



# PROACTIVE ACCOUNTING SOLUTIONS

## Summer 2013

### A NOTE FROM ANDREW

Welcome to the first Proactive Accounting Solutions newsletter. This will be a quarterly publication to keep you up to date with what is happening in the firm, provide some articles of interest and the latest tax and super changes.

It has been a very exciting time for our firm with the opportunity to re brand ourselves as Proactive Accounting Solutions. We are very proud of our new name and branding, in particular our website [www.proactivesolutions.com.au](http://www.proactivesolutions.com.au) which I would encourage clients to visit if they get a chance.

The website not only communicates the services we can provide to clients, but also how we love to work proactively with you to ensure that your figures are up to date and accurate, any improvements needed are implemented in a timely manner and that you remain on track to achieve your business and lifestyle goals.

We wanted to personalise our website which involved a photo shoot with a number of our clients across various industries. I would like to again extend my thanks to these clients for taking time out of their busy day to be involved, it is much appreciated.

As you will read in the newsletter we have some other very exciting announcements to make regarding the growth of our firm and we are all really looking forward to the year ahead. The Proactive team wish you all a Merry Christmas and a Happy New Year and would like to thank you for your support during the past year.

*Merry Christmas  
from the team at Proactive*

### CHRISTMAS BREAK

Proactive Accounting Solutions wish to advise all our valued clients that we will be closing at 5pm on Friday 20th December and will reopen for business on Thursday 2nd January.

### LAWTON ACCOUNTANTS JOIN PROACTIVE

We are excited to announce that Lawton Accountants have joined Proactive Accounting Solutions and would like to extend a warm welcome to all of their clients. Joining the Proactive team are Val Lawton who will continue to assist servicing clients as a consultant, accountants David Lawton, John Bernard and Val Farrell who joins our administration team.



Val Lawton, David and I have been meeting with Lawton clients and will continue to do so in the coming months. By joining Proactive, the Lawton team will gain additional support which will assist in meeting client needs into the future. It will also allow for Lawton clients to have access to a wider range of services to assist them in meeting their financial and personal goals.



*Let's talk 4951 6000*

*Visit us*

1st Floor, Cnr Sydney & Gordon Streets, Mackay

## INTRODUCING VAL LAWTON

Val has a wealth of experience in accounting, taxation, finance and business advice. She commenced public practice in 1985 when she established Val Lawton & Associates, which was later renamed as Lawton Accountants.

She has been involved in lecturing at the University of Central Queensland for 25 years and in fact taught many of our staff including Andrew and Jarrod.

Val has won many awards over the years for her dedication and business values. She is looking forward to working with the Proactive team in a consulting role assisting in providing clients with a high level of service.



# REFERRAL *reality*

One of the cheapest and most effective ways to grow your business is through referrals. Although this is cost effective it won't happen without effort on your part. *The best way to attract referrals is to ask for them!*

Don't be scared of what the other person will think, or if they don't send any work your way straight away.

Some common fears around asking for referrals are:

- That you will look desperate by asking for work
- If you lack self-confidence, you may think why would they send work to me
- I am so busy already I won't be able to handle any more work so I won't ask
- I am not good at talking to people



These are all excuses and limit the ability for your business to grow.

- Asking for referrals does not look desperate it looks proactive.
- If you are good at what you do or have good products, you should be proud to tell others.
- You are not too busy you just don't have enough capacity to do the work. This can be fixed with better systems, better time management or by adding more people.
- Articulating what you do and how your service or product is of value just takes practice and is something you will get better at each and every time you do it.

Referrals can come from existing clients/customers, friends and family or your business networks. Basically anyone can be a referrer providing they know what you do, are confident in your abilities and know someone that needs your service or products.

With existing clients/customers the best way to attract referrals is by giving them exceptional service. If your clients are happy they are more likely to refer you to others, and you feel more confident to ask for referrals.

With family and friends it's a bit easier because you already have a close relationship with them and they should like you! But don't assume that they understand what you do or know that you are looking to grow your business.

One of the biggest mistakes we are all guilty of is when asked how we are going the first thing we say is "flat out" or "swamped." The assumption then is that you would not want any more work so they don't think to refer you to others. Instead you should say that you are busy but always looking for new work.

Networking is another great way to give and receive referrals. There are business network events every week hosted by Mackay Region Chamber of Commerce, Aust Institute of Management, MAIN and the banks. Making the time to go to these events and meeting other business owners will help expand your referral network. Following up with a one on one coffee with people you meet is a great way to build a closer relationship and learn more about what each other does and this will potentially lead to referrals for both of you.

