employers using MYOB for their software requirements, MYOB is currently updating the software to meet the new STP requirements. This will introduce new fields in employee cards and an update list of ATO reporting categories. A review of the ATO reporting categories will need to be reviewed before reporting for Phase 2 starts.

For more information please contact your software program directly or your trusted adviser at Green Taylor Partners.



## New Company Director Identification Number (DIN)

**Jess Sluggett**

From 1 November 2021 a new Director Identification Number requirement came into effect.

All existing and new company directors will need to apply for a DIN, including directors of SMSF trustee companies. The 15-digit identifier issued remains with the directors for life and does not need to be renewed, but personal details, such as address, must be kept up to date.

There are four ways to apply for a DIN:

- ❖ Online via Australian Business Registry Services (ABRS).
- ❖ A myGovID account is required to verify identity – this is different to myGov linked to the ATO or Medicare.
- ❖ By calling 13 62 50 to apply over the phone, or
- ❖ By lodging a paper form and certified identification documents.

A director must apply for their DIN personally, which means GTP cannot apply on a director's behalf. However, we can help with certifying documents for paper form applications.

The timeframe for registrations depends on when a director was appointed.

- ❖ If appointed on or before 31 October 2021, a DIN must be obtained by 30 November 2022.
- ❖ If appointed between 1 November 2021 and 4 April 2022, a DIN must be applied for within 28 days of appointment
- ❖ For appointments from 5 April 2022, a DIN must be applied for before appointment as director.

Once you have your DIN, please make sure to advise GTP of this so we can update your company details.

Please feel free to contact GTP if you have any queries about applying for a DIN, or if you need assistance with the information needed to apply.





## Moving Customers from Dissatisfied to Satisfied

### David Hadley

When a customer is dissatisfied, it's important to get things back on track as quickly as possible. Use the following steps as appropriate to help you get there:

#### Find out what the problem is

Listen carefully. Ask questions, and paraphrase to be sure you understand the problem.

#### Find out what the customer expects to be done about it

Listen to what the customer wants you to do.

#### Take personal responsibility for solving the problem

Offer to help. Explain the options to your customer calmly.

#### Go out of your way to make the customer comfortable

If you know the problem may take a while to solve, do whatever you can to make your customer comfortable during the wait.

#### Maintain an objective frame of mind

If someone is angry, don't take it personally. They're angry at the problem, not at you. So just listen. Let them get their feelings out.

#### Stay positive and calm

Apologise for the difficulty, even when it wasn't your fault. Never blame others for the problem or tell them it's something that "always happens".

#### Resolve the problem quickly

Try to determine the fastest, most effective way to solve the problem. Offer reasonable alternatives if you can't give them exactly what they want.

#### Follow through

At a later time, make sure that the problem was solved to the customer's satisfaction. Send a letter of apology, a gift, or premiums such as coupons, a free item, or additional service.

#### Look at the big picture.

Determine if the problem is a recurring one. If so, figure out ways to prevent it from happening again.



## Super Fund Stapling commenced on 1 November 2021

### Ross Laycock

#### What is super fund stapling?

Under super fund stapling rules, when someone changes jobs, their current super fund follows them to their new job – meaning their super fund is effectively 'stapled' to them. The Australian Taxation Office (ATO) is responsible for identifying an individual's stapled fund.

#### What does this mean for you and your new employees joining your workplace from 1 November ?

The most significant change from 1 November 2021 is employers can only open a new super account for an employee within their default plan if the employee:

- ❖ actively selects that fund, or
- ❖ does not have an existing super fund.

#### What employers need to do from 1 November 2021

- ❖ Provide new employees with a Choice of Fund, either via a form (such as Standard Choice Form), or via any existing employer onboarding process.
- ❖ Pay new employee's super into the account nominated on the Choice of Fund form.

#### What happens if a new employee doesn't nominate a choice of fund ?

If a new employee doesn't choose a super fund, employers will need to undertake a 'stapling check' via the ATO website. The ATO will ask employers to confirm an employment relationship exists with the employer and new employee. Once confirmed, the employer may search for an employee's stapled super fund. The ATO portal will confirm one of the two following outcomes:

- ❖ Stapled fund found: You must pay superannuation guarantee contributions to that fund unless your employee gives you a valid Choice of Fund form.
- ❖ No stapled fund found: You can set the new employee up in your default super fund, or another fund of their choice, and pay contributions into their new account.



