



PROACTIVE

ACCOUNTING SOLUTIONS

Autumn 2014

A NOTE FROM ANDREW

With the end of the 2014 financial year fast approaching, now is the time to look at the year that's been and the one ahead. The 2014 financial year has continued



to be somewhat challenging for small business owners still feeling the direct and indirect effects of the mining downturn. There are some signs of increased activity in the sector but it is still patchy.

The 2015 financial year will hopefully bring steady recovery in the mining industry. With record volumes being achieved both from the mines and through the ports, this should generate a need for maintenance work and further resources employed to continue to drive these volumes even higher to combat the lower prices.

Although profits are lower than previous years, it is still timely to take a look at your current position and see if any tax saving or restructuring measures should be put in place before June 30th. It is also a time to consider the merit of making either concessional or non-concessional superannuation contributions in order to utilise the annual limits. Those with Self Managed Superannuation Funds in pension phase need to ensure that the minimum pension is withdrawn prior to the end of the financial year.

We encourage all business owners, primary producers and Self Managed Superannuation Fund clients to make contact with us prior to the end of June to determine if anything needs doing.

MACKAY REGION CHAMBER OF COMMERCE

The Mackay Region Chamber of Commerce is currently offering 3 months free membership, giving a 15 month membership for a 12 month subscription. Proactive are members of the Chamber and we find it to be a great organisation. The network and seminar events

have attracted a very high quality of speakers on a variety of relevant business topics. They also act as a voice for small business in our region and I would encourage all business owners to consider becoming members.



COMMUNITY BANK AG.TRADE.LIFE - POWERING THE FUTURE

Canegrowers Mackay in conjunction with the Bendigo Community Bank will again be hosting the AG Trade Life agricultural exhibition at Mackay Show Grounds on May 23-24 showcasing agriculture from across the regions of Mackay, Isaac and Whitsunday.



This is the second time the event has been held with last year's exhibition being a great success providing an opportunity for exhibitors and sponsors to promote their rural and agriculturally focussed services to the many patrons that attended over the two days. If you would like to be a part of this show, or wish to find out more we suggest you visit www.agtradelife.com.au or contact Canegrowers Mackay.

Mayors Charity Ball

The Sunrise Rotary Club will again be hosting the Mayor's Charity Ball held at the MECC on 24th May 2014. It is a very special year for the ball being its 10th Birthday. Last year the Ball was attended by 277 guests and raised \$42,000 with donations being made to the Mackay Base Hospital Children's Ward, RSPCA Shelter and Engedi House.

It will be a great night filled with first class dining and entertainment. If anyone is interested in obtaining tickets or donating items for the charity auction, please contact our office for more information. Tickets can be purchased direct from the MECC.

Let's talk 4951 6000

Visit us 1st Floor, Cnr Sydney & Gordon Streets, Mackay



KNOW YOUR *numbers*

INTRODUCING JOHN BERNARD

John was born in Mackay and grew up on a local cane farm at Chelona. He originally completed a Computer Science Degree before returning back to help on the farm.

In 2004, he returned to studies commencing an Accounting/Information Systems Degree. He joined Lawton Accountants in 2005, and worked as he studied and completed his degree.

John has vast experience in all aspects of accounting including taxation, financial statements and superannuation. He has been with Proactive since Lawton Accountants joined us in November last year.

Outside of work, John enjoys Tai Chi and Yoga and is a qualified instructor in both.



It is very common that business owners are awesome at what they do in their chosen industry, field or profession but may not have the skills, knowledge, time or interest in regularly tracking their business performance.

It is easy to get caught up doing the day to day, week to week and before you know it another year has gone by. But what results have been achieved? Could these have been improved by knowing your numbers throughout the year?

As a business owner, you will always have to work to some degree in the business, but it is vital that you also work on the business, and to do this you need accurate, up to date and relevant numbers.

The importance of this has been no more highlighted than through the recent mining downturn, which has caused enormous financial stress for business owners directly and indirectly connected to the industry.



Before the downturn, knowing your numbers was less of an issue. Sales, margins and profits were high, cash flowed freely and most businesses ticked along nicely. There was room for inefficiencies and a reduced need for close management of expenses. You could get away with looking at your numbers less regularly as they looked after themselves. The lesson learned during this difficult period is that to make timely decisions you need timely information.

So how often should you look at the numbers? Every business has numbers they should be looking at daily, weekly, monthly and yearly. Leaving it all go until you get your tax done at the end of the year will not provide you with the information you need throughout the year to survive and thrive. Any issues have had a chance to fester and opportunities have passed potentially at a significant cost to the business owner.

At Proactive Accounting Solutions, we like to work closely and more regularly with our clients. We do this by helping you to keep your records up to date and accurate, by putting in place regular reporting and then meeting regularly to discuss the business performance.

The outcome from these meetings are that strategies are put in to place to improve your numbers, help you identify and achieve your short and long term goals for the business and your personal life away from the business.

We love to see clients benefit from knowing their numbers and welcome the opportunity to discuss these services with any clients or potential clients to find out how we can help.