There are also specific networking groups such as BNI (Business Network International) that are specifically designed to bring business owners together for the purpose of passing referrals. I joined the Pioneer chapter of BNI this year and have not only found it to be a great source of referrals but also a source of friendship and support from other passionate business owners. This group meets every Tuesday morning 7.00am at the Grand Suites for a breakfast meeting. For more information on BNI go to the website [www.bninet.com.au](http://www.bninet.com.au)

Another useful tool is using social media such as Facebook and LinkedIn but there is no substitute to making face to face real connections. I believe this will be the basis for business in the next decade as everyone grows tired of the noise of digital marketing and communication.

So receiving more referrals and ultimately more business is as simple as putting yourself out there, being confident in yourself and what you do or sell and being able to communicate this to potential clients/customers and potential referrers. Just give it a try, you have nothing to lose and I think you will be surprised at the results.

# CHANGES IN TAX

## *Post Election Tax Changes*

### FBT

Thankfully the elected government has scrapped the proposed changes to FBT on cars which would have removed any real benefit in salary packages involving novated car leasing arrangements.



### COMPANY TAX RATE

Another policy announced during the election campaign was a 1.5% company tax cut for small companies to commence from 1 July 2015. This change benefits some small businesses operating through companies but does not reduce the tax for other business structures such as trusts and partnerships. Companies with taxable incomes in excess of \$5M will continue to pay tax at the 30% rate.

### CARBON TAX

One of the new government's election promises was to abolish the Carbon Tax. It is expected that this will reduce the costs of the country's 500 biggest polluters and should result in lower energy costs for consumers.

### SMALL BUSINESS DEPRECIATION

Unfortunately the new government intends on reducing the immediate write off of assets for small businesses with a turnover under \$2M from \$6,500 back to the previous limit of \$1,000.

# SUPER NEWS

## INCREASE IN SUPER GUARANTEE

You should be aware that from 1st July 2013 compulsory employer super increased from 9% to 9.25% and will increase to 12% over the next 7 years. If you are an employer you should ensure that your payroll system has been updated to take into account this change.

## CONCESSIONAL SUPER CONTRIBUTIONS

These are contributions either made by your employer, salary sacrificed or self employed super contributions you intend on claiming a tax deduction for. The limits in 2014 for those under 59 years of age is still \$25,000 but the government has increased this limit for those 59 years of age and older who meet the relevant tests to \$35,000. If these limits are exceeded then excess contributions tax may be paid at the highest tax rate. Non-concessional contributions i.e. member contributions or non-deducted contributions can still be made up to \$150,000 per year but we would strongly suggest calling us before making any significant contributions into super.

## SUPER - HOW MUCH IS ENOUGH?

According to the ASIC – Money Smart website [www.moneysmart.gov.au](http://www.moneysmart.gov.au) when it comes to super, size does count. Your employer's super contributions may not be enough if you want to be financially secure when you retire. This site offers tools to calculate how much you need to retire comfortably.

How much extra money you should contribute to your super depends on what you'll need to live off once you retire. The amount of super you need depends on how long you live, what type of lifestyle you want and future medical costs.

A couple retiring at age 65 would require a lump sum retirement benefit of at least \$744,000 to enjoy a comfortable lifestyle (Annual living costs of approximately \$57,000) until age 85.



## KMART WISHING TREE

The Proactive team are proud to have taken part in supporting the Kmart Wishing Tree Appeal. The Kmart Wishing Tree Appeal is Australia's largest Christmas gift appeal expecting to collect more than 500,000 gifts nationally this year.



Share the joy of giving

## STAFF NEWS

### Proactive continues to grow

With Lawton Accountants joining Proactive our team has now grown to 16 including 12 accountants, a bookkeeper and 3 administration staff. This staffing level will ensure that we can provide a high level of service and continue to grow.

### Love is in the air

We ask that you join us in congratulating Katie on her engagement to Rob while on holidays at Mission Beach. We are all very happy for them both and wish them all the best in their future lives together. If she has not already shown you her engagement ring, she doesn't need too much encouragement!



— Samuel

— Harry

— Rob & Katie

### 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 bronze medals awarded at the Sydney 2000 Olympics were made from 1c and 2c coins removed from circulation in 1992.

### 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

4951 6000

info@proactivesolutions.com.au

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

connect with us online

[WWW.PROACTIVESOLUTIONS.COM.AU](http://WWW.PROACTIVESOLUTIONS.COM.AU)