## GTP Birthdays

- ❖ 8th December - Karen Grainger
- ❖ 23rd December - Ryan Schirmer
- ❖ 6th January - Matt Richardson
- ❖ 10th January - Jess Sluggett
- ❖ 15th January - Hannah McIlree
- ❖ 13th February - Ross Laycock
- ❖ 28th February - Sue Olston



## GTP Tid Bits

We are disappointed to announce that Malory Ryan has found other employment in Melbourne and will finish her employment with GTP on Xmas eve. We've all enjoyed Malory's company and wish her every success for her next adventure.

We at GTP are delighted to welcome Kathryn Hamilton back after maternity leave. Kathryn will start back on two days a week and hoping to increase these hours after Xmas. Kathryn is looking forward to renewing acquaintances with her clients.



## Accounting Jargon Buster Continued...

**Emma Koschitzke**

Another update from our last newsletter, here are some more jargon busters to help you along your accounting way...

### Credit

An accounting entry that may either decrease assets or increase liabilities and equity on the balance sheet, depending on the transaction.

### Debit

An accounting entry where there is either an increase in assets or a decrease in liabilities on the balance sheet.

### General Ledger

Where debit and credit entries are recorded. A general ledger is the complete record of a business's financial transactions and is used in order to prepare all of the financial statements.

### Depreciation

The term that accounts for the loss of value in an asset over time. Generally, an asset will have substantial value in order to warrant depreciating it.



## Keep your Eyes on the Ball

**David Hadey**

### Did you know...?

A change of just 5% in customer retention can produce a staggering 125% change in profits.

68% of customers leave because of perceived indifference.

Most businesses spend 6 times more to attract new customers than they do to keep the ones they've got.

Each unhappy customer tells at least 9 others about their bad experience.

Sobering stuff.

While you're in business to make a profit, managing a business only for profit is like playing tennis with your eye on the scoreboard.

The 4 purposes of your business are to:

- Create new customers
- Keep them coming back
- Turn them into advocates for you, and
- Have fun!

Don't aim to satisfy your customers. Aim to delight them!



## Income Protection Insurance

**Karen Grainger**

*Are you at risk of injuring yourself with the activities in your life? You could consider insuring yourself to cover the loss of income due to time off work from injury.*

Income Protection Insurance pays up to 85% of your pre-tax income for a period of time if you are unable to work due to partial or total disability. It is designed to replace the income you have lost from not being able to work.

Each income protection insurance policy has its own definition of partial or total disability that must be met before a claim is made.

General income protection insurance is important for the self-employed, or a small business owner, as generally you do not have sick leave or annual leave to take. It is also important for those with dependants who rely on this income, and those with debt or a mortgage where regular payments are required.

Income Protection policies are commonly indemnity value policies, unless you purchased your policy before 31 March 2020 which may mean it is an agreed value policy.

Most income protection policies offer a waiting period. Generally, the longer the waiting period the cheaper the policy. If you have sick leave, annual leave or savings, you may choose to have a longer waiting period.

When purchasing an Income protection insurance policy, you can discuss your needs further with a licensed insurance broker, financial adviser or an insurance company.

You will need to consider your age, job, income, medical history, lifestyle and living costs and any high risk hobbies and activities you do.



## Important Dates

- **21st December** – November Monthly BAS due for lodgement and payment
- **23rd December** – GTP office closed for Christmas break
- **10th January** – GTP office reopens
- **21st January** – December Monthly BAS due for lodgement and payment (if not electronically lodged)
- **28th January** – Pay Super Guarantee Contributions to super funds
- **21st February** December Monthly BAS due for lodgement and payment (if electronically lodged)
- **21st February** January Monthly BAS due for lodgement and payment
- **28th February** – December Quarterly BAS due for lodgement and payment



## MYOB Essentials has a new look!

**Georgia Muegel**

You may log in to your MYOB file and notice that it looks a little different than what you are used to. MYOB have 'freshened' up their product which has resulted in several enhancements being made. I'll summarise a few of my favs below:

The main change you will notice is the payroll section.