— Written by Andrew Zammit

INTRODUCING TARA PATRONI

Tara has been working with us for over 2 years in a reception and administration support role. As part of the administration team, Tara helps to deal with the copious amounts of paper work that flows through our office each day, along with providing clients with a friendly face at reception.

Tara was born in Mackay, growing up on a cane farm at Homebush. She has previously worked in a local real estate office. She enjoys spending time with her friends and family and travelling on holidays.



TAX NEWS

DUE DATE FOR LODGEMENT

The final date for lodgement of 2013 tax returns is fast approaching. If you have not done so already, you need to have your 2013 tax lodged by the 15th May 2014 at the latest. Any clients that have not lodged yet should make contact with us to ensure we have your records in enough time to have your work completed by this date.

FBT

The Fringe Benefits tax year ends on the 31st March with FBT returns due for lodgement by 21st May 2014. Any clients providing benefits to employees such as motor vehicles, housing benefits and other expense payments in lieu of wages should contact us to discuss any FBT implications.



RESEARCH & DEVELOPMENT REGISTRATION DEADLINE



The deadline to register with AusIndustry for the R&D Tax Incentive ends on 30 April. The tax incentive is there to help businesses offset some of the costs of doing R&D. The program is open to companies of all sizes in all sectors that undertake eligible R&D. If your business' activities are eligible, the offset can be a huge benefit offering:

- A 45% refundable tax offset (equivalent to a 150% deduction) to eligible entities with an aggregated turnover of less than \$20m pa; or
- A non-refundable 40% tax offset (equivalent to 133% deduction) to all other eligible entities.

SUPER NEWS

ATO SUPER GUARANTEE AUDITS

From 1 July 2014, the ATO will be undertaking an increased number of audits of employers who continue to not meet super obligations for their employees – including:

- Paying their minimum super contributions quarterly (or lodging an SGC statement);
- Offering employees (and some contractors) a choice of fund;
- Keeping accurate records; and
- Passing on an employee's TFN to their super fund as required.

We encourage all clients to ensure that their super obligations are met on time. If you are behind in making these payments, then this should be dealt with prior to an audit occurring to minimise interest and penalties charged. The ATO takes the payment of super very seriously including amounts to be paid on PAYG wages to you as the business owner.

WOMEN ENCOURAGED TO PUT MORE INTO SUPER

The ATO is encouraging women to take an active interest in their superannuation. On average, Australian women currently retire with super account balances of just \$112,600.

That's much less than the amount a single woman needs for a \$40,000 a year retirement income. It surprises a lot of people that putting the equivalent cost of one cup of coffee a day into your super can add up to an extra \$128,000 when you retire*.

* This is based on a 30 year old woman investing \$3.80 per day into a moderate fund and assuming 5% growth over a 35 year period.

SELF-MANAGED SUPER FUND (SMSF) STATISTICS

As at 30 September 2013, there were over 516,000 SMSFs holding around \$531 billion in assets. Although SMSFs are nearing one million SMSF members (980,000), or 8% of the 11.6 million members of Australian super funds, they account for 31% of the \$1.6 trillion total super assets as at 30 June 2013.

VISIT OUR WEBSITE AND KEEP UP TO DATE

Our website not only highlights our services but also contains a Seminars and Events page under the News tab which is updated each month with Seminars and Events being held by various organisations that are relevant to local businesses. The site is also updated with a monthly Blog offering discussion on the different elements of running a successful business and other related topics.

www.proactivesolutions.com.au



STAFF NEWS

10 year anniversary

We would like to congratulate Keith on his 10 years of service. He started working with Andrew in 2003 as an undergraduate accountant completing his degree in 2008. Keith has since completed his CPA and enjoys providing advice and support to clients in his role as Senior Accountant.



Congratulations

Congratulations to Courtney who completed her Bachelor of Accounting degree last year. Courtney attended her graduation ceremony at Central Queensland University in Rockhampton with her parents and partner Edward. Courtney has been working with Andrew for the past 2 years while studying.



Congratulations also to Brooke who recently completed her Bachelor of Accounting from Central Queensland University. Brooke will attend her graduation ceremony here in Mackay in September this year.

Both Courtney and Brooke are currently enjoying some time away from the books before they commence further CPA/CA studies.

Love is in the air (again!)

Last newsletter, we announced Katie and Rob's engagement. This time it's John Bernard's turn, proposing to his partner Estera Benjamins last month. We wish them all the best for their wedding day and future lives together.

About us

The accountants at Proactive Accounting Solutions are passionate about building close relationships with our clients, working with you to achieve your business, financial and lifestyle goals.

Did you know?

The most productive day of the week is Tuesday.

What is a Proactive Accountant?

- An accountant who is **passionate** about helping their clients
- An accountant that **returns your call promptly**
- An accountant that is more like a **business partner**
- An accountant who **meets with you regularly** to ensure you are on track & achieving your goals
- An accountant that **does not charge** you for a quick question or chat
- An accountant that can **change your business** & ultimately your personal life
- An accountant with an **open door** policy and a **complimentary** consultation

Let's talk

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info@proactivesolutions.com.au

Visit us 1st Floor, Cnr Sydney & Gordon Streets, Mackay

Linked in

connect with us online

WWW.PROACTIVESOLUTIONS.COM.AU