Payroll has been overhauled to align more with the payroll functionality that was available in their AccountRight product and can now handle more complex payroll entries. Some of the screens may look different, but don't be afraid, most of the terminology and visual cues you were used to in the 'old' Essentials are still there and it is still easy to use.

The bank transaction section of MYOB has undergone some changes with easier bank rule creation, allocation template creation and matching of transactions to invoices, purchases and payroll entries. It can now also handle where a bank transaction doesn't exactly match to MYOB – hallelujah!

For example, if an employee has a net pay processed in payroll as \$1,500.17 but the physical bank transaction transferred was \$1,500.27. Previously, MYOB could not handle this to allocate against the payroll entry because it didn't match cent for cent. In new MYOB, if this happens, there is an adjustment line item where you can make the transaction balance for the 10 cents difference and keep your bank reconciliation in order.

There is enhanced reporting features to be able to view and get more out of the data in your file, as well as the ability to create custom reports and have them saved in a list for you to refer back to quickly and easily.

These are just a few of the main updates I wanted to bring to your attention and if you log in and notice your file looks different and are unsure of what to do, keep calm and call our friendly team at GTP and we can help you navigate the new enhancements.



## GTP Anniversaries

- 10th December - Peter Cramer (42 years)
- 2nd January - Sue Olston (48 years)
- 17th January - David Hadley (22 years)
- 29th January - Jess Sluggett (14 years)
- 3rd February - Karen Grainger (19 years)
- 15th February - Ryan Schirmer (12 years)
- 16th February - Kathryn Hamilton (13 years)
- 19th February - Jodie Mills (21 years)



## Office XMAS Parties

**Ross Laycock**

Workplace functions are a great way for organisations to recognise the hard work of all team members, celebrate their achievements and give colleagues the opportunity to get to know each other in a social setting. The combination of various factors, including the glee of celebration, the relaxed party atmosphere and the consumption of alcohol, can lead to questionable behaviour and impaired judgment. Employers must therefore be aware of their legal obligations and take precautions to minimise risks arising out of incidents that occur at such functions.

### Steps for a successful work party.

Every party or function may be different, but there are various practical measures an employer can put in place to ensure staff enjoy the evening, whilst at the same time minimising legal risks.

### Employers should consider the following

**Policy and procedure review:** Prior to the function, employers should review all relevant policies and procedures to ensure that they are up to date and contain the standards of behaviour, responsibilities and expectations of all employees.

**Policy and procedure education:** Promotion, education and reinforcement of policies should occur regularly across all levels of the organisation

**Venue inspection:** If the function is to be held at premises other than the employers, it is recommended the venue is inspected (as close to the time of the function as possible) for any risks or potential hazards.

**Food and beverages:** The employer should ensure that a wide range of non-alcoholic and low-alcohol beverages are available for guests at the function, in addition to any alcohol provided. An adequate amount of food should also be served, particularly if alcohol will be readily available.

**Function times:** The start and finish time of the function must be clearly communicated to staff in the invitations to the event and any further correspondence.

**Transport:** Employers may consider whether to provide transportation after the evening for their employees, for example by utilising mini-buses or taxi vouchers.

### At the function:

**Alcohol consumption:** The supply of alcohol must be carried out in accordance with responsible service of alcohol ('RSA') standards

**Hazards:** Any hazards which eventuate throughout the function should not be ignored. This includes occupational health and safety hazards, employee intoxication hazards, and hazards relating to potential harassment or discrimination. Managers should be instructed to be proactive and act on these issues in a timely manner.

We all want to enjoy our Xmas party, but some ground rules need to be in place.



## Savings Plans & Investment

**Ross Laycock**

*Do you have long term goals?*

*Can you foresee 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 Features

- 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) Features

- 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.

*"What do a tick and the Eiffel Tower have in common?"  
"They're both Paris sites."*



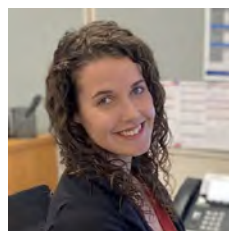
## Buying & Selling Vehicles – what does your accountant need?

**Jess Sluggett**

There is nothing like that new car smell! With all the excitement a new car brings, the last thing on your mind is what does the accountant need.

If you happen to be buying or selling a vehicle, following are some items your accountant will need.

1. **Purchase invoice** – this helps us make sure the GST claimed is correct. Some components of the purchase don't include GST, such as stamp duty, and in some cases the full amount of GST cannot be claimed.
2. **Finance paperwork** – if you take out a loan, or lease a vehicle, please provide a copy of the finance papers. This helps us make sure the vehicle and finance are treated correctly for tax purposes as different types of finance have different implications.
3. **Odometer reading** – this is particularly important if the vehicle is owned by a trust or company, or if the log book method is used to claim vehicle expenses. The odometer reading on both purchases and sales should be provided.



## Deductibility of Legal Expenses

**Emily Moore**

Legal expenses are a tricky area when it comes to their deductibility due to the numerous 'ifs and buts' surrounding the topic. So here is a quick guide to help you recognise some common examples, should they arise in the future.

### Common Deductible Legal Expenses

Generally, only legal expenses directly related to revenue producing activities are deductible. Some common deductible legal expenses include :

- Debt collection costs
- Unfair dismissal claims
- Landlord costs re legal proceedings against a rent-defaulting tenant
- Defending the unauthorised use of a trademark
- Preparations of tax returns, disputing tax assessments, or acquiring professional tax advice



Continued from Page 6.

### Common Non-deductible Legal Expenses

Any expense that is private in nature (even when used for work purposes), a capital cost (such as property purchases), or specifically exempt will not be deductible. Common non-deductible items may include :

- Preparation of wills
- Costs associated with passports
- Costs incurred in buying assets
- Any amounts paid for fines and penalties

Please discuss with your trusted accountant if you have any questions.



### Are you a wage earner and undertaking additional study?

**Tilak Khatri**

If you are undertaking additional study, or attending work related conferences or seminars, you may be able to claim certain expenses as deductions against your assessable income.

Types of Expenses you can claim:

- Course and tuition fees
- Books / journals / stationery
- Loan interest on monies borrowed to undertake study
- Depreciation on items such as professional libraries / desks / computers etc
- Accommodation and meals (if required to stay overnight)
- Travel costs to and from educational institution

In order to claim these expenses, you need to establish a direct link between your studies and your **current** income earning occupation.

You need to be able to show that the studies will either:

- assist you to maintain your current income level

OR

- improve your prospects of additional, future income in your current occupation.

It is all about your efforts towards self improvement and development.

There are some rules and limitations on what can and cannot be claimed, but please talk to us for assistance or advice.



### Powers of Attorney

**Ross Laycock**

It is very important for you and other family members to set in place the right guidelines to protect your wellbeing now and in the future.

There are different Powers of Attorney you can choose to cover different circumstances.

Obviously, you need to choose your attorneys carefully. They need to be someone you have complete faith and trust in.

A P.O.A can be made by a person who has reached 18 and has decision making capacity.

Here is quick summary of some of the options and some features they might cover.

1. Enduring (Lasting) P.O.A
  - Make - financial decisions (pay bills etc.)
  - Make - personal decisions (where you live etc.)
2. General Non-Enduring P.O.A
  - Make - financials decisions only
  - Usually for a specific period or specific purpose
3. Supportive Attorney Appointments
  - Support decision making - financial or personal matters
  - Cannot make medical treatment decisions
4. Medical Treatment Decision Maker
  - Advance care planning
  - Someone a general practitioner looks to for decisions on treatment
5. Support (Medical) Person
  - Support
    - the making of decisions
    - communicating the decisions
    - see the decisions implemented
    - cannot make treatment decisions

Granting a power of attorney does not stop you from dealing with your affairs as you would normally - but the attorney will have concurrent rights.

Knowing you have an attorney capable of looking after your affairs in times of your absence or infirmity can give you peace of mind.

You should obtain proper legal advice before making a power of attorney. Your solicitor is the best adviser to ensure that all your requirements are covered and that there is a proper balance maintained between trust and caution.

*"My wife is really mad at the fact that I have no sense of direction. So I packed up my stuff and right!"*

*"Why do fathers take an extra pair of socks when they go golfing?" "In case they get a hole in one!"*